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LOCAL GOVERNANCE AND SUSTAINABLE RURAL DEVELOPMENT: IRELAND’S EXPERIENCE IN AN EU CONTEXT

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Abstract
Local governance and sustainable rural development: Ireland’s experience in an EU context
This paper discusses the role of local governance partnerships in promoting sustainable rural development with reference to EU policy over the past two decades. Ireland’s experience is presented as an example. From the early 1990s on, new local partnerships associated with both EU and national approaches to rural development compensated for some of the deficiencies of weak local government in Ireland. Partly because of concerns relating to duplication of expenditure and democratic representation, the partnerships have gradually been brought more closely within the remit of the statutory local government structures. It remains to be seen how Irish rural development policy for 2007-2013 will be implemented within this changing context.

Key words
rural development, sustainability, local partnerships, governance, Ireland

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1. Introduction

The concept of ‘sustainability’ is socially constructed and therefore its meaning varies over time and space. Since the late 1980s it has become interpreted in a holistic fashion as referring to the use of economic, socio-cultural and environmental resources in benign ways and transmitting them in an undiminished state to succeeding generations (World Commission on Environment and Development 1987). ‘Rural development’, by contrast, is a long-established concept and has been pursued as a strategy since the 1950s to offset features of economic and social decline associated with particular population groups and areas broadly defined as ‘rural’ in developed and developing economies (Storey 2009). The rural areas that are the focus of development policies in the European Union (EU) are often those where land use is restricted by features of physical geography, farm size and distance from markets, and they are frequently described as being economically ‘marginal’ and/or geographically ‘peripheral’ (Moseley 2002). Prolonged outmigration from agriculture, unbalanced age, gender, and occupational structures, a lack of entrepreneurship, and a declining service base are symptomatic features (CEC 1988, 1996; Terluin and Post 2000). The remit of development actions to compensate for the negative economic and social outcomes of structural decline in such locations (which is viewed by some economists as a natural adjustment process which creates a more viable base in a profit or income sense) has been extended over time to include the physical and built environment as well as the economy, society and culture (EUROPA 2003; Ray 2000).

This paper focuses in particular on new systems of partnership governance that have emerged since the early 1990s in the EU to promote more sustainable rural development, as defined above. The Irish experience is used as an example because it differs to some extent from many other European states. The county (of which there are 26) is the basic unit of local government in Ireland and most counties are several times larger than the more common European local administrative unit of the commune. Because of the absence of small scale local administrative units, new local governance structures in the form of partnerships, which operated within new territories (which could vary in extent over time), were developed to meet EU requirements for programme delivery. These structures have evolved since the early 1990s in ways which illustrate adaptation by the central state to the requirements of the EU, whilst at the same time seeking to continue to support the legitimacy of the existing county administrative structures. The paper discusses the evolution of sustainable rural development measures within a partnership delivery model in the EU, reviews the Irish experience of partnership and the associated territorial structures and their evolution over time, and presents broad conclusions relating to the relationship between governance and local government in Ireland.

2. Local partnership governance and rural development in the EU

Partnership was defined almost two decades ago by the OECD (1990, 18) as involving “systems of formalised co-operation, grounded in legally binding arrangements or in formal undertakings, co-operative working relationships and mutually adopted plans among a number of institutions”. In the late 1980s, partnership became part of the EU’s commitment to rural ‘subsidiarity’, a principle which sought to involve local communities in policy making at the level at which policy is implemented (CEC 1988). The concept of subsidiarity was also envisaged as contributing to the ‘empowerment’ of local people by incorporating them more
effectively in developments that impinged on their social and economic welfare (Benington and Geddes 2001; Spear et al. 2001). From a more critical perspective the advocacy of empowerment has been interpreted by some commentators as providing an excuse for the neo-liberal state’s gradual withdrawal from its welfare obligations (Healey 2003; Geddes 2006).

There is considerable variation in the partnership entities that exist within and between countries (Moseley 2003). The EU’s Leader (liaison between activities for the development of the rural economy) programme, introduced in 1991, is aimed at local development agencies having an integrated multi-sectoral rural development strategy, preferably involving mixed partners from the public, private and voluntary sectors, and operating at sub-regional levels covering populations of between 5,000 and 100,000 people (Esparcia et al. 1999). The measures that were funded include those for agriculture, for rural development groups, and for transnational networking. Emphasis was placed on economic and socio-cultural development in Leader I (1991-1993); environmental sustainability was referred to but was not highlighted to the extent that it was in later Leader programmes. Nevertheless, Moseley (1995, 247) has noted that “many local groups showed considerable environmental awareness in selecting and shaping their projects”. Environmental conservation was incorporated more explicitly in Leader 2 (1994-1999) and in the Leader+ programme (2000-2006) as one of the priority themes used to frame actions. Axis 2 of the Community Strategic Guidelines for rural development, which relate to the programming period 2007-2013, provides measures to protect and enhance natural resources by preserving farming and forestry systems conducive to the protection of nature and by protecting cultural landscapes in rural areas (CEC 2006, L55/22). Therefore, ‘rural development’ has incorporated a more holistic approach to sustainability over time, reflecting the concerns of EU and national policy more generally (CEC 2001; Government of Ireland 1997).

Local governance as a concept and structure attracted growing attention in research relating to rural and urban development during the 1990s (Goodwin 1998; Jessop 1995). It may be viewed as involving an increased engagement by local people with public and private interests in pursuit of agreed common objectives, through new institutional structures. Stoker (as quoted in Goodwin 1998, 5-6) has described it as follows:

Where government signals a concern for the formal institutions and structures of the state, the concept of governance is broader and draws attention to the ways in which governmental and non-governmental organisations work together and to the ways in which political power is distributed, both internal and external to the state.

Two specific, but not exclusive, sets of circumstances have been identified as contributing to the growing role of local governance in rural contexts (Cawley and Nguyen 2007). The first arises from state curtailment of its social obligations in service supply and other support mechanisms during a period of widespread economic recession, in the late 1970s. As a result, the private and the voluntary sectors were encouraged or felt morally obliged, in the case of some long-established voluntary social organisations, to compensate for reduced state involvement (Larner and Craig 2002; Geddes 2006). The second set of circumstances that was conducive to enhanced local governance in the EU in the 1980s was the growing attention being given to democratic representation and inclusion. Partnership became a central feature, both as a process and a structure,
and the voluntary sector was encouraged to become increasingly involved in rural development activities (Turock 2001).

3. Sustainable rural development in Ireland

3.1 Policy, governance and territorial structures

The evolution of the concept of sustainable rural development in Ireland follows closely the more general European model in that emphasis was placed initially on economic and socio-cultural dimensions with the physical environment receiving increased recognition over time. The concept of a multi-sectoral approach to rural development dates to the 1960s in Ireland, although a cohesive strategy relating to sustainable development did not emerge until the late 1990s (O’Malley 1993; Government of Ireland 1997). Partnership as a process and a structure became part of rural development initiatives from 1991 on. Two forms of partnership assumed particular importance because of their widespread presence throughout the state: the Leader partnerships and Local Area Development Partnerships (LAPs). They differed in their origins, governance structures and objectives. Recently, they have been merged into a new entity. The evolution of partnership governance with reference to Leader is of particular interest here.

Between 1991 and 2006, the Leader programme operated in Ireland within the context of guidelines set at an EU level and was monitored nationally. Flexibility was provided for partnership formation and for designating the territorial areas served which varied to some extent between different phases of the programme. Sixteen Leader I (1991-1994) companies were established as partnerships between the Community, the state, private enterprise and voluntary organizations and received combined EU and state funding of IRE35 million (ecu44.8 million) (Kearney et al. 1994). This funding was matched by local contributions, often in the form of voluntary labour rather than finance capital (Moseley et al. 2001). The populations served varied from 30,000-100,000 people. Some 720 groups obtained funding and some 2,854 full-time job equivalents were created (Kearney et al. 1994). Leader II (1994-1999) differed from Leader I in applying to all rural areas in the state, in placing emphasis on stimulating local involvement and capacity building, in addition to medium to long-term development, and in promoting environmental conservation. Another novel aspect involved greater coordination of activities with the County Enterprise Boards (another type of partnership with a role relating to small scale industrial development) and the adoption by the Leader companies of the enterprise functions of the LAPs, changes that were designed to reduce duplication of activities. Combined Irish and EU funding of IRE77.29 (ecu95.58 million) was allocated to 36 Leader companies, and two tourism groups received smaller amounts of money (Kearney and Associates 1997). The programme was evaluated positively in terms of its contribution to the creation of new employment (some 4,239 new full-time job equivalents), the establishment of new enterprises, new products and new markets, and the support of existing businesses (Kearney and Associates 2000). Transnational cooperation was also particularly effective (Ray 2001).

The third Leader programme, which ran from 2000-2006, recognised the different support needs of partnerships at different stages of development and contained two separate elements. Twenty-two established groups received €92.83 million from EU and national sources under LEADER+. A second National Rural Development Programme, funded 12 established partnerships, one new group and three other
sectoral and community development groups. Eligibility for funding required a strategic focus on enhancing the natural and cultural heritage, reinforcing the economy, and improving the organisational abilities of communities. A mid-term review of LEADER+ commented positively on business support, job creation and retention, achievement of the main objectives, and collaboration with the County Enterprise Boards and other agencies (DCRGA 2005). There was some delay in establishing a supportive networking structure, as was required (DCRGA 2005).

By design, Leader addresses broadly-based rural development, and evaluations in Ireland have pointed to the difficulties in assessing the programme purely on economic grounds (Kearney and Associates 2000). Weaknesses were associated with the two first phases from a cost-benefit perspective which related to ‘deadweight’ (the funding of projects that might have taken place in any case) and the displacement of existing employment (CAG 1999; DCRGA 2005). Deadweight was reduced through more stringent assessment of applications for funding. An evaluation of Leader+ noted that the cost per job was, in fact, less than that imputed in the original programme and that deadweight was reduced considerably (DCRGA 2005). The displacement effect of employment funded by Leader was more difficult to identify because of the open nature of the Irish economy. There is also an argument that direct displacement can be minimised by focusing funding on innovative projects (CAG, 1999).

Local area partnerships (LAPs) are the second main type of partnership involved in rural development in Ireland since the early 1990s. LAPs were established in four rural sub-county areas as part of the national Programme for Economic and Social Progress in 1991, a new initiative in economic planning (Government of Ireland 1991). The partnerships involved state agencies, the social partners (trade unions, employers, farmers and voluntary groups) and local communities. The basic objectives of the initiative were social first (particularly to offset long-term unemployment) and then to promote local economic projects. In addition to the funding provided by the state and the social partners, the LAPs received funding from the EU through a global grant. LAPs were established in ten additional rural areas in 1994. From 1994 on, their enterprise role was allocated to the Leader partnerships (to avoid duplication of expenditure) and the LAPs focused on issues of social and community development and promoting social inclusion. Their Rural Transport Initiative has been evaluated positively. Programmes relating to the provision of childcare facilities have been queried on the basis of value for money and a social economy programme in terms of its long-term viability (Teague and Murphy 2004).

By the mid-1990s, partnership governance structures were in place which provided a framework for implementing multi-sectoral rural development measures which included environmental conservation. The territorial framework within which the Leader partnerships and the LAPs operated coincided in part with the existing counties but it included new sub-county units and some areas crossed county boundaries. Some overlap was present between the membership of the Leader companies and the LAPs, their actions, and the territories within which they worked. There were also other local social partnerships in place, totalling more than 100 overall, by the mid-1990s, when a need for better coordination was identified by the OECD (1996). Local government structures more generally were being reviewed at
this time which had implications for the organisation of the partnerships and their role in promoting holistic forms of local development.

3.2 Changing governance structures for rural development
Apart from possible duplication of activities, given the large number of units involved, concerns were expressed also in the late 1990s about a democratic deficit arising from the absence of a universal franchise in the election of members to the management boards of the Leader and LAP partnerships (Moseley et al. 2001). This thinking influenced the establishment of a County/City Development Board in each county in 1999 with which the non-statutory partnerships were required to liaise through a special Community and Enterprise unit (Government of Ireland 1998). A national White Paper on Rural Development (Government of Ireland 1999) also proposed greater integration of rural and regional development which had implications for local governance structures. The National Spatial Strategy (DELG 2002) recommended stronger linking of rural and regional development and their incorporation within a broader European spatial planning framework, although progress in this regard has been limited to date. In 2002, the rural development function was moved to a new Department of Community, Rural and Gaeltacht Affairs (DCRGA) in order to address issues of regional and social balance more effectively. A review was initiated to secure the most positive impacts for communities from expenditure through rural development programmes (DCRGA 2003).

In August 2007, the Minister for CRGA announced agreement on the establishment of 25 new Integrated Local Development Companies (ILDCs) in rural areas across the state, a number that was later extended to 36, “to improve local delivery of local and community development programmes including rural development” (DCRGA 2007a, 1). By July 2009, 25 new companies were established from existing entities and 12 additional companies were formed through mergers (which allowed for more than one company in the larger counties). Thus, the numerous local partnerships were brought together within the 26 counties, a process that involved lengthy negotiation of mergers between Leader partnerships and LAPs in several instances. The links to the county administrative structure are underlined by a requirement to have annual plans endorsed by the County/City Development Board. The ILDCs are also to have increased membership from the community and voluntary sectors to meet new EU strategic guidelines for rural development for 2007-2013 (CEC 2006). Their main objectives, as stipulated by the DCRGA (2007b, 4) are: “to promote, support, assist and engage in (a) social development, (b) enterprise development to facilitate rural and urban regeneration or (c) community development, designed to benefit and promote the welfare of local communities or to deal with the causes and consequences of social and economic disadvantage or poverty”. In other words they incorporate the functions of the former Leader partnerships and the LAPs.

The recent restructuring of the Irish local partnerships involved in rural development has been influenced by EU policy. Council Regulation No 1698/2005 is the basic document relating to support for rural development for 2007-2013 (CEC 2005, L277/6). It refers to provision to be made to transfer the basic principles of Leader to the rural development programmes, building a specific axis in them. In implementing rural development strategies in the Irish Rural Development Programme 2007-2013 (Department of Agriculture 2007, 163), groups are to be selected to deliver the programme based, among other factors, on a plan that proves its “economic viability, innate innovation and sustainability in the sense that all resources will be used in such a way that the options available to future
generations are not impaired”. A holistic view of sustainability is therefore being promoted. Special emphasis is to be placed on regional and transnational co-operation, particularly in relation to tourism and environmental initiatives that span a number of local area group territories.

EU rural development for the years 2007-2013 is built around four axes: (i) improving the competitiveness of agricultural and forestry; (ii) improving the environment and the countryside; (iii) improving the quality of life in rural areas and diversification of the rural economy; and (iv) Leader. Leader, as Axis 4, introduces possibilities for improved local governance by fostering innovative approaches linking the other three axes together. The ways in which these links will develop in Ireland remain to be seen. The relationships between the new integrated rural development companies and the county council structures, which have not had strong roles relating to rural development in the recent past, have to be worked out. Linking rural development with agriculture as part of a broader policy framework should, however, help to offset one of the weaknesses of the Leader programme, i.e. the fact that it operated largely in isolation from mainstream agriculture.

4. Conclusion

This paper focused on the role of governance structures as part of a sustainable rural development strategy with particular reference to the operation of the EU Leader programme in Ireland since 1991. Ireland provides evidence of new governance structures being introduced to meet the requirements of the international state (the EU) which has generated new issues relating to the relationship between local governance and local government within the national territory. These structures have evolved over time in response to both EU and national policy. The ways in which they evolved reflect the desire of the national state to comply with EU policy, by facilitating the establishment of new partnership entities, whilst also recognising its responsibilities and the political exigencies of protecting statutory local government structures. Local area partnerships, which are central to the Leader approach of involving local people in actions relating to their social and economic well-being assumed particular importance in Ireland, because of the absence of a local government administrative framework below the level of the county. The number of Leader and other local area partnerships increased markedly during the 1990s with support from national and EU sources. Many economic and social benefits were recorded but there were growing concerns by the late 1990s relating to duplication of actions. Disquiet was expressed also about an apparent democratic deficit because the members of the partnerships were not elected according to universal franchise. In 1999, as part of an on-going process of local government reform, measures were taken to bring the partnerships into a closer relationship with the statutory local authorities, by requiring that elected councillors be members of their management boards. Hitherto many partnerships sought to exclude politicians from their boards as a method of avoiding politicisation of their development activities.

A major review of partnership governance was conducted in Ireland from 2003 on and the minister of state with responsibility for rural development proposed a reduction in the number of Leader and LAP partnerships to one organisation in each county. By July 2009, 25 new integrated rural development companies were formed and 12 existing companies had adopted new governance structures, thereby providing for more than one entity in a number of the larger counties. The
rationalisation of the number of existing partnerships on a county level was based on arguments relating, inter alia, to a need for greater accountability in the expenditure of funding and better local representation. It also reflected the objectives of the new EU Rural Development measure for 2007-2013 where the Leader approach is assigned new significance in a broader policy where agriculture and rural development are more closely aligned. In these circumstances streamlining the activities of the existing partnerships was clearly desirable. The future role of the partnerships is envisaged as being strengthened, by the responsible Minister of State, and they provide a basis for representing a range of local community interests as required by the EU. Their relationship with the local authority in each county has also been defined more clearly and requires approval of the annual plans of the integrated local development companies by the local authority. It is, however, too early to judge how the new structures will operate to promote sustainable rural development in Ireland.

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LOCAL GOVERNANCE AND SUSTAINABLE RURAL DEVELOPMENT: IRELAND’S EXPERIENCE IN AN EU CONTEXT

Summary

This paper focused on the governance structures associated with the implementation of rural development policy and how these can change over time in response to policy change. The experience of Ireland was used as an example. The paper dealt in particular with new systems of partnership governance that have been promoted since the early 1990s in the EU to attain more sustainable rural development. Sustainable rural development was defined as involving measures that promote the protection of the physical and the built environments as well as the support of viable socio-cultural and economic structures. This concept of rural development has become more explicit in EU policy over the past two decades. Ireland assumes special interest because a deficit of local government structures equivalent to the commune, below the level of the county, meant that new governance structures had to be developed to meet EU requirements for subsidiarity in delivering the Leader programme. Ireland therefore provides an example of a national state’s response to the requirements of the international state in the process of implementing commonly agreed policy measures which are supported financially by the latter.

Local governance may be viewed as involving an increased engagement of local people with public and private interests in pursuit of agreed common objectives, through new institutional structures. Local area partnerships play an important role in this context. Partnership was defined almost two decades ago by the OECD (1990, 18) as involving “systems of formalised co-operation, grounded in legally binding arrangements or in formal undertakings, co-operative working relationships and mutually adopted plans among a number of institutions”. From the 1990s on, partnership was adopted widely in both urban and rural contexts as a method of involving local people in local development and also of levering finance and other forms of assistance to support state actions. The EU’s Leader programme, introduced in 1991, was aimed at local development agencies having an integrated multi-sectoral rural development strategy, preferably involving mixed partners from the public, private and voluntary sectors, and operating at sub-regional levels covering populations of between 5,000 and 100,000 people. Participation by local communities in the actions was required as a method of promoting their empowerment. The measures funded include those for agriculture, for rural development groups, and for transnational networking. During the three phases of the programme, between 1991 and 2006, its remit for economic and social development was gradually extended to include recognition of the need for environmental protection. This broader concept of sustainability is highlighted in the most recent Community strategic guidelines for rural development for 2007-2013, in which Leader is assigned a central coordinating role at a local level. The evolution of the concept of sustainable rural development in Ireland followed closely the more general EU model in that emphasis was placed initially on economic and socio-cultural development with concerns relating to the physical environment receiving increased recognition over time.

Two forms of new local partnerships have assumed particular importance in Ireland, since 1991, because of their widespread presence throughout the state: the Leader partnerships and local area development partnerships- LAPs. The latter were supported by the Irish government, employers, trade unions, farmer groups and the
voluntary sector in order to offset unemployment and meet essential social service needs in the early 1990s and received EU financial support through a global grant. The two types of partnerships therefore differed in their origins, governance structures and objectives but potential for duplication of actions was present even though efforts were taken to reduce this.

By the mid-1990s, partnership governance structures were in place which provided a framework for implementing multi-sectoral ‘bottom-up’ rural development measures. The territorial framework within which the Leader partnerships and the LAPs operated coincided in part with the existing counties but it included new sub-county units and some areas crossed county boundaries. Some overlap was present between the membership of the Leader companies and the LAPs, their actions, and the territories within which they worked. There were also other local social partnerships in place; more than 100 such entities were present by the late 1990s when a need for better coordination was identified by the OECD (1996). Local government structures more generally were being reviewed at this time which had implications for the organisation of the partnerships. The first stage in reform involved making provision for membership of elected councillors on the partnership boards in order to compensate for a perceived democratic deficit, given that the membership was not elected by universal franchise. In 2003, concerns relating to value for money and duplication of activities were used as part of an argument to reduce the number of partnerships. In August 2007, the responsible government minister announced agreement on the establishment of 27 Integrated Local Development Companies, “to improve local delivery of local and community development programmes including rural development” (DCRGA 2007, 1). These were to bring together the numerous local partnerships on a county basis and required a lengthy negotiation of mergers between Leader partnerships and other LAPs in several instances. The links to the county administrative structure were underlined by a requirement to have annual plans endorsed by the County Development Board. By July 2009, 25 new integrated rural development companies were formed and 12 existing companies had adopted new governance structures, thereby providing for more than one entity in a number of the larger counties (there are 26 counties). The new local development companies have increased membership from the community and voluntary sectors to meet new requirements associated with the EU strategic guidelines for rural development for the years 2007-2013 (CEC 2006).

EU rural development for 2007-2013 is built around four axes: (i) improving the competitiveness of the agricultural and forestry sector; (ii) improving the environment and the countryside; (iii) improving the quality of life in rural areas and diversification of the rural economy; and (iv) Leader. Leader, as Axis 4, is seen as introducing possibilities for improving local governance by fostering innovative approaches linking agriculture, forestry and the local economy and thereby promoting diversification of the economic base and strengthening the socio-economic fabric of rural areas. The ways in which these links will develop in Ireland remain to be seen, not least because the relationships between the new ILDCs and the local authority structures, which have not had strong roles relating to the rural development in the recent past, remain to be worked out.