Rural Development and Sustainability in Rural Areas

Jaroslav Čmejrek

Abstract: This paper focuses on the sustainability of rural areas from three points of view. The first is the confrontation between different discourses of rurality. This section of the paper is based on the concept of contesting development in rural areas by Michael Woods. The second perspective focuses on the role of agriculture in rural development. Is rural development possible without farm subsidies? How is the topic of rural development and farm subsidies reflected in the political programmes of Czech parliamentary parties? The low administrative capacity of Czech rural municipalities represents the third face of the sustainability of rural areas. Small rural municipalities have no chance of venturing into major economic projects; they can improve the appearance of municipalities and the level of social services, but the basic issues of the economic development of the locality are beyond their real horizon. Rural municipalities must face a high risk of indebtedness, which can result in a loss of their basic self-governing functions.

Key words: Rural development · Discourses of rurality · Political programmes · Czech rural municipalities

JEL Classification: R11

1 Introduction

The concept of sustainability was born as a response to an obsession with growth in the period after World War II – it turned out that unlimited growth is a dangerous illusion. Since 1972 when the Club of Rome pointed out the limits to growth, efforts to avoid the risks of unlimited growth begun to strengthen, and to focus on a level of economic growth that is still sustainable and is not associated with high risks. The concept of sustainability is most often understood as ecological sustainability and is primarily associated with environmental protection. The antithesis between economic growth and its sustainability is also reflected in rural areas, which can assume the form of an antithesis between the development and sustainability of rural areas. In the submitted paper we focus on three aspects of this issue. One of them is the clash of discourses on rurality, the second is the relationship between rural development and the development of agriculture and the third aspect, which is especially urgent in the Czech Republic, is the low administrative capacity of rural communities and its implications.

2 Methods

This paper is based on the concept that Michael Woods called Contesting Rurality (Woods 2005). It allows for an understanding of the different discourses on rurality, different ways of perceiving and understanding rural realities, and different visions of rural development. We try to show to what extent the discourses identified by Woods in the context of rural development in the UK can also be applied to the conditions of Czech rural areas. To do this, we will primarily compare the political programmes of Czech political parties, both major and medium programmes, and electoral programmes from the period immediately after the accession of the Czech Republic to the EU (Čmejrek 2007). With regard to the sustainability of rural areas in terms of administrative capacity of rural communities, the paper is based on available electronic databases and other public sources, primarily on the MONITOR information portal of the Ministry of Finance of the Czech Republic, which contains budgetary and accounting information on all municipalities in the Czech Republic (Czech Ministry of Finance 2015a). Other sources of data include information from the Ministry of Finance on the development of the debts of regional budgets and monitoring of economic activities of municipalities (Czech Ministry of Finance 2015b). This paper is also based on qualitative research in three selected rural communities which face a high debt burden (Čmejrek & Čopík 2015).

3 Research results

Politics in the British Countryside, Michael Woods discusses the development of discourses relating to rural areas and brings in contrast firstly “development discourse”, which dominated British agrarian politics for most of the 20th century, to “protectionist discourse,” which began to be asserted in the last decades of the 20th century. In his monograph about politics in the British countryside published in 2005 called Contesting Rurality. In development discourse, rural areas are less populated areas in which activities occupying a lot of space or those hazardous
to the environment can be developed more cheaply and with less impact on the environment and society than in the cities. Rural regions were therefore developed as areas suitable for the construction of dams, power plants, ore plants, waste incinerators, landfills and airports. In addition, residential construction began to pour into rural areas from urban agglomerations. This type of development was viewed as resolving key problems in rural areas - their peripherality, lack of infrastructure, unemployment.

A reaction to this type of rural development was the emergence of “protectionist” discourse, which is based on the belief that nature and the countryside are vulnerable and need protection from harmful human interference. In protectionist discourse, changes to the countryside via human intervention are considered acceptable only within certain limits. Human works should be basically built from organic materials, or local natural resources should be developed, but on a small scale, and taking into account the prevailing natural sensibility of the landscape (stone walls, secluded homesteads, etc.). Conversely, development which brings large amounts of foreign materials such as asphalt or metal, or modern technologies, causes disproportion with the morphology of the landscape, as well as noise and light pollution, and it is perceived as unnatural.

In the dispute between the two discourses - modernization of the countryside and its preservation - an extremely contentious issue became the question of housing in rural areas, or the expansion of satellite residential areas of an urban character at the expense of agricultural land and traditional rural communities. Another topic of conflict was brought about via the construction of wind turbines. Woods examines these issues at the local and regional levels (Buckinghamshire, Somerset), and at the national level. As a clash of conflicting discourses, he also included in his concept of rural development specific moments such as the role of the middle classes which defend the countryside as their space.

Wood’s concept of the conflict of discourses can also be applied to Czech rural areas, and the concept of contesting rurality will not lose its explanatory potential. In the Czech case, the analysis of discourses on rural development may provide an even more plastic image as more factors enter into the conflict between development and protectionism or sustainability, in particular the consequences of collectivization and the entire era of “building socialism”, complex reflections of the changes in the political system after 1989, establishing a market environment, accession of the Czech Republic to the EU, etc. In the programme clashes of Czech parliamentary parties in the 1990s, the clash between development and protectionist discourse was somewhat overshadowed firstly by the dispute on the issue of land ownership and of cooperative question, and later by the dispute between market regulation and liberalization, but it was, nevertheless, clearly present. Other important moments can be identified in the programme clashes of Czech parliamentary parties after 2000, which Woods speaks of in connection with British development. This mainly concerns the term of the “denationalisation” of rural policy, i.e. the transfer of government from the national level down to the regional and local levels and upward to the European Union, WTO and other supranational institutions. In the Czech Republic, this moment occurred around 2005, in particular in the approaches of KDU-ČSL, and to some extent in ODS. Among other things, it was manifested in the requirements to transfer management of the agricultural sector from the government level to the regional level (see Čmejrek 2007).

**Role of agriculture in rural development**

The agrarian question in political programmes since the beginning of the modern era, or the Industrial Revolution, reflected the antithesis between cities and rural areas, but it never set the agriculture and rural area in contrast. The development of agriculture was considered a self-evident basis for rural development. The aim was to integrate farmers and the entire rural society, as was expressed in Švehla’s slogan “the countryside is one family” in the Czech agrarian movement. Agricultural and rural developments do not get into opposition even in the communist concept of agrarian issues. Collectivization of agriculture was primarily seen as political – it was to ensure the integration of rural areas into the “socialist society” and was to also allow for similar forms of economic management and planning as in the nationalized industries to be introduced in agriculture. Rural development also essentially identified with the development of agriculture in the programme clashes of the 1990s.

Only after 2000, tendencies expressed in the programme clashes of Czech parliamentary parties that corresponded to the shift from a rural (or agricultural) policy to the “rural policy” which Michael Woods mentions in the British political context. The contradiction between rural development and agricultural development unfolded in 2004 and 2005 in the programme debate of Czech parliamentary parties immediately after the accession of the Czech Republic to the EU. The issue was whether rural development should be ensured mainly via agriculture grant support. Whilst in the programme documents of KSČM and CSSD the role of agriculture and (mass) production in rural development was emphasized, quality of life was in the background in rural areas. In the documents of ODS, US-DEU and KDU ČSL, there was much greater emphasis on the non-agricultural aspects of rural development. ODS expressed this in its
Blue Chance manifesto via the motto “from the policy of farmers to rural policy as a space for life” (Čmejrek 2007: 645). This wording is not very different from the subtitle of Wood’s monograph. KDU-ČSL declared that it supported “non-food agricultural production and non-agricultural business activities”, and in terms of support for agriculture, then it expected it only in connection with the maintenance of the countryside (Čmejrek 2007: 645).

After some time, until shortly before the elections in 2006, this shift also appeared in the policies of ČSSD, which overturned its priorities immediately before the election. Points relating to quality of life in rural areas came into prominence: “expand social care services in rural areas for the elderly as one of the job opportunities for rural areas”, “increase the attractiveness of rural areas for women and young families by providing transportation services, access to education, including implementing school bus programmes, preservation of rural schools and kindergartens in cooperation with municipalities, improving access to health services, culture and the overall support of cultural and club activities of a regional nature”. This was followed by a promise of the “support to small-scale agriculture for other than business purposes,” programme, and creating of conditions for “activities of civic associations, whose importance continues to increase in the context of the transformation of rural areas”. Traditional priorities of the Social Democratic agrarian policy such as increasing the competitiveness of Czech agriculture and the food industry, or the promotion of “ecologically viable agricultural mass production” were only introduced in the second half of the election programme. These points were also carefully placed in the context of landscape management, the environment and food safety (Čmejrek 2007: 647 ff.).

**Sustainability of rural self-government**

Sustainability of rural municipalities depends on the capacity of their public administration and services. The main problem lies in the settlement structure of the Czech Republic, which is very fragmented. There are about 6,250 municipalities in the Czech Republic. Small rural municipalities represent the majority of the Czech municipalities. According to the EU methodology, 80% of the total number of the Czech municipalities is located in rural areas with the rural areas covering 75% of the country’s territory. 22.3% of the population of the Czech Republic lives in rural areas. Almost one third of all municipalities have less than 200 inhabitants (Czech Statistical Office). Small rural municipalities suffer low administrative capacity. Some of them are characterized by relatively high debt and risk management, and to this are usually related local problems in the functioning of the local democratic process, the collapse of local government authorities, problematic municipal elections and even the unwillingness of citizens to run for office.

In 2014 the debt of municipalities in the Czech Republic amounted to 88.9 billion CZK (Czech Ministry of Finance 2015b - indebtedness of local budgets). Although debt amount is not a problem for many of the municipalities, some of the municipalities are virtually paralyzed by the amounts of their debts. Excessive indebtedness and consequent insolvency represent the greatest risk for municipalities that have made wrong investment decisions, or they were tasked with levies for a breach of budgetary discipline (or both). The risks for the economic situations of municipalities often relate to their failure to comply with the conditions of grant projects supported by EU funds, or from national subsidy programmes. The leaders of municipalities may make mistakes in the preparation and implementation phase of projects. For projects supported by the EU, the sustainability of the project for

Since 2008, the Ministry of Finance monitors and evaluates the economic activities of municipalities. Risky municipalities are considered those with a share of current assets for short term liabilities in the interval between 0 and 1, and the proportion of liabilities to total assets of the municipality exceeding 25%. In 2012, economic situations of 68 municipalities were assessed as potentially risky. A year later there were 52 municipalities in the same situation. The majority (15) of them were from the Central Bohemian Region. In proportion to the total number of municipalities, the Karlovy Vary Region recorded the highest number of risky municipalities in its territory (1.5% of the total number of municipalities). More than two-fifths of the total number of economically-risky municipalities had 200 to 499 residents. A quarter of them had populations of 199 people or less (Ministry of Finance 2015b).

Smaller municipalities are generally more vulnerable to encountering potential issues with grants, and their volume often equals a substantial portion of their total income. If a municipality needs to return a grant due to breach of terms (does not receive it, pays a penalty), it will often find itself in an impossible situation (Ministry of Finance 2015b; Kameníčková, 2015). Yet higher indebtedness can also affect larger municipalities, economic problems and high debts particularly threaten smaller municipalities characterized by low administrative capacity. These municipalities have no chance of venturing into the major economic projects. As confirmed by other studies (Bernard et al. 2011) the local governments of small rural municipalities are usually well aware of this fact and do not give much hope for the success of efforts to implement local economic development projects. This also represents a significant limit to community-driven local development (CLLD), which can influence the spatial definition of its activities (Čmejrek and Čopík, 2014).
and improve the appearance of municipalities and the level of social services, but the basic issues of economic development of the locality are beyond its real horizon.

4 Conclusions
The confrontation of the development and conservation discourse in the programme clashes of Czech parliamentary parties peaked immediately after the accession of the Czech Republic to the EU. This also led to an obvious effort to detach rural development from dependence on subsidizing agricultural production. Another important element became the “denationalisation” of the rural policy requirement, i.e. the shift of governance from the national level down to the regional and local levels and upward to the multinational level. “Denationalization” also means a greater emphasis on active citizenship and partnership, but also the growing influence of the private sector. The “rural policy” is much more flexible than the old-fashioned “agricultural policy”. It involves different groups and new types of participants. The concept of rurality remains the core of the rural political process, which creates a political framework shaping the decision-making process and motivates its participants. In terms of public administration, low administrative capacity of rural communities is becoming the biggest problem in terms of sustainability in rural areas, which is a tax for fragmented settlement structure in the Czech Republic.

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