

**COMPRENDRE**



# RURAL AREAS AND RURAL POLICY IN EUROPE

Comparative approach to five countries:  
Germany, Spain, Estonia, Ireland and Poland





In this report, we present the primary results of the study Rural Areas and Rural Policy in Europe. This European benchmark, at once a sociological, political and geographic study, reveals how public policies in support of rural areas in France, Germany, Spain, Estonia, Ireland and Poland have evolved. This study investigates the flows, and occasional controversies, that affect rural areas by widening the scope to the European level. In so doing, this research provides a wider range of possibilities for a collective understanding of the future of these areas.

This study was commissioned by the ANCT and funded by the National Rural Network. It was conducted in 2023 by Coopérative Acadie, selected after a call for tenders and procurement contract.

The entire study was coordinated by Patricia Andriot (ANCT) and Marie Laurent (ANCT).

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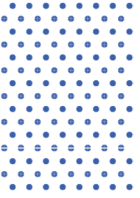
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The European Structural Funds are important for regional cohesion in France. The National Agency for Territorial Cohesion coordinates ERDF and ESF funding, and also works with the EAFRD (European Agricultural Fund for Rural Development) as co-director of the National Rural Network alongside the Ministry of Agriculture and Food Sovereignty and the Regions of France. In addition, since 2017, the French government has developed a proactive policy for rural areas with a rural agenda, followed by a new programme launched in 2023: Rural France.

Understanding how these funds interact and the roles that they play, particularly that of the EAFRD, in national rural development issues, and observing other countries' practices in policies for rural and mountainous areas are therefore, naturally, some of our primary concerns.

With the help of the National Rural Network, the agency has therefore decided to conduct research in order to:

- assess and demonstrate how European funds contribute to rural and mountainous areas. In particular, we seek to highlight the EAFRD's support of measures that contribute to advancing the Rural Agenda,
- identify how French and European public policies address issues relating to development in rural and mountainous areas.

The results of these studies are published in three reports<sup>1</sup> and confirm the structuring, and in some cases determining, nature of European funds in France, as well as in the other countries studied, in terms of rural development.

Beyond the different histories and trajectories of each of the countries studied, this research highlights common issues: a widely observed feeling that rural areas have been neglected, public policies that are being developed to support rural and mountainous areas as they face climate change, a shared resurgence of initiatives that begin in these regions, as well as the role of engineering.

These 3 reports on how the EAFRD is used to facilitate rural development and what kind of support is provided for adapting to climate change in the countries studied all highlight the key role of engineering in meeting these new challenges. These studies confirm how important the agency, its programmes and adaptive engineering are, as well as the role of engineering in better use of European funds.

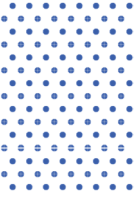
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territorial cohesion

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<sup>1</sup>This report, *Rural Areas and Rural Policy in Europe*, as well as *Comparative Views of European Funds and the French Rural Agenda* and *Climate Change in the Mountains: Meeting the Challenges of Adapting to Climate Change in Water and Tourism Management* (available on the ANCT website <https://agence-cohesion-territoires.gouv.fr/>)

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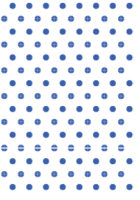
# INTRODUCTION

This report has a wide scope, as the initial order was extremely ambitious. The goal is to gain a better understanding of the French experience of developing a national policy for rural areas through a comparison between several European countries. Faced with the potentially very broad nature of such a comparison, we discussed the following three limitations of scope with the steering committee, which it then approved:

- a geographic limitation, selecting five countries for the comparison (Poland, Estonia, Spain, Germany and Ireland),
- an analytical limitation: we do not seek to provide a complete understanding of the instruments and players in rural development policies, but rather the meaning, flows and primary debates,
- a thematic limitation. The themes of public services, mobility, the ecological transition and aid for the poor have been identified as priorities.

In summary of this study, we note four elements on which national policies converge:

- **European local development policy is ubiquitous.** The methods implemented are very similar in all countries: action plans developed over several years defined in collaboration with local communities, evaluation of these programmes, etc. These methods are largely inspired by the European Union's LEADER programmes. In most of the countries studied, rural policies exist essentially, or only, within this framework,
- since the 2000s, **two events have played an important role in redefining national policies for rural areas everywhere: the 2008 crisis and Covid.** Particularly in Ireland and Spain, the 2008 crisis caused a powerful social and economic upheaval, which led these countries to re-examine their development policies. In Spain, the reduction in public spending sparked debates on how to share funds fairly between geographic areas. Rural areas have taken action to be part of a debate dominated by sharing between "nationalities". In Ireland, the shift towards development less polarised by major cities can be seen in public discourse. The 2008 crisis called the pro-urban shift into question everywhere. Covid also had mixed effects. Far from a "rural renaissance", Covid brought the internal differences between rural areas into sharp relief. Some are particularly attractive for second homes, remote working and mobile companies. In Estonia, the coastal countryside, easily accessible by train or motorway from Tallinn, is an attractive area, for example. Other rural areas are more landlocked or less "fashionable", however, and are hardly more attractive than before. In short, "residential-recreational-productive comfort" is becoming increasingly important in rural flows, as was observed several decades ago for urban areas,
- **the ecological transition does not (yet?) provide the impetus for redesigning rural policies.** Renewable energies, ecological agriculture and even changing how we manage water are being discussed everywhere. In this context, new city-countryside relationships are being considered. Yet, the ecological transition is primarily thought of as a transformation of rural economic sectors (construction, agriculture, tourism, energy, etc.), but not as a basis on which to redesign development policies. These ideas are being debated among intellectuals, experts, academics and many activist groups, but have not yet been incorporated by public policies. Moreover, the national authorities in charge of development have not yet provided forecasts of the possible or potential effects of the ecological transition broken down by geographic area in any of the six countries studied,
- **rural policies are strongly affected by electoral issues.** Most countries are experiencing a **rural crisis**, wherein the inhabitants and elected officials feel mistreated by national governments. Despite invisible mechanisms of redistribution between geographic areas that in most European countries benefit rural spaces, the feeling of being abandoned or even discriminated against is powerful, which can be seen by requests for special treatment, collective action and protest votes. The rise of the far right throughout the countries studied has led either to a non-liberal government's victory (in Poland in particular) or to other governments countering these movements with policies designed based on the locations of their electoral strongholds. For example, the electoral geography of *Vox* in Spain and the *AfD* in Germany is a primary concern for designers of new rural policies. The rural question is no longer simply a subject of public policy; it is becoming a serious political issue that calls for national cohesion pacts.

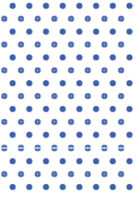


However, rural development policies remain quite different between European countries depending on:

- **how agriculture has been modernised.** Apart from Poland and Estonia, all countries have had a low agricultural employment rate in rural areas (less than 10%) for several decades. Rapid agricultural modernisation in Poland and abrupt modernisation in Estonia have produced very different debates: in both cases, governments are favouring agricultural issues (which include a reduction in the number of farmers) over rural issues (by implicitly accepting a reduction—hopefully temporary—in employment). In Spain, the historical choice of hyper-specialisation in a few sectors (fruit and vegetables, pig farming and wine) has raised a general question about the role of rural areas that do not fall within these specialisations,
- **general demographic flows.** Only Ireland has positive demographic flows in all of its rural areas. In the other countries, only rural halos of varying sizes around some major cities and well-defined rural areas (tourism destinations, specific industrial sites such as a nuclear power plant) are experiencing population increases,
- **the relationship between national and local governments.** Estonia and Ireland are highly centralised countries (for the almost obvious reason of their size) in which the national government directly pilots rural funds and programmes. In the other three countries, the regional level is stronger than in France, especially in the federal or quasi-federal states of Germany and Spain. In these two countries, there are national rural policies, but they are marginal in financial terms compared to European funds. These national policies are mainly intended to incentivise regional programmes and change their focus to incorporate national-level issues.

To address these issues, we did not choose a monographic approach. We present the elements in three phases. First, we try to situate rural flows in the geography and political culture of the countries in question. Secondly, we present how and with what means these policies are applied. Finally, we propose a diachronic analysis of rural policies in these 5 countries through progressive layering of three phases: modernising agriculture, diversifying the economy and the ecological transition. We focus on national policies. Of course, we must also refer to community and local levels as part of this analysis. The reader will find hereafter not a comparison of all rural policies implemented in the countries studied, but rather a comparison of the policies implemented by national governments.

This comparison is based on two sources: interviews (list in the appendix) and scientific documentation on the one hand, and administrative and technical literature on the other.



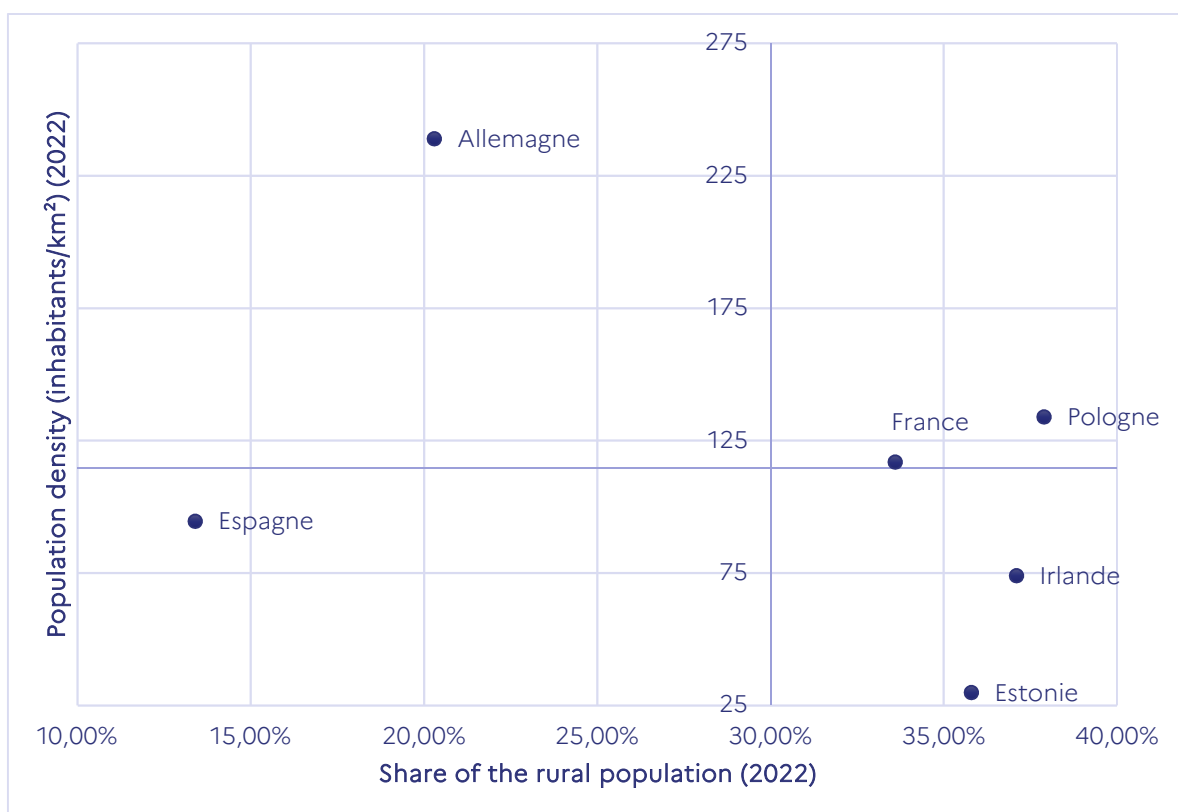
# PART ONE

## THE DIVERSITY OF RURAL AREAS IN EUROPE

These five countries (plus France) reveal a rich diversity of rural situations compared to the nation as a whole: the weight of the rural population in the total population varies from 1 (Spain) to 3 (Poland), just as population densities range from 1 (Estonia) to 8 (Germany), all in highly variable demographic situations (related, except for France and Ireland, to migration flows and therefore to the attractiveness of the country within the EU).

Schematically, these 6 countries can be ranked on a simple diagram that compares the overall population density to the share of the rural population, shown below.

*The six countries ranked by population density and rural population share (2022)*

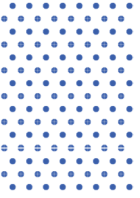


Source: Eurostat, Acadie processing

Although small, the sample appears representative of the diversity of European situations:

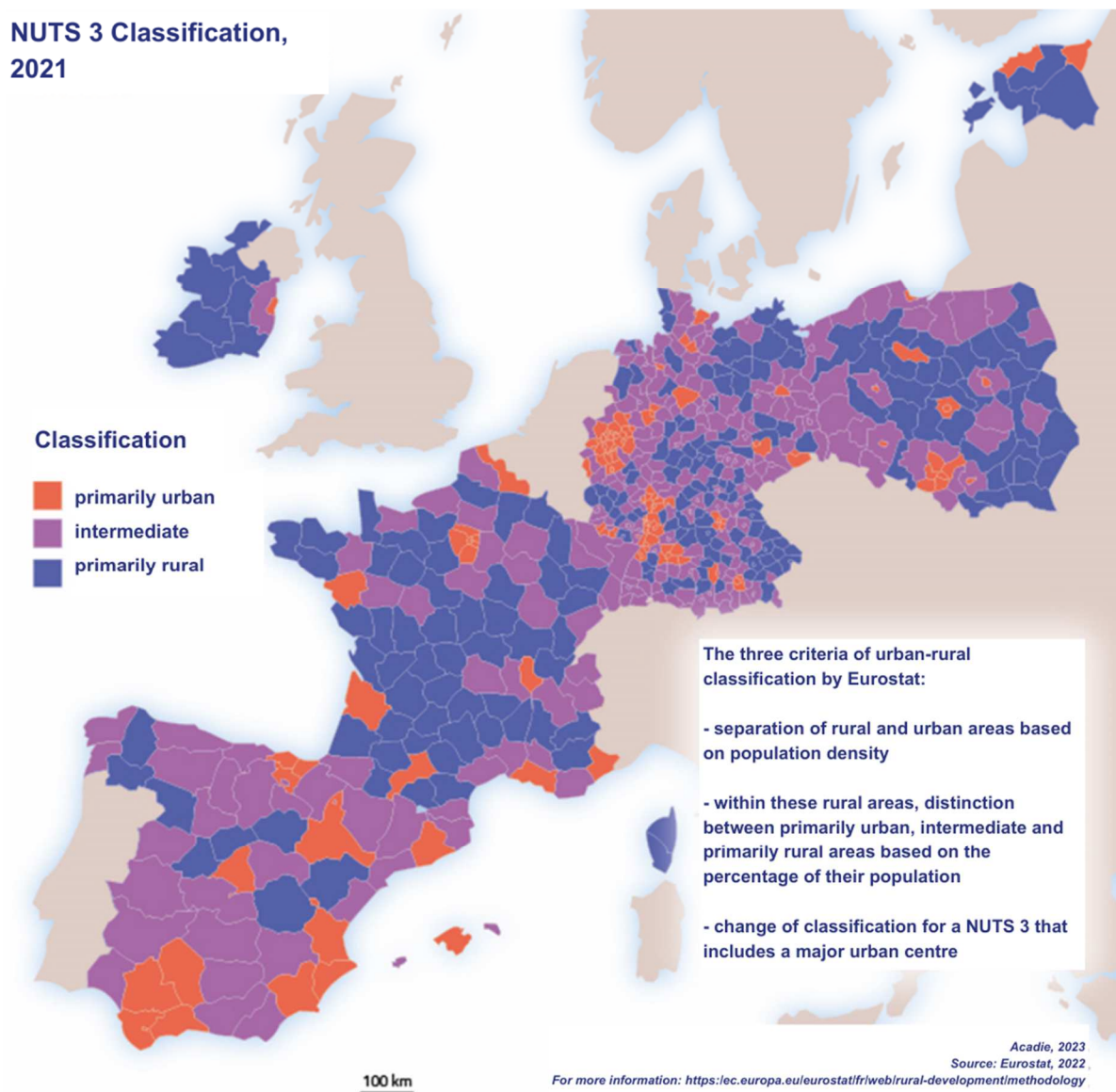
- country with high density and low rural population: Germany
- country with low density and low rural population: Spain
- countries with medium density and high rural population: Poland, France
- countries with low density and high rural population: Ireland and Estonia.





This limited data does not account for how the space is occupied and the role that rural areas (as understood by Eurostat, the European statistical office) play in national territories. An approach based on the smallest spatial units of European statistics<sup>2</sup> (the 1166 NUTS 3) allows us to measure the share of the population living in cities and in the countryside. This makes it possible to identify a "dominant" profile and thus classify these regions as "rural", "urban" or "intermediate". We note that Spain, despite its very low density, has very few rural areas, which indicates a rather concentrated living area and a low occupation of rural space. Conversely, the two smallest countries—Ireland and Estonia—with low population densities and high rural population rates, have a majority of areas classified as rural, revealing the concentration of the population in a few large cities and a scattered population in the rest of the territory.

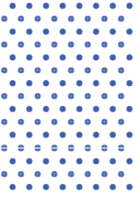
**Map 1: NUTS 3 classification, 2021**



France and Poland are marked by rather sharp regional differences, while Germany stands out for its scattered and sparse patchwork of geographic areas classified as predominantly rural, of which Mecklenburg-Pomerania in the north-east and Bavaria in the south-east are of note.

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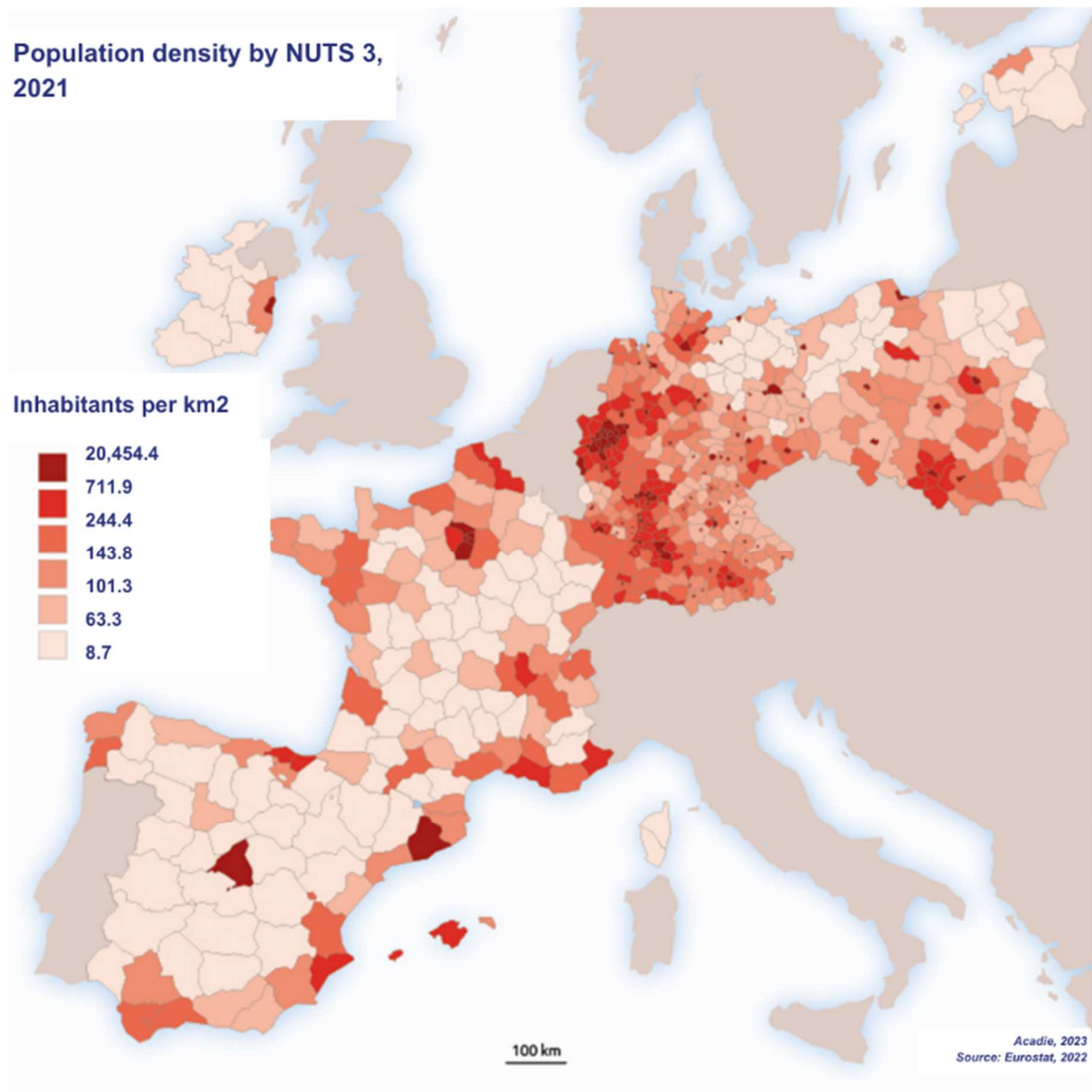
<sup>2</sup> <https://ec.europa.eu/eurostat/en/web/nuts/background>



Country	Share of rural areas (%)			Share of rural population (%)
	<i>Agriculture</i>	<i>Natural grassland</i>	<i>Forests and natural areas</i>	
Estonia	32.9%	0.8%	58.2%	30.3%
France	59%	2.2%	28%	34.4%
Germany	57%	0.6%	12%	19.6%
Ireland	67.4%	0.7%	10.5%	39.4%
Poland	58%	0.1%	32.5%	41.3%
Spain	47.9%	6.7%	25.4%	26%

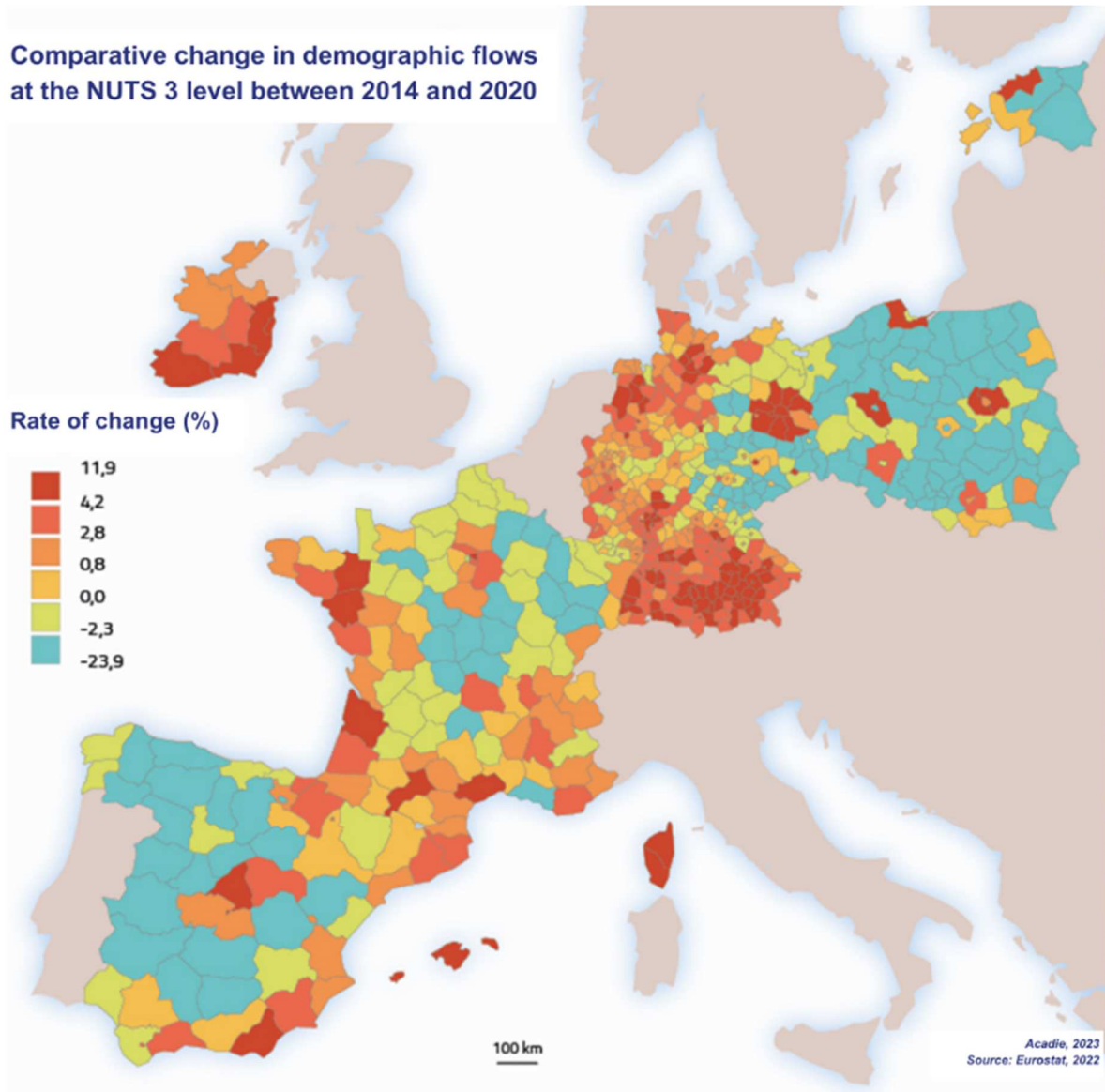
Source: Eurostat

Map 2: Population density by NUTS 3, 2021



Population density in European countryside is highly variable. Rural densities in Germany are much higher than in France. This means that what are called "rural policies" in Germany would be aimed at so-called "suburban areas" or "urban countryside" in France.

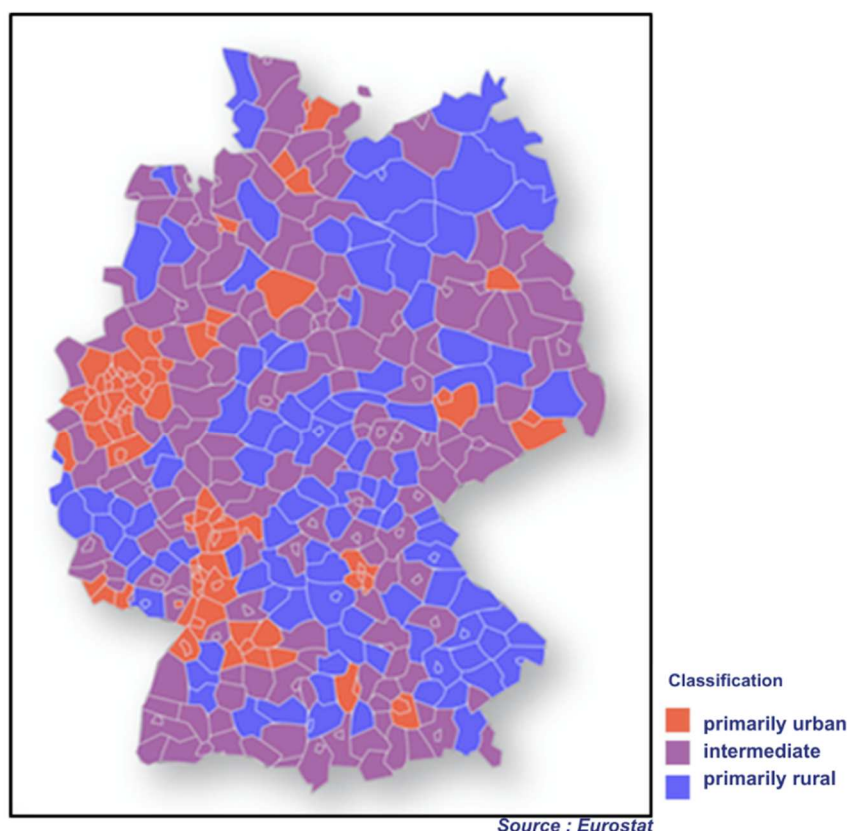
Map 3: Comparative change in demographic flows at the NUTS 3 level between 2014 and 2020



This map shows the contrasts in demographic flows between rural areas in the countries studied. In Poland, Estonia and Spain, rural areas are almost all affected by regional population decline. In France and Germany, situations are mixed. The east-west imbalance remains visible in Germany, although to a lesser extent. In France, the outskirts of the Paris Basin and some areas of the Massif Central and Grand Est are marked by a decline in population. Only Ireland is experiencing population growth in all regions.

# 1. GERMANY : DENSE AND MULTIFUNCTIONAL RURAL AREAS

Map 4: Germany, NUTS 3 classification



## How important are rural areas in the German space, society and economy?

Germany is the country in our sample in which the "rural" population is the lowest (19.6% of the population lives in rural areas). Agriculture nevertheless occupies 57% of the national space, while the share of forests and natural areas is the lowest in the sample (12% of national soil).

It is the second-largest agricultural power in our sample (in terms of value produced) after France, but it is the country where agriculture is the most productive: the annual value produced by a unit of agricultural work is close to €90,000 (€35,000 on average in Europe). The majority of farms are medium-sized (less than 50 ha), but farms of more than 60 hectares occupy 70% of the area, while they represent only 30% of all farms. The rural economy in Germany is not only based on agriculture and tourism. Manufacturing occupies a high percentage of the economy in rural districts (*Kreise*), up to a quarter of all employment in some *Länder*.<sup>3</sup>

The gap between the share of agriculture and the weight of the population considered "rural" is due to the fact that a majority of the population lives in "intermediate" areas, either in areas around

Notes .....

<sup>3</sup> H. ROTH, "Dynamiques industrielles et mutation des espaces ruraux en Allemagne", *Geocarrefour*, 83/4, 2008, p. 285-293.



big cities or in small towns. A significant portion of agricultural activity is also located in these "intermediate" areas. Depending on the viewpoint, rural areas in Germany can either be considered as marginal or as a key component of the national space. Thus, rural areas have long been of interest, due to the historical presence of the countryside and its landscapes in the literary and pictorial culture and the national imagination<sup>4</sup> (*Kulturlandschaft*).

## How are rural areas defined in Germany?

Rural, as a category of public policy, is the subject of studies and identification and definition projects that bring geographers, sociologists, economists and agronomists together with government organisations in charge of agriculture, rural development and land use.<sup>5</sup> These studies describe contrasting rural areas: attractive, multifunctional and dynamic in the south of the country (Bavaria, Baden-Württemberg); monofunctional, with a high increase in agricultural productivity and population loss in the east of the country<sup>6</sup> (Saxony, Mecklenburg-Pomerania), as well as in the west (Saarland, Rhineland-Palatinate).

In the early 2000s, the Bundesamt für Bauwesen und Raumordnung (BBR: Federal Office for Construction and Regional Development) defined rural areas based on three criteria:<sup>7</sup> a criterion of population density (<75 inhabitants/km<sup>2</sup>), a criterion of housing density (dispersed or grouped housing) and a criterion of distance from central cities. In addition, there are criteria to measure the degree of difficulty in rural areas defined as follows: unemployment rate and long-term unemployment, income level, typology of economic sectors, income level of municipalities. Finally, the BBR uses a scale of difficulties based on three dimensions: the degree of depopulation and emigration (especially of the youngest and most qualified), the level of public services and the level of economic activity and employment.

In 2005, due to one determining factor—accessibility of central cities—the rural category was close to disappearing, in favour of an analysis comparing central spaces to peripheral spaces. After many protests, rural areas were redefined, taking into account the indicators of density (<75 inhabitants per km<sup>2</sup>) and dispersion of constructed areas. Rural areas then represented 60% of the territory and 18% of its population. Within this rural zone, the accessibility criterion divides peripheral rural regions from outlying ones (50% of the area and 13% of the population). Finally, in 2005, an index of the potential for multifunctional use was introduced, which partly obscures the challenges of depopulation, but highlights the delay in diversifying local economies, revealing a geography similar to that of 2000.

Starting in 2015, as part of the federal rural recovery programme (BULE+), the demographic criterion began gaining importance again, through 37 indicators used to build a synthetic index of "demographic challenges", intended to classify the districts on a scale of difficulties.

Under the federal state, the *Länder* have their own definitions of rural, using the designation of "microregions". Therefore, the categories created at the central level function more as a breakdown of incentivisation by zone than of actions taken, except those of the BULE+ programme. Thus, rural development policies are implemented based on three approaches, that of the EU, that of the federal state, and those of the *Länder*, with the possibility for areas to sign contracts with several institutional levels.

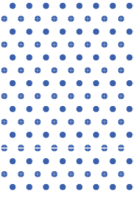
### Notes .....

<sup>4</sup> W. SCHENK, "De l'espace résiduel aux paysages culturels : les nouvelles conceptions de la ruralité et de ses ressources dans les politiques territoriales en Allemagne", in K. M. Born, G. Lacquement and B. von Hirschhausen (ed.), *Réinventer les campagnes en Allemagne : Paysage, patrimoine et développement rural*, Lyon, ENS Éditions, 2017, p. 43-58

<sup>5</sup> K. M. BORN, G. LACQUEMENT and B. VON HIRSCHHAUSEN (éd.), *Réinventer les campagnes en Allemagne : Paysage, patrimoine et développement rural*, in *Réinventer les campagnes en Allemagne : Paysage, patrimoine et développement rural*, Lyon, ENS Éditions, 2017

<sup>6</sup> P. JUTTEAU and G. LACQUEMENT, "Transition énergétique, transformations de l'agriculture et héritages postsocialistes en Allemagne orientale", *L'Espace géographique*, vol. 48, n° 4, Belin, 2019, p. 359-380

<sup>7</sup> Based on the Kreise (inter-municipal districts).



## What are the political challenges of rural areas?

Public policies in favour of rural areas were initially agricultural policies in the post-war period. These apparently sectoral policies were also geographic policies. As in other countries, they have also helped build an environment of services and infrastructure intended to develop and modernise agriculture, which has had a major impact on rural areas. Beyond agricultural policies, federal regional development policies are underpinned by the constitutional objective of equality in living conditions, regardless of the location. One of the tools for implementing this objective is the spatial concept of "decentralised concentration", based on a hierarchical analysis of urban structures. Rural planning is based on this principle, which is supposed to guarantee equal access to services and opportunities for all.

The rise of the far-right in declining rural areas, particularly in the east of the country (Mecklenburg-Pomerania, Saxony), and increasingly in the south (Bavaria and Baden-Württemberg), has reactivated a debate on regional fractures<sup>8</sup> and the constitutional objective of "equivalent living conditions". In 2018, the government created a commission for equivalent living conditions in charge of analysing inequalities between German regions. This commission created a federal programme to support "structurally weak regions"<sup>9</sup>, the majority of which are rural.

Previously, rural policies were conducted entirely by the *Länder*, but for the past 5 years, the federal government (Ministry of Agriculture and Food) has gradually implemented a national policy targeting in a few regions (2 per *Land*), first on an experimental basis, then with the possibility to be extended nationally.

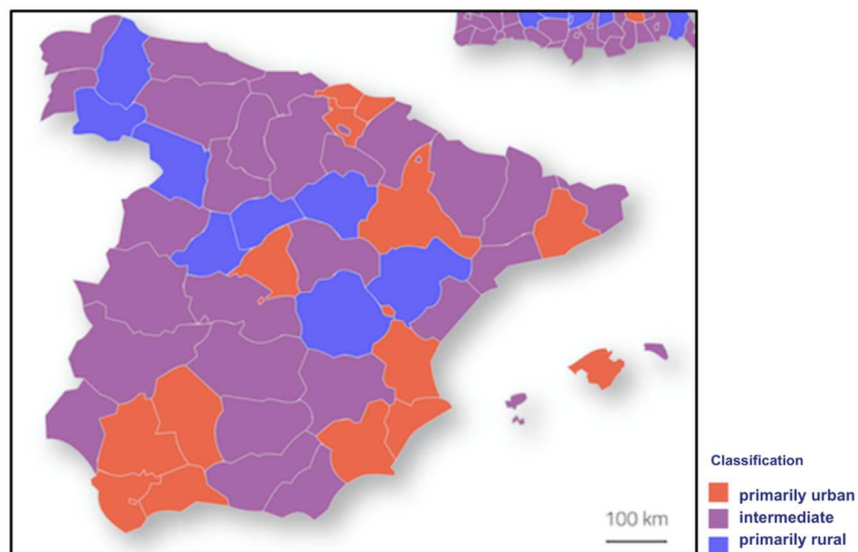
### Notes .....

<sup>8</sup> J. LECUYER, "Contre la périphérisation. Action publique et stratégies de développement local dans les espaces ruraux de l'est de l'Allemagne (Mecklembourg-Poméranie-Occidentale)", *Trajectoires. Revue de la jeune recherche franco-allemande*, n° 16, Centre interdisciplinaire d'études et de recherches sur l'Allemagne (CIERA), 13 March 2023 (DOI : 10.4000/trajectoires.9930 consulted on 25 September 2023)

<sup>9</sup>The concept of a region in Germany applies to geographic groupings with variable geometry formed by several Kreise.

## 2. SPAIN: THE DEMOGRAPHIC CHALLENGE

Map 5: Spain, NUTS 3 classification



Source : Eurostat

### How important are rural areas in the Spanish space, society and economy?

The NUTS 3 classification in Spain does not reflect the paradoxical importance of Spanish rural zones. The majority of NUTS 3 are classified as "intermediate areas", whereas, upon closer examination, rural areas occupy nearly 80% of the Spanish territory, and are home to 26% of the population. This paradox can be explained by the very unequal distribution of the population, concentrated in a few cities, leaving most of the territory unpopulated.

Spain is a large agricultural country, third in volume of production in our sample, but with a lower level of agricultural productivity than that of Germany and France: annual production per unit of work is around €44,000. Regarding the size of agricultural properties, Spain appears to be the most unequal country in the sample: 51.6% of farms have less than 5 ha and use 4.3% of the usable agricultural area (UAA); 11% of farms exceed 60 ha and use 51.6% of the UAA. Spain specialises in a few areas—pig, wine and vegetable farming—in which it obtains remarkable export results. But, like in most countries, the agricultural issue does not fully encompass the rural issue (at least, not any longer).

### How are rural areas defined in Spain?

Rural areas are not so highly regarded in Spain as in Germany: the topography and climate offer little appeal and rural areas have been emptying for a long time, dated by some demographers to the middle of the 19<sup>th</sup> century.<sup>10</sup> The rural exodus accelerated in the aftermath of the Second World War due to proactive land planning policies that favoured cities and coastal tourism. In the 1980s-1990s, governments attempted rural "repopulation" policies, including attracting South Americans, without much success. The economic crisis of 2008-2011 led to a new phase of depopulation. The

#### Notes

<sup>10</sup> F. COLLANTES and V. PINILLA NAVARRO, *¿Lugares que no importan?: la despoblación de la España rural desde 1900 hasta el presente*, Zaragoza, Espagne, Prensas de la Universidad de Zaragoza, 2019



exodus was such that in some places, the population density is now fewer than 5 inhabitants per km<sup>2</sup>. When the government came before the European Commission to plead its case, it called these areas a "Lapland of the South". Generally speaking, all of central Spain is affected by this phenomenon: 87% of the municipalities in Castile and León and Asturias lost population between 1998 and 2018; 84% of the municipalities of Extremadura experienced the same phenomenon, as did 77% of the municipalities of Aragon and 74% of the municipalities of Galicia.<sup>11</sup>

It is not easy to decide where the geographic priority is in a country where nearly 70% of municipalities are in demographic decline and where the population density can fall below 5 inhabitants per km<sup>2</sup>. But intellectual and grassroots movements have pushed the Spanish government to define priority areas for rural development.

The 2007 law defined rural areas as groups of municipalities with fewer than 30,000 inhabitants and a density under 100 inhabitants/km<sup>2</sup>.

Since 2020, the Secretariat for Demographic Challenge has defined three types of rural areas:

- rural revitalisation areas: very low density, large amount of agricultural activity, low income and geographical isolation,
- intermediate areas: medium to low density, diversified employment, medium/low income, outside the area of influence of cities,
- suburban areas: population growth, tertiary employment, average/high incomes, proximity to cities.

The geographic focus of the demographic challenge includes all of the first category and small rural municipalities (<5000 inhabitants) from the other two categories. In addition, there are the municipalities covered under the Natura 2000 zoning.

Implementing these priority intervention areas defined at the national level was a turning point for Spanish rural public policies, traditionally administered by each autonomous community. This means that the National Demographic Challenge Strategy is under contract with the autonomous communities. It is now also available in regional programmes, which complement existing LEADER actions and are managed at the regional level.

## What are the political challenges of rural areas?

In Spain, rural policy is primarily reflected in the "demographic challenge", in other words the depopulation of more than 60% of Spanish municipalities and the widening gap between urban centres and depopulated areas. According to the National Demographic Challenge Strategy: "*90% of the Spanish population, or more than 42 million inhabitants, is concentrated in 30% of the country's surface area. The remaining 10%, just over 4.6 million, must support 70% of the territory, with an average density that barely exceeds 14 inhabitants per square kilometre.*"<sup>12</sup>

The concept of "empty Spain" has recently become a subject of public debate. The book "*La España vacía: Viaje por un país que nunca fue*" (Empty Spain. Voyage Through a Country that Never Was) by Sergio del Molino has raised the alarm in public opinion. But it was political mobilisation that brought depopulated areas to the national agenda. New local parties like "Teruel Existe", which play on national majorities, have led to a national movement in support of empty spaces—or, in the words of activists, in support of "emptied" spaces. These groups sparked the "revolt of emptied Spain", which brought together several tens of thousands of people in Madrid in 2019. In the outgoing parliament, these parties played a pivotal role, supporting the left majority, which, in turn, implemented the national "demographic challenge" plan under a general secretariat at the Ministry of Ecological Transition.

### Notes .....

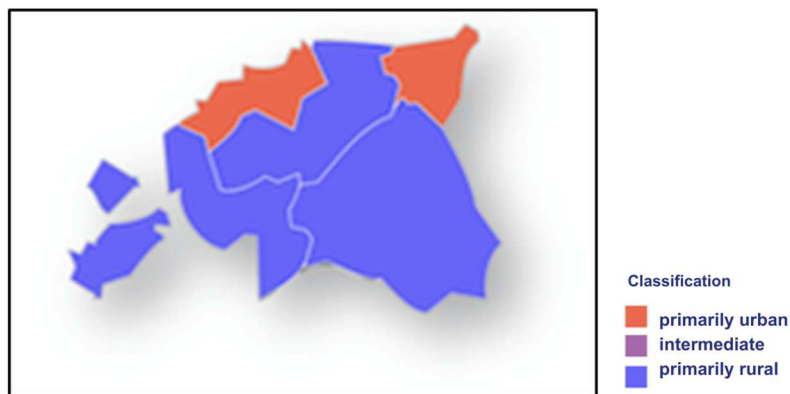
<sup>11</sup> INE, [www.epdata.es](http://www.epdata.es)

<sup>12</sup> *Estrategia nacional frente al reto demográfico, Ministerio para la Transición Ecológica y el Reto Demográfico, March 2019, p. 8, personal translation*



### 3. ESTONIA: THE IMPORTANCE OF NATURAL AREAS

Map 6: Estonia, NUTS 3 classification



Source : Eurostat

#### How important are rural areas in the Estonian space, society and economy?

Estonia is home to some of the most glaring regional inequalities among European countries, between urban areas, including the capital Tallinn, and sparsely populated rural areas (90% of Estonian territory and one third of the population). In 2019, the GDP per capita of the Tallinn region exceeded €36,000, and was €9,000 in the rural area of Põlva.<sup>13</sup> This gap tends to increase over time, both caused by and causing population movements to urban centres. Between 2000 and 2017, the population increased in the Tallinn region alone and declined in all other counties. Projections by national authorities suggest a likely overall decline in population. The work force in the primary sector amounts to 3.9% of the total work force (compared to 19% in 1991).

The share of natural areas is much higher in Estonia than in the other countries in the sample: nearly 60% of the rural area is not farmed or covered with forests. Estonia has the lowest share of agricultural land, less than 40% of rural areas. Estonia consequently has a modest agricultural production, due to the size of the country and its agricultural population, but an average agricultural productivity equivalent to that of Spain, at €30,000 per annual work unit. The structure of agricultural land is extremely unequal: 17.7% of farms (over 60 ha in size) own 85.4% of the usable agricultural area.

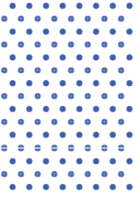
Due to the size of natural and forested areas in Estonia, rural areas are not primarily agricultural; they essentially encompass the “wild” nature of fauna and flora. However, less than 20% of the national area is protected land.

#### How are rural areas defined in Estonia?

Definitions of rural areas differ, depending on whether they fall under statistics or public policies. According to some public policies, all municipalities with fewer than 4,000 inhabitants are considered rural, while the statistical approach, following Eurostat recommendations, identifies rural municipalities based on a combination of size and population density. More generally, there

Notes .....

<sup>13</sup> OECD, *Shrinking Smartly in Estonia: Preparing Regions for Demographic Change*, 2022



are three types of areas: mixed rural and urban areas, rural areas close to cities and remote rural areas.<sup>14</sup>

## What are the political challenges of rural areas?

The country's development has been particularly tormented over the past thirty years. In the 1990s, when the Soviet system fell, the countryside underwent very fast changes in agriculture and industry. Under Soviet rule, the small towns and countryside had been supported by a widely distributed industry and large state-run farms, but the 1990s often proved fatal. In ten years, rural employment decreased by about 80%. The number of farmers dropped even further. Many young people moved to other Baltic countries.<sup>15</sup>

In the 2000s, this movement subsided, mainly because of economic growth in urban areas. Since the Covid pandemic, rural areas have regained some attractiveness. The rise of remote work has led to an increase in the rural population in the outskirts of Tallinn and Tartu as part of a recent "suburbanisation" movement. This movement is also sustained by a marked increase in second homes, especially on the coast or the many Estonian islands.<sup>16</sup>

The predominance of wilderness areas, associated with the decline in agriculture, has led to a rural policy which, while supporting agricultural modernisation, emphasises tourism in rural areas.

### Notes .....

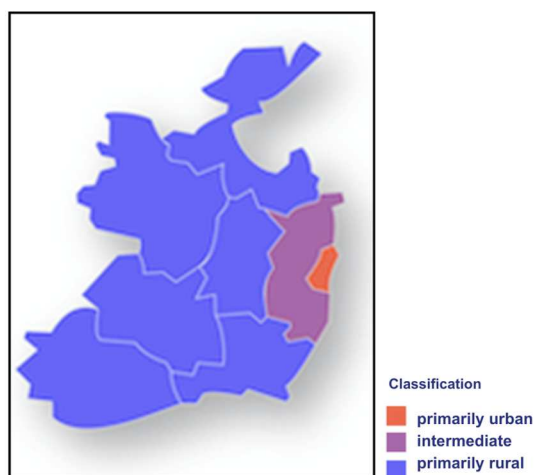
<sup>14</sup> OECD, *Rural Well being: Geography of Opportunities*, 20220.

<sup>15</sup> G. RAAGMAA, "The Impact of Public Policy and Membership of the EU on Regional Policy in Estonia", *ERSA conference papers*, European Regional Science Association, 2006 (on line: <https://ideas.repec.org//p/wiw/wiwr/ersa06p664.html>)

<sup>16</sup> G. RAAGMAA, "Estonian population and regional development during the last 30 years—back to the small town?", *Regional Science Policy & Practice*, vol. 15, n° 4, 2023, p. 826-844

## 4. IRELAND: NEWLY ATTRACTIVE COUNTRYSIDE?

Map 7: Ireland, NUTS 3 classification



Source : Eurostat

### How important are rural areas in the Irish space, society and economy?

After joining the European Economic Community in 1973, Ireland experienced a phase of rapid agricultural modernisation.<sup>17</sup> However, although almost 70% of the country's surface area is officially devoted to agriculture (mostly permanent grassland), Ireland is not an agricultural power, neither in volume nor value—around €30,000 per annual work unit, the equivalent of Estonia. Farm structure is rather unequal: farms of more than 60 ha, which represent 18% of farms, own more than half of the land, while the average farm size is one of the lowest in Europe. Finally, Ireland protects its natural areas less than other countries in the sample: less than 15% of the territory is protected.

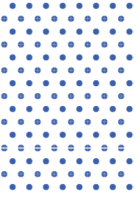
Yet, rural areas play an important role in a country where nearly 40% of the population lives in the countryside. With this characteristic rural identity promoted by communities and driven by rural voices that increasingly denounce the lack of infrastructure and environmental issues, the current Irish government has given a clear priority to rural development, rather than agricultural policy.

Emigration is part of Irish history, a country that has experienced several periods of population exodus since the great famine of the mid-19<sup>th</sup> century. The 2008 crisis also led to a wave of emigration, especially from the youngest groups (about a third of young people under 25), to various European countries as well as Canada, the United States and Australia. Recently, many public debates have emerged on the possibility of these emigrants returning, to the benefit of rural areas.

Since then, Ireland has been one of the few countries in which the rural population continues to grow. Between 1986 and 2016, it was mainly areas near major urban centres that gained inhabitants.

#### Notes

<sup>17</sup> S. SHORTALL, "The Irish rural development paradigm : an exploratory analysis", *Economic & Social Review*, Economic & Social Studies, 1994 (on line: <http://www.tara.tcd.ie/handle/2262/64498> ; consulted on 25 September 2023)



In more remote areas, especially in the west, the population grew less<sup>18</sup>. Despite these differences between rural areas, they have become attractive (again), due likely in part to the dizzying rise in property prices in major cities. According to projections by Eurostat, the population could grow by more than 25% by 2050 for the country as a whole, and by more than 20% in rural areas alone.

## How are rural areas defined in Ireland?

The Irish government does not have a specific rural geographic breakdown. In its various programmes, only municipalities with fewer than 6,000 inhabitants are targeted for urban regeneration.

## What are the political challenges of rural areas?

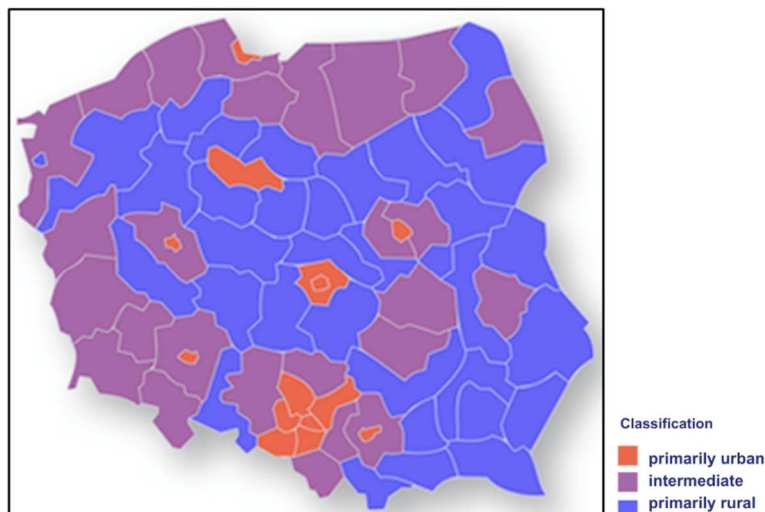
Thus, over the past twenty years, Ireland has rediscovered its rural nature and the studies conducted since the end of the 1990s show the extent to which a portion of the Irish territory appears neglected in terms of services and infrastructure. Contrasts in standard of living and quality of life emerged, provoking a public debate on spatial justice, which then led to a new national rural development policy. The repopulation of the countryside is a powerful incentive for implementing attractiveness and quality of life policies. On the other hand, agriculture does not seem to be a priority for public policies.

### Notes .....

<sup>18</sup> J. O'DRISCOLL *et al.*, "The spatiotemporal dimension of population change in Ireland: visualisation of growth and shrinkage in Irish Electoral Divisions (1986–2016)", *Journal of Maps*, vol. 18, n° 3, Taylor & Francis, 1<sup>st</sup> December 2022, p. 551-557

## 5. POLAND: PRIORITY TO NATIONAL DEVELOPMENT

Map 8: Poland, NUTS 3 classification



Source : Eurostat

### How important are rural areas in the Polish space, society and economy?

In Poland, rural areas are extremely important (45% of the population lives in the countryside). Agriculture occupies a space equivalent to that of France and Germany, i.e. 60% of the national soil. Poland differs in the size of its natural areas (32%), which ranks it just after Estonia. Poland also shares the last primary forest in Europe with Belarus. This is the country in the sample with the most farms, the majority of which (54%) cover less than 5 ha (for 13.2% of the country's agricultural area). A few large farms (over 60 ha) own 1/3 of the country's agricultural area. The average surface area of farms is the lowest of the entire sample, around 10 ha. Poland is an average agricultural power, whose productivity, compared to the other countries in the sample, is very low (€11,300 per unit of work per year).

Poland's historical territorial divisions continue to affect its regions. Rural areas thus present a variety of conditions and levels of development, due to their historical legacies.<sup>19</sup>

The agrarian structure of the west and north, annexed to Poland in 1945, is characterised by large productive commercial farms, as opposed to the southern regions, which have higher population densities and an agrarian structure dominated by small farms. North-east Poland, which was part of the Russian Empire before 1918, was the site of state-run farms during the communist period. This area remains dependent on agriculture and has a high poverty rate. The region presents multi-generational poverty affecting former employees of collective farms, a particularly marginalised category of the population since the end of the communist regime.

#### Notes

<sup>19</sup> Q. MACKRE, "Rémanence d'anciennes frontières dans l'espace rural polonais", *L'Espace Politique*, n° 14, Département de géographie de l'université de Reims Champagne-Ardenne, 2011 (DOI : 10.4000/espacepolitique.1998)

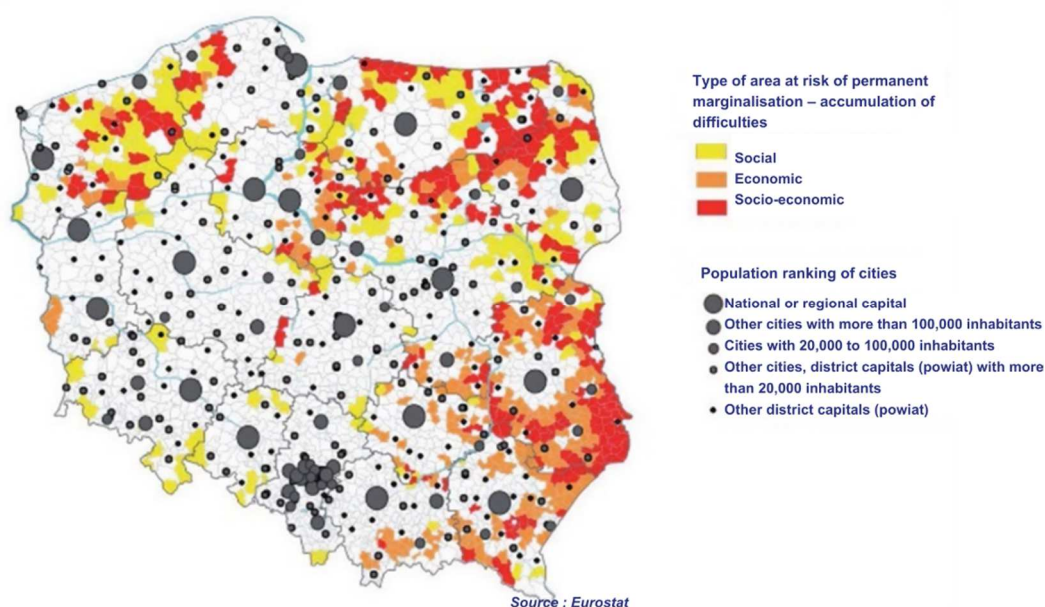
## How are rural areas defined in Poland?

The Polish National Statistical Institute defines whether municipalities are considered urban or rural.<sup>20</sup> The division between urban and rural statuses dates back to 1991 and 1992, during the postsocialist transition. A municipality is classified as "urban" not for statistical reasons, but rather a combination of multiple factors:

- in physical terms, to have this status, a municipality must have an "urban" technical infrastructure (including gas, electricity and water networks), possess an urban planning document approved by the local government, and have the physical characteristics of "city" with dense buildings, shops, etc.,
- in terms of its role, the urban status must be justified by a centralised function (particularly for trade and education),
- in demographic terms, there must be more than 2,000 inhabitants (many municipalities have fewer) and at least two-thirds of the workforce must work in sectors other than agriculture,
- in political terms, this status must be requested by the inhabitants and supported by the region.

Since 1989, around 100 *gmina* (municipalities) have become "urban". Why request this status? It is a mark of prestige that increases the political power of the municipality. In addition, it makes it possible to receive specific aid from the State. Some municipalities do not apply for this status, despite their demographic importance, because they do not meet the conditions for infrastructure or urban planning documents. Finally, urban municipalities with fewer than 5,000 inhabitants can sometimes be "mixed", meaning they may also receive specific aid for rural municipalities. This way of organising the political space between "rural" and "urban" is not based on land planning or development policies.

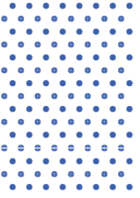
### Map 9: A geography of incentivisation in Poland



Thus, it is not surprising that other categorisations are used to establish regional strategies. In its 2030 National Regional Development Scheme, the Polish Ministry of Development Funds and Regional Policy created a categorisation of Polish spaces, identifying 600 areas with a "risk of permanent marginalisation" based on indicators of income, sector, employment and

#### Notes .....

<sup>20</sup> OECD, *Rural Policy Reviews: Poland 2018*, op. cit.



demographics. 400 of these areas are rural. This priority geographic breakdown serves as the basis for a national strategy to incentivise regions to implement partnership agreements.

## What are the political challenges of rural areas?

Rural areas exist in a place of political ambiguity. On the one hand, although inter-regional inequalities are very high in Poland, the national priority is less to rebalance them than to pursue economic modernisation,<sup>21</sup> with relatively little agricultural modernisation. Successive governments have focused on the overall development of the country. At the same time, the Law and Justice Party (PiS), which has been in power for eight years, relies politically on owners of small farms who are, as we have seen, particularly numerous in Poland. Maintaining rural agriculture is an implicit priority of rural policies, in order to ensure a loyal electorate. Here, the rural/urban and more so east/west political divide, due to the persistence of agrarian structures, is particularly decisive for electoral behaviour. However, while national policies designate the eastern regions of the country as priorities, they do not seem to facilitate positive action in favour of these areas, except for social policies for families.

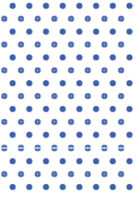
This is very clear in the context of the national development strategy, which emphasises urban structure and urban-rural balance, without focusing on imbalances between regions. Indeed, for the national government, these imbalances are addressed through social policies on the one hand (as we will see later) and community policies on the other, since they provide greater support for the eastern regions.<sup>22</sup>

Thus, as we shall see, outside agricultural policy, there is no specific national strategy for rural areas in Poland. Regional policies, apart from major infrastructure, are largely delegated to the regions, while the national government is more willing to manage direct aid to the population.

### Notes .....

<sup>21</sup> L. COUDROY DE LILLE, "Réforme territoriale et repositionnement des métropoles en Pologne", in V. Rey and T. Saint-Julien (éd.), *Territoires d'Europe : La différence en partage*, Lyon, ENS Éditions, 2017, p. 175-193

<sup>22</sup> MINISTRY OF DEVELOPMENT FUNDS AND REGIONAL POLICY, *National Strategy of Regional Development 2030*, 2019



## PART TWO

# IMPLEMENTING RURAL DEVELOPMENT STRATEGIES

National rural development strategies are based on local development guidelines (*bottom-up, place-based development*). However, these guidelines are implemented differently from one country to another. Some countries have a national body dedicated to rural development, separate from the Ministry of Agriculture,<sup>23</sup> others maintain a rural development policy integrated into the Ministry of Agriculture at the national level. At the same time, how these policies are implemented depends on the degree of decentralisation. In Germany and Spain, rural development policies have long been entrusted to the *Länder* and the autonomous communities. In France and Poland, the regions now have control over European funds for local development. Ireland and Estonia, due to their small size, remain centralised: rural policies are dealt with directly between national and local governments.

In decentralised states, except for Poland, governments have a specific national policy, parallel (or complementary) to the LEADER programmes funded by the European Union.

## 1. DESIGNING AND IMPLEMENTING LOCAL DEVELOPMENT POLICIES

### In Germany, cooperation and competition between the federal government and the Länder

#### DECENTRALISED ALLOCATION OF EUROPEAN FUNDS

Traditionally, the federal government intervenes through national guidelines on different themes: guaranteeing services to the population, supporting growth and innovation, preserving natural resources and landscape management. Until recently, the federal government did not intervene directly in rural areas. It now makes specific funds available to the *Länder*, in line with federal guidelines and programmes.

Parallel to the federal guidelines, the *Länder* manage second-pillar CAP funds and pilot the LEADER programmes. In both cases, management is based on contracts between the regional level and micro-regions, whose definition and delimitation vary depending on the *Land*.

#### Notes .....

<sup>23</sup> France has recently joined the club of countries with a body dedicated to rural development policy, previously ran by the Ministry of Agriculture.





## A "MODEL" NATIONAL PROGRAMME

Since 2015, in response to protest votes that seem to be taking root in some rural areas, the federal government has implemented a pilot "rural recovery" programme, called BULE (then BULE+ from 2023). This programme deviates from traditional federal intervention. Based on the severity of the situation as measured by demographics, the economy, level of public services, remoteness of the location and potential for multifunctional use, the federal government selects three *Kreise* per *Land* from a call for tenders (for the sake of equality, which poses problems insofar as western *Kreise* are not subject the same degree of severity as eastern ones), subsidising a 5-year contract for "model" actions. Local groups are invited to invest in innovative solutions. The projects are rigorously assessed and have led to the creation of a rural atlas, available online.

This national rural development policy falls under the responsibility of the Ministry of Agriculture and Food (BMEL). Within this ministry, an agency (BLE: Agency for Agriculture and Food) is in charge of implementing the policy through a competence centre for rural development (KomLE). The agency pilots the BULE program (model regions) and the competence centre provides technical support to local groups (help with formalising local strategies, assessment, capitalisation and feedback).

## A POLITICAL DEBATE: EQUIVALENT LIVING CONDITIONS

The German Basic Law stipulates the objective of guaranteeing equivalent living conditions to citizens regardless of where they live. In 2019, a special commission was created at the federal level to propose measures to achieve this goal more quickly, between east and west and between cities and the countryside. One of the outcomes of this commission was a kind of rural proofing, called "Gleichwertigkeits-Check", intended to verify that sectoral policies contribute to equivalent living conditions under a regional approach.<sup>24</sup>

This objective and the means to achieve it are controversial: according to some political players and experts, linked to German employers in particular, it is impossible to agree on what should be considered "equivalent living conditions", regardless of the region. Any attempt to measure conditions at the national level would fail,<sup>25</sup> so achieving this objective should be left to the *Länder*, which are in charge of budgetary matters.

Despite these critiques, the model regions programme was renewed in 2020.

## In Spain, a national policy proves difficult

Like in Germany, rural development policy under the EAFRD is piloted by the autonomous communities. In 2007, the Spanish government enacted a framework law on local development.

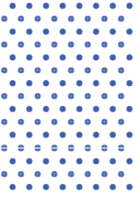
## A RECENT CONCERN

However, since demographics have become a subject of national debate and political controversy, the Spanish government created a General Secretariat for Demographic Challenge whose mission is to design and pilot programmes for priority areas. The national programme was designed in collaboration with an inter-ministerial working group, an autonomous community working group and two citizen representative forums, one focused on depopulation and the other on ageing.

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<sup>24</sup>[https://www.bmel.de/SharedDocs/Downloads/DE/Broschueren/deutschlandatlas2019.pdf?\\_\\_blob=publicationFile&v=5](https://www.bmel.de/SharedDocs/Downloads/DE/Broschueren/deutschlandatlas2019.pdf?__blob=publicationFile&v=5)

<sup>25</sup> "IFO researchers criticize the equal living conditions commission approach", IFO INstitute, 2019.



Depopulation is thus a relatively recent political concern. Although this issue emerged in the 2000s with the grassroots movement "Teruel Existe", which then became a political party, it was not until 2007 that the Law on Sustainable Rural Development addressed the population problem, at least from a legislative point of view. However, the lack of adequate financial resources following the economic crisis of 2008, the arrival of Covid-19, as well as a lack of cooperation from local players made it impossible to implement this law. Although not implemented, the 2007 Law on Sustainable Rural Development reveals a political turning point in terms of considering and promoting rural areas, until then relegated to the background behind agricultural and regional policies.<sup>26</sup>

During the general elections of April and November 2019, all political parties at the regional and national levels proposed measures for rural development and fighting depopulation. This renewed interest in rural areas has been fuelled by intellectuals and journalists, such as Sergio Del Molino, denouncing "empty Spain".<sup>27</sup> The coalition government that emerged from the 2019 elections created a Ministry of Ecological Transition and Demographic Challenge in January 2020, which includes the new General Secretariat for Demographic Challenge, whose objective is to promote rural development beyond agriculture.

The plan to fight demographic challenges has been contracted with the autonomous communities and includes 130 measures that cover all public policy sectors. Each autonomous community develops its own regional plan, which functions by calls for tender. 260 projects have been funded since 2020; in 2023, the central government devoted €105 million to the programme.

### OBSERVERS REMAIN SCEPTICAL

It remains to be seen, however, whether the Secretariat for Demographic Challenge is actually capable of implementing a targeted policy coordinated with those of the autonomous communities, which have considerably superior means. In other words, is this turning point only symbolic in nature? Is institutional redesign the necessary next step after strategically redesigning public policies for rural development? And beyond what they are designed to do, are proactive public policies actually able to change demographic trends?

For some experts, establishing the Secretariat for Demographic Challenge is more a matter of rhetoric and declarations of intent than a real tool to affect depopulation and rural development, which require intervention in various sectors. This is mostly due to the central government's lack of real resources, and, consequently, its limited capacity to guide regional policies. The Spanish autonomous communities have the real power, giving them serious clout in the face of national and local governments.

## Regional steering mitigated by national incentivisation in Poland

Despite the absence of a real national rural development policy, rural areas have significant political weight in Poland, which finances much of its regional development with European funds. Mostly focused on modernising agriculture since its entry into the European Union in 2004, Poland is following the EU's lead by focusing on more systemic and multifunctional rural development. Polish regions are invited to promote other development factors, such as tourism and forests.

### Notes .....

<sup>26</sup> N. BARON and B. LOYER, *L'Espagne en crise(s) une géopolitique au XXIe siècle*, Paris, Armand Colin, 2015

<sup>27</sup> Del Molino, S. 2016, *La España vacía. Viaje por un país qui nunca fue*, Turner.



## DECENTRALISED IMPLEMENTATION

At the national level, rural policies are shared between the Ministry of Development Funds and Regional Policy and the Ministry of Agriculture and Rural Development. These ministries consider geographic areas from a functional perspective, without making a strict distinction between urban and rural spaces.

Rural policies are implemented in a decentralised manner, in line with European requirements. The central government proposes major development projects (infrastructure, highways, etc.), but the sixteen Polish regions prepare their own development strategies, taking into account rural and urban areas. The Polish equivalent of mayors are involved in this process, and help design the strategy through negotiations and discussions.

The national level intervenes, through the Ministry of Development Funds and Regional Policy, in negotiations with the regions while they create their operational programmes. The ministry created a map of areas at risk of marginalisation, two-thirds of which are rural. The ministry uses this map to suggest regional approaches that include cities and areas in difficulty, seeking to integrate them.

However, rural categories are still mainly defined through agriculture, or at least through the socio-economic heritage of old agrarian structures.

## HELPING PEOPLE OR REGIONS?

While there is no truly regional approach to public policies in Poland, some national policies, initially not directly aimed at rural areas, are important development tools for rural populations. These include generous public policies for the poor.

This is the case with the "500+" social policy, which grants an additional 200 zlotys (approximately €45) per month to the poorest families starting with their second child, designed to alleviate the Polish demographic problem. This policy is highly criticised: by focusing on direct support to families rather than funding nurseries or other childcare facilities, this hardly encourages women to work. Through this populist policy of direct payments, the government is supposedly attempting to develop all of Poland by ending development of marginal and remote areas. However, it is unable to attain a real rural development strategy, as the system of direct payments prevents allocation of funds earmarked for long-term regional policies.

These types of policies are particularly controversial in Poland and are the subject of significant public debate. For some experts, such as Professor Jerzy Bański, even indirect investments generate significantly better living conditions for the poorest families, while stimulating population development in Poland. Scientific research has not yet shown any direct influence of this policy on regional development, even if it does temporarily alleviate poverty in rural areas<sup>28</sup>.

### Focus 1. Controversy in Poland on the fight against rural poverty: helping people, families or regions?

The 500+ programme, which entered into force on 1<sup>st</sup> April 2016 (Law of 11 February 2016 on State aid for education of children, Article 2), aims to boost the birth rate in Poland through direct aid to families. Down by nearly 40% since the end of the USSR, the fertility rate in Poland was 1.38 children per woman in 2020, one of the lowest in the European Union (by comparison, 1.83 in France). Population ageing estimates are concerning: the Polish working-age population could fall

#### Notes .....

<sup>28</sup> Bański J., Mazur M., 2016, Classification of rural areas in Poland as an instrument of territorial policy, *Land Use Policy*, 54, 1-17.



by 40% by 2060 (source: OECD report, 2018, economic study). To alleviate this problem, the 500+ social and family policy grants an allocation of 500 zlotys (€115) per month per child under the age of 18 to Polish families, without income conditions. The main platform of the Law and Justice Party (PiS) during the 2015 parliamentary elections, this amount is the equivalent of 120 euros, or one third of the Polish minimum wage. The programme originally only included a payment of 500 zlotys (or €115) starting with the 1<sup>st</sup> child for the poorest families, and starting with the 2<sup>nd</sup> for others, but these income conditions were removed and the programme was extended by the party in 2019. The programme cost €22 billion, 3.24% of the Polish GDP, in 2021.

Is the 500+ programme also tool for rural development<sup>29</sup>?

There were more births between 2015 and 2017. Data from the Central Statistics Office of Poland show a 13-15% increase in births in December 2016 and January 2017 compared to the same period in previous years. However, since 2018, birth rates have fallen back to the pre-reform rate. The Polish government's official website instead focuses on "contributing to a significant improvement in families' financial situations". Child poverty has decreased significantly. The official websites of the Polish government that present these programmes also promote their benefits for rural areas. Although the programme is applied "universally", it has a greater practical effect in poor areas. Changes in standard of living are more noticeable for poor families, who are mainly concentrated in rural areas.<sup>30</sup>

The 500+ programme is accompanied by other family support programmes: the Good Start programme aims to support Polish children's access to school, still through allocations, while the Toddler+ programme aims to create daycares in municipalities using European funds. Although Poland has made significant efforts to improve daycare facilities (2011 law that develops new forms of early childhood care), public spending on childcare remains relatively low. For example, the Toddler+ programme has a fund of 450 million euros, while the 500+ programme cost 22 billion euros in 2021.

Also, Polish rural areas still have little infrastructure for early childhood care. One of the major criticisms of the 500+ programme is that it deviates funds that could be used to facilitate women's employment, particularly in rural areas.

## National steering in Ireland and Estonia

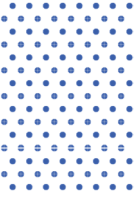
### IRELAND: "OUR RURAL FUTURE"

Ireland has been working on rural development since the mid-1990s. In 1999, the government published a white paper on rural development. From 2008 to 2011, the financial crisis, which caused the first recession since the 1980s, hit the countryside harder than the cities. In 2012, the government convened the CEDRA (Commission for the Economic Development of Rural Areas) which, while highlighting the diversity of rural areas, revealed an alarming finding: faster growth of unemployment in the countryside than in the cities, depopulation of small towns and villages, dependence on declining sectors, distance from labour markets. On this basis, the Ministry of Rural and Community Development, which manages LEADER funds, implemented a comprehensive local and rural development strategy in 2021, supported by Our Rural Future, a framework document. This document proposes a comprehensive rural development plan covering a large number of sectors: high-speed digital coverage and digital education, employment and economic development, revitalisation of villages and small towns, citizenship and participation, maintaining

Notes .....

<sup>29</sup> I. MAGDA, A. KIELCZEWSKA and N. BRANDT, *The "family 500+" child allowance and female labour supply in Poland*, Paris, OECD, 2018

<sup>30</sup> A. MILEWSKA and D. BŁAŻEJCZYK, "Program „Rodzina 500+” szansą na rozwiązanie problemów polityki rodzinnej i demograficznej", *Zeszyty Naukowe SGGW, Polityki Europejskie, Finanse i Marketing*, 27(76), 2022, p. 58-67



public services, transition and climate, and diversification and ecological transformation of agriculture, forestry and fisheries.

The strong arm of this strategy is the Rural Regeneration and Development Fund, which targets communities with fewer than 10,000 inhabitants through annual calls for tender. This fund is directly piloted by the ministry in collaboration with the municipalities and project communities.

## ESTONIA: URBAN/RURAL INTEGRATION

Estonia's model is the most integrated. A single ministry manages relationships for implementing the two major European policies, agricultural policy and regional development policy. Our contacts and the available grey literature agree: regional approaches to development in Estonia are fragmented and weak. The Estonian government explains how European programmes are deployed, but alignment with national sectoral policies is glossed over. At the local level, the number of municipalities was reduced by the same 2017 reform. They decreased from 213 to 79 as a result of mergers. At the same time, the county level was removed. There is therefore no intermediate level between the national government and the municipalities. Many municipalities, however, remain quite lacking in their technical capacity to create development strategies and bodies for inter-municipal cooperation are very weak. Rural development in Estonia is therefore mainly based on sectoral policies, particularly agriculture and forestry.<sup>31</sup>

Beyond sectoral approaches, the Estonia 2040 strategic plan stresses the need to integrate rural areas into functional urban areas, which requires communication infrastructure and public transport.

	Political authorities	National strategy	Regional targeting
Estonia	National level (Ministry of Rural Affairs) LEADER: 10%	"Estonia 2040"	No specific target: rural areas will have to integrate with urban functional areas.
France	National level (Ministry of Agriculture) and Regions LEADER: 5%	"France ruralité"	Rural zoning based on income and economic activity, small towns and villages.
Germany	Federal level (BMEL) and Länder LEADER: 15%	Federal Rural Development Scheme "BULE+"	Rural regions: demographic decline, single function, isolation, experimental programme.
Ireland	National level (Ministry of Rural Development) LEADER: 5%	"Our rural future"	Municipalities between 600 and 6,000 inhabitants.
Spain	National level (General Secretariat of Demographic Challenge), regional level (Autonomous Communities) LEADER: 10%	"Reto demografico"	Depopulation, single function, isolation.

### Notes .....

<sup>31</sup> OECD, *Regional Outlook. Estonia, 2019* ; OECD, *Shrinking Smartly in Estonia, op. cit.* ; G. RAAGMAA, "Estonian population and regional development during the last 30 years—back to the small town?", *op. cit.*



Poland	National level (Ministry of European Funds and Regional Development) LEADER: 8%	"National Spatial Development Concept 2030"	No targeting: rural areas are included in fragile or underdeveloped areas.
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## 2. PRIORITIES AND MODES OF INTERVENTION

All regions share three main areas of action: attracting public capital, attracting private capital and attracting "people".

### Attracting public money

#### DESPITE FAVOURABLE REDISTRIBUTION, RURAL AREAS REMAIN A CONCERN

The first area is concerned with attracting public funding to rural areas. All European countries have powerful welfare state systems in place for education, healthcare and old-age support.<sup>32</sup> Many economists have studied the invisible circulation of wealth represented by these welfare state mechanisms. Their findings are consistent among all European countries: these mechanisms play a "positive" role of redistribution to "disadvantaged" areas, especially rural ones.<sup>33</sup> Indeed, these mechanisms are based almost across the board on the principle of allocating funding based on the contributive capacities of households and businesses. As such, since service provision (in education, healthcare, culture, etc.) is relatively uniform across regions, these systems extract "more" funds from "richer" areas to ensure a relatively "egalitarian" distribution. It is therefore not entirely coincidental that certain affluent regions of Europe (such as northern Italy, Catalonia, Flanders, etc.) often call for the regionalisation of welfare state mechanisms, as they are aware that a nationwide tiered system requires them to pay out more than they receive.<sup>34</sup> Although this "equalising" mechanism is well known, all regions seek at the very least to keep their position in the distribution of public funding, if not to gain a better one.

Many rural areas worry that their position in the distribution of public funds is tending to decline. On what grounds? This concern is fuelled by the recent reorganisation of many public services.<sup>35</sup> All over Europe, local health institutions (maternity care, clinics, etc.) are being downsized. The extensive technologisation of medicine and the desire for a more collective practice are driving services to become more concentrated. The same is true of secondary and higher education institutions, where, after a strong decentralisation in the 1990s, the trend is now towards large teaching clusters due to the desire among pupils and students for a wider selection of courses and options, and among teaching institutions for more peer exchanges.<sup>36</sup> These same mergers are also occurring in the justice system, the police and many other services. The paradox is that residents are both calling for and complaining about such mergers due to the fact that they offer more well-

#### Notes .....

<sup>32</sup> G. ESPING-ANDERSEN, *Les trois mondes de l'État-providence*, Paris, Presses Universitaires de France, 2007

<sup>33</sup> A. RODRÍGUEZ-POSE, "The revenge of the places that don't matter (and what to do about it)", *Cambridge Journal of Regions, Economy and Society*, vol. 11, n° 1, 2018, p. 189-209

<sup>34</sup> L. DAVEZIES, *Le nouvel égoïsme territorial : le grand malaise des nations*, Paris, France, Seuil, 2015

<sup>35</sup> F. TAULELLE (éd.), *Le délaissement du territoire : quelles adaptations des services publics dans les territoires ruraux ?*, Toulouse, France, Presses universitaires du Mirail, 2012

<sup>36</sup> N. GUIRAUD, S. BAUDET-MICHEL and G. TOUTIN, "Les réformes de la Justice entre 2000 et 2016 : une rétraction des tribunaux au détriment des petites et moyennes villes de France métropolitaine", *Annales de géographie*, vol. 737, n° 1, 2021, p. 35-57 ; S. BAUDET-MICHEL *et al.*, "Vers une désertification scientifique et universitaire du territoire français ?", 2020



rounded services and a smoother professional practice, but inexorably push services farther away. In Aragon, a school can be opened with five pupils in nursery and primary combined. This is certainly one of the lowest thresholds in Europe.<sup>37</sup> This can be explained by the very low population densities in the Aragonese countryside. In our exchanges, some elected officials explained that they had chosen not to open a school with only five pupils due to fears of them losing out on the experience of being in a diverse peer group. Moreover, these concerns about a decline in allocations are even greater in a context of reduced public spending.

In Ireland and Spain, public expenditure shrank drastically in the early 2010s following the 2008 financial crisis and its repercussions on public debt financing. This budgetary situation exacerbated rivalries in terms of accessing declining resources. In Spain, the share of public expenditure went from 48.5% of the GDP in 2012 to 41.3% in 2017. Austerity was even more severe in Ireland, where the public expenditure rate peaked at 64.9% of the GDP in 2010 (under the combined effect of a shrinking GDP and increased interest rates) before falling to 24.3% in 2019. However, the ratios of public expenditure to GDP in Germany, France and Poland were much more stable throughout the 2010s.<sup>38</sup>

## RENEGOTIATING THE POSITION OF RURAL AREAS IN NATIONAL REDISTRIBUTION PACTS

In all European countries, there is a desire among rural areas to negotiate a better position in the social redistribution system. In each country, an upper legislative chamber—the Senate in France and Spain, the Bundesrat in Germany—is where regions are represented more so than residents. It is often in these upper chambers that the concerns of the rural world resonate most strongly. Beyond this institutional framework, regionalist parties may also contribute to regional concerns. Among the countries in our study, this is particularly evident in Spain, where localist parties such as Teruel Existe have emerged in addition to the now-conventional parties that represent the interests of regions outside Castile. This is not so much the case in Germany, as Bavaria is the only area with a regional party, namely the Bavarian branch of the Christian Democratic Union. Such parties are near-inexistent in Poland, Ireland and France. The local, and particularly rural, world in France voices its concerns through associations representing locally elected officials, such as the Association of Rural Mayors of France (Association des maires ruraux de France).<sup>39</sup>

In light of these demands for “fair” redistribution of public subsidies by geographic area, there are strong calls for more precise information on the regions where these subsidies are used.

In Spain, efforts have been made to ascertain precisely how the flow of public money is balanced between regions. This is linked to very strong pressure from regionalists who worry that “Madrid” may be taking “too much” away from them.<sup>40</sup> This information-gathering exercise is worthwhile, but comes up against significant methodological obstacles that make it highly risky. For example, is the university education of a young adult a “rural” or “urban” expense if the student lives in the city while their parents live and work from home in the countryside? This mechanism can lead to a conundrum: as people move around, should public spending be located where they live, where they “consume” the public service or where they work or “use” what they have received from social redistribution? Here, the focus is narrower, but the final image is not much sharper.

### Notes .....

<sup>37</sup> J. LORENZO LACRUZ *et al.*, “Analysis of educational leadership at rural early-childhood and primary schools: a case study in Teruel (Aragon, Spain)”, *International Journal of Leadership in Education*, vol. 22, n° 5, Routledge, 2019, p. 1-18

<sup>38</sup> Data accessible on the INSEE website: <https://www.insee.fr/fr/statistiques/2381406>

<sup>39</sup> P. LE LIDEC, “Associations d’élus”, in *Dictionnaire des politiques territoriales*, Paris, Presses de Sciences Po, 2020, vol. 2<sup>nd</sup> ed., p. 50-55

<sup>40</sup> N. BARON, “Inégalités territoriales et conflits sur le financement régional en Espagne : le système est-il réformable ?”, *Pyramides. Revue du Centre d’études et de recherches en administration publique*, n° 28, Centre d’études et de recherches en administration publique, 1st September 2016, p. 147-164



To avoid this trap of a tempting, yet rather illusory, “quantitative” estimate, another approach has been proposed that involves testing the rural effects of public policy, or “ruralproofing”. There is a very strong demand for this. It has led Germany to establish a commission for the equivalence of living conditions. In Ireland, a recent report proposes extending this rural impact analysis.<sup>41</sup> The objective of such an approach is to assess all public policies in light of their varying impacts between rural and urban zones, then propose ways to reduce potentially negative impacts on rural zones. In Ireland, various public policies have been examined for their rural impact. The report also recommends that a reverse report be drawn up, not only measuring negative impacts, but also identifying the potential advantages for rural areas in reaching certain objectives. This measure is not deemed sufficient to be considered a rural policy in and of itself, but it allows for rural areas to be taken into account in each sectoral policy.

In all European countries, questions have been raised regarding this “veil of ignorance” over the regional effects of social redistribution and public policies. Should regional public spending be respected to the letter? How might this be done? And what would the effects be? It is certainly an emerging debate within rural development policy.

## Attracting private money

Regions also strive to attract private money, particularly from businesses. To this end, the tools are largely the same in all countries. The strategy is to capitalise on transport and communications infrastructure, education quality, and overall quality of life.

Targeted financial instruments have also been set up, including direct and indirect aid through reductions in social security contributions or taxes. France has adopted this approach through schemes for rural revitalisation zones (ZRRs). Created in 1995, they aim to assist with development of rural areas, primarily through tax-based and social measures (such as temporary reductions in corporate tax). Specific measures to assist economic development also apply. The aim is to focus state aid on job-creating businesses in rural zones that have the lowest populations, and which are most affected by demographic and economic decline. To be classified as a ZRR, a public inter-municipal cooperation institution (EPCI) must have both a population density less than or equal to the median density per EPCI and a tax income per unit of median consumption less than or equal to the median of median tax revenues. The precise geographic definition of these zones is often disputed since no local authority wishes to be excluded from this scheme once it has received the benefits.<sup>42</sup> In Spain, the state has planned to lower social security contributions for businesses located in “empty” areas. Very few scientific studies are available to show precisely how these fiscal policies affect the investment attractiveness of rural areas. In the United States, where such programmes have also long existed, they have been the subject of much research by economists and geographers.<sup>43</sup> This is not often the case in France.

It should be noted that some countries could be considered “ZRRs” at the national level. According to the OECD, in 2019, effective corporate tax rates—meaning those that were actually paid—were 13% in Ireland, 16% in Poland, 17% in Estonia, 25% in Spain, 27% in Germany and 30% in France. The calculation methods used reduce rates significantly for multinational companies, especially in Ireland and Estonia.<sup>44</sup>

### Notes .....

<sup>41</sup> W. PARNELL and C. LYNCH, *Proposals for an effective Rural Proofing model for Ireland*, 2022

<sup>42</sup> R. POINTREAU, *Réforme des ZRR : pour un zonage plus juste et mieux ciblé*, Sénat, 2023

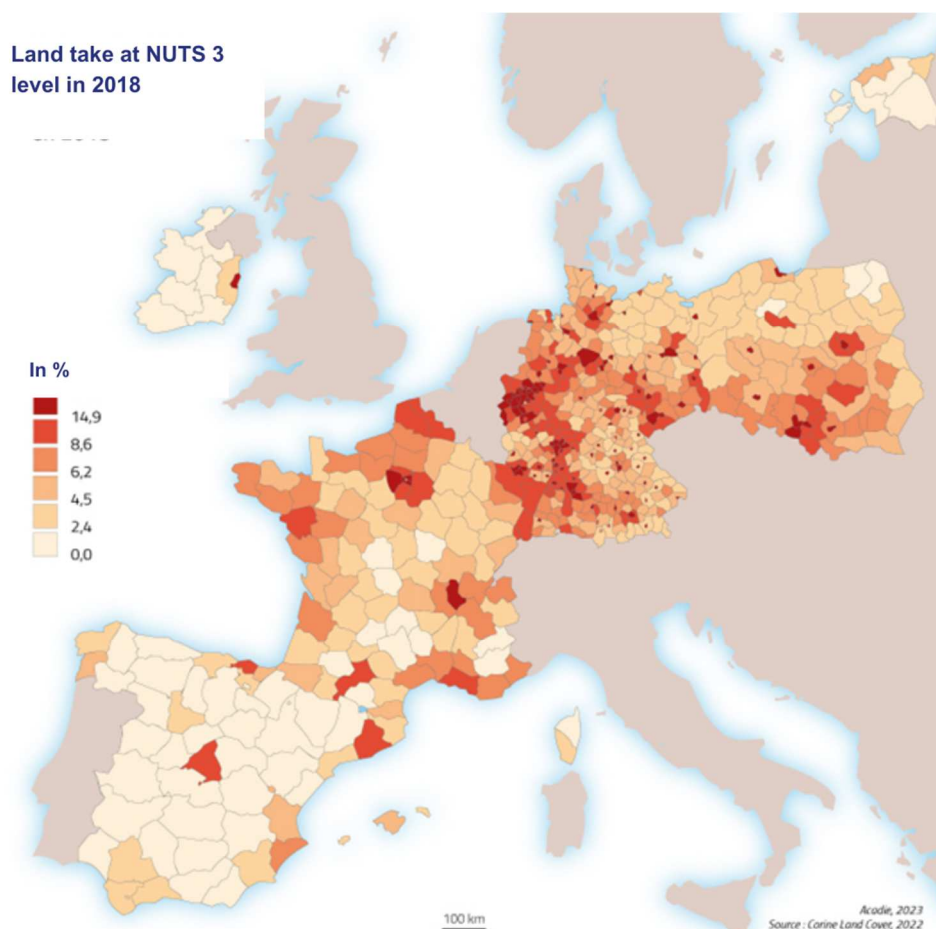
<sup>43</sup> R. J. REEDER, “Rural Enterprise Zones in Theory and Practice: An Assessment of Their Development Potential”, *Staff Reports*, United States Department of Agriculture, Economic Research Service, mars 1993 (on line: <https://ideas.repec.org//p/ags/uerssr/278690.html> ; consulted on 28 September 2023)

<sup>44</sup> OECD, *Statistiques de l'impôt sur les sociétés*, deuxième édition, s. 1., OECD, 2020



## Reinvesting in towns and villages

Map 10: Land take at NUTS 3 level in 2018



### CURBING THE POPULATION DISPERSAL TREND

In the six countries studied, rural development also had a “spatial planning” or “urban” component. Two elements are combined in this respect: limiting land take to conserve agricultural areas and preserve biodiversity on the one hand, and revitalising villages and towns to maintain their attractiveness on the other. In other words, this means both stepping on the brake—to curb the urban sprawl—and on the accelerator—to concentrate investments in existing built-up areas.

Land take exists in very diverse forms across the countrysides of Europe and relates to rural heritage, notably between bocage land and dispersed settlements.

In recent years, the six countries in our study have differed in their land take rate, which has been moderate in Germany and Spain, significant in Ireland and France, and rapid in Poland and Estonia. In Poland, 545,000 ha were urbanised between 2004 and 2012. This situation can be explained by the country “catching up” after the massive increase in small-sized and collective housing during the communist era. The years that followed were marked by a strong appetite for spacious, individual housing. Moreover, there is little incentive for municipalities to draw up urban planning documents since Polish law requires them to compensate property owners for any loss of value due to urban planning easements. They are also required to build nearby road infrastructure before



constructing any new urban developments. It is less costly for municipalities to implement urban planning on an “as-and-when” basis as opposed to taking an overall approach. All these aspects combine to encourage a scattered, uncoordinated style of urban development. Meanwhile, in Estonia, there is a large proportion of vacant housing in rural zones. Almost 25% of homes were officially vacant in 2018, one of the highest percentages worldwide. This situation can be explained by a combination of the budget difficulties faced by municipalities, their reluctance to draw up urban planning documents and their limited power to intervene in real estate. Between 2000 and 2014, the country’s built surface increased by 14% while its population decreased by 5%.<sup>45</sup>

## PROMOTING COMPACT LIVING AREAS AND REVITALISING VILLAGES

In France and Ireland, the dynamics of sprawl and dispersion are maintained by each country’s low overall population density, as well as by policies for residential attractiveness adopted by many rural municipalities, particularly those within driving distance of cities.<sup>46</sup> Both countries have launched relatively similar revitalisation programmes to increase the attractiveness of town and village centres (France’s Towns of Tomorrow (Petites villes de demain) and Villages of the Future (Villages d’avenir), and Ireland’s Town and Village Renewal Scheme and Town Centre First). The key components of these schemes are aid for rehabilitating buildings and reusing derelict plots, incentives for business revitalisation through redeveloping public spaces and limiting urban sprawl. This process is extremely complicated and divisive in both countries, however, as it comes in the wake of decades of incentives pushing in the opposite direction.<sup>47</sup>

In Germany and Spain, these policies are more entrenched. They are facilitated by different residential flows. In Spain, suburban and rural homes are much less popular. In Germany, the high densities in the country very quickly limited “dedensification”. Moreover, policies to support “reinvestment” in villages and towns are stronger and have been in place for longer. These programmes are very often mainly funded by the *Länder*.

## Local development

The tool that brings these policies together, namely collecting public and private money, proposing redevelopment and aligning these goals with a more general ambition for the area, are “neo-endogenous” local development approaches.

In all the countries we analysed, these approaches are very similar. One element plays a major role in explaining this relative similarity: the modes of intervention are all, locally at least, based on the LEADER doctrine of “endogenous integrated local development”. This model is based on mobilising local players. It proposes a now well-proven methodology: creating a local group made of institutions and local representatives, outlining a project for the area, identifying key actions to be carried out to facilitate this collective project, then drawing up a contract to agree on how to implement this strategy supported by funding.

These programmes are based on:

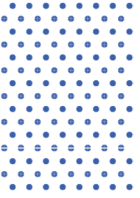
- developing residential, tourist and heritage potential, which is reflected in subsidies for tourist facilities, local marketing, and enhancing landscapes and rural heritage,

### Notes .....

<sup>45</sup> OECD, *Shrinking Smartly in Estonia*, op. cit.

<sup>46</sup> E. CHARMES, *La revanche des villages - Essai sur la France périurbaine*, Paris, France, Le Seuil, 2019

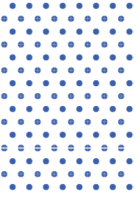
<sup>47</sup> D. BEHAR, S. CZERTOK and X. DESJARDINS, “Zéro artificialisation nette : banc d’essai de la planification écologique”, *AOC*, 5 July 2022 (on line: <https://aoc.media/opinion/2022/07/04/zero-artificialisation-nette-banc-dessai-de-la-planification-ecologique/>)



- developing the productive economy by financing modernisation of production units, support for technical innovations, vocational training and support for agricultural transformation (mainly to develop production of renewable energies),
- developing means of communication (public transport, mobile coverage, high-speed digital connection, etc.), which in some cases, such as in Poland and Estonia, may include more "basic" network actions: connection to the electricity network, drinking water, construction of roads and bridges, etc.,
- maintaining or creating basic services—education, health, culture and sports—that can result in bonuses for teachers and caregivers. This issue is particularly acute in Poland and Estonia, where the facilities and services put in place during the communist period have collapsed.

Some countries give themselves specific guidelines linked to their individual situations: the Spanish Secretariat of Demographic Challenge emphasises the importance of actions aimed at women and young people and has set up "rural campuses" to attract young graduates to villages in the hope that they will settle there; Estonia, which targets urban-rural functional integration, focuses on public transport; Ireland supports local energy production cooperatives to reduce rural discontent with the industrial development of solar and wind farms; faithful to the obligation of equivalence of living conditions enshrined in the Basic Law, the BULE+ program in Germany allocates €34 million per Land to finance support for engineering in the least-equipped areas.

More and more countries are investigating how to implement *rural proofing*, which consists of verifying the compatibility of regional and sectoral policies with rural development objectives.



## PART THREE

# EMERGENCE AND STRUCTURE OF RURAL POLICIES: A STRONG EUROPEAN INFLUENCE

All of the countries studied have gone through or are going through three stages of rural policies. Depending on the country and the date of their entry into the European Union, these stages occurred more or less recently and more or less quickly. But everywhere we find, to differing extents, the same three dimensions that tend to be:

- a dimension and time in which rural policy is first and foremost an agricultural policy,
- a dimension and time largely oriented by European programmes, where rural development becomes a distinct policy from that of agriculture,
- a current dimension where governments are questioning the role of these policies in the ecological and energy transition.

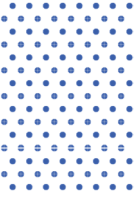
## 1. AGRICULTURAL MODERNISATION (1960-1990)

In most of the countries studied, post-World War II rural policies are integrated with agricultural policies, with speeds and outcomes that differ from country to country.

The countries in our sample experienced different political regimes: republics that were founding members of the European Union, a "liberal" dictatorship, a "socialist" dictatorship and an independent republic after years of colonial and postcolonial conflict. However, all followed a more or less parallel path wherein agricultural development was one of the pillars of recovery. The central challenge is to increase agricultural productivity: France, Germany, Ireland and Spain all benefited from the Marshall Plan. Germany and France agreed on a common agricultural policy as early as 1962 and after achieving food autonomy, become powerful exporters. Spain made the decisive choice to hyper-specialise the countryside and farms in three or four types of production, sacrificing rural areas for agriculture and tourism. In the east, collectivisation did not affect all regions in the same way. In areas with large properties, such as eastern Germany and Poland, collective farms appeared, while elsewhere some tolerance for small properties remained. In "western" countries, the productivist period resulted in a rapid decline in the agricultural population, but not necessarily in the rural population. For example, we have demonstrated that in France, if the rural threshold had been set at 5,000 inhabitants per commune, there would have been no rural exodus.<sup>48</sup> It is also likely that this is the case in most countries, as domestic migration is not always a sudden shift from villages to the capital. Rather, very often, if not almost always, small or medium-sized cities are a step in migratory movements.

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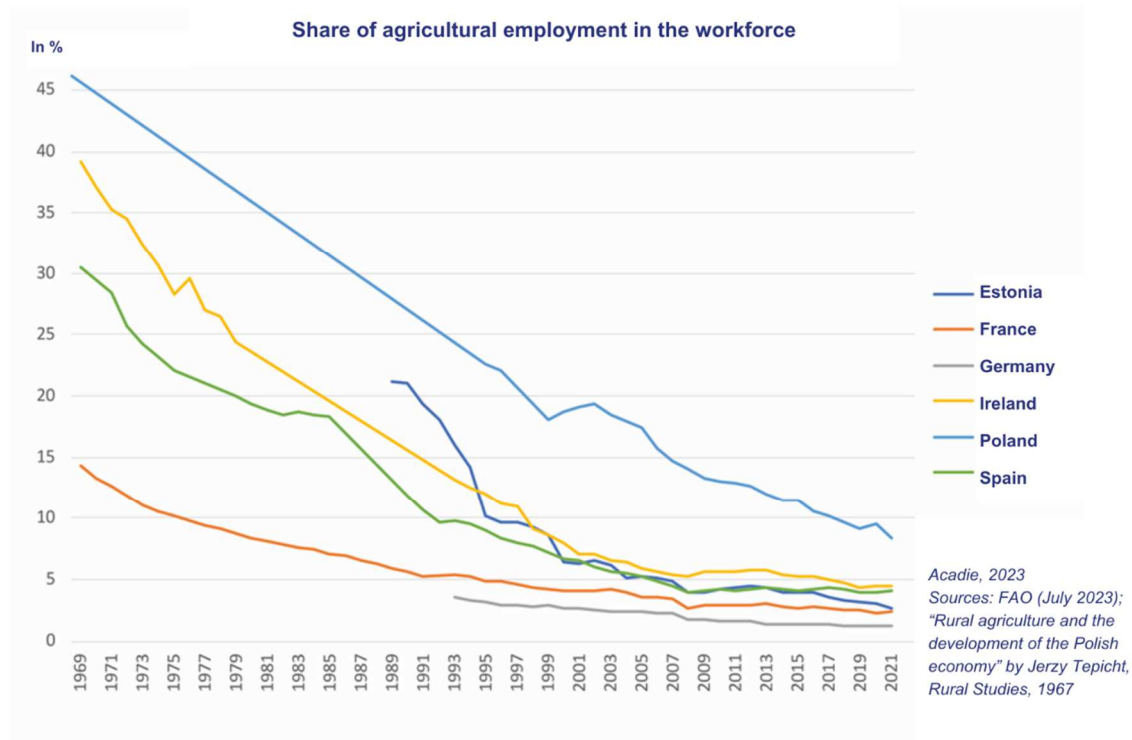
<sup>48</sup> Cited by M. TALANDIER, *Un nouveau modèle de développement hors métropolisation. Le cas du monde rural français*, Paris 12, 2007



These productivist agricultural modernisation policies are also rural policies in the sense that they intervene forcefully in these areas in order to support efficient agriculture through reparation, landscape modification, progressive construction of a technical-political agricultural ecosystem (cooperatives, representative bodies), etc. This agricultural dimension of rural policies is paradoxical in more ways than one, entrusting farmers with the keys to the policy while accelerating the reduction in number of farmers at the same time.

In practice, the period of productivist modernisation in France and Germany led to more of a transformation of rural sociology than a rural exodus. Although the agricultural world still owned the land, it became more concentrated. Without a real decrease in the agricultural area, the number of agricultural properties in France, for example, decreased from 1.5 million in 1970 to 390,000 in 2020, and the average area of farms increased from 14 ha to 69 ha in the same period.<sup>49</sup>

The paradox of productivist modernisation lies in the fact that, by basically removing farmers, it leads to considerable diversification of sociological profiles and rural land use. These policies create urban countryside, tourist areas, vast tracts of grain without inhabitants and isolated and ageing rural villages.

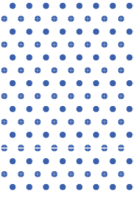


This transformation, which was gradual in the "old" European countries, was abrupt in Poland and Estonia, where communist regimes had paradoxically preserved the agricultural population. Productivist modernisation was a painful process in Estonia, which lost nearly 80% of its agricultural population in just a few years. The process went more slowly in Poland, which, according to economic indicators, is still lagging behind the other countries in the sample.

The modernisation period had contrasting effects. In Germany and France, both inhabited rural areas and rural areas with structural demographic and economic difficulties persist; a considerable part of rural Spain is empty (or "emptied" according to the Spanish political controversy); the

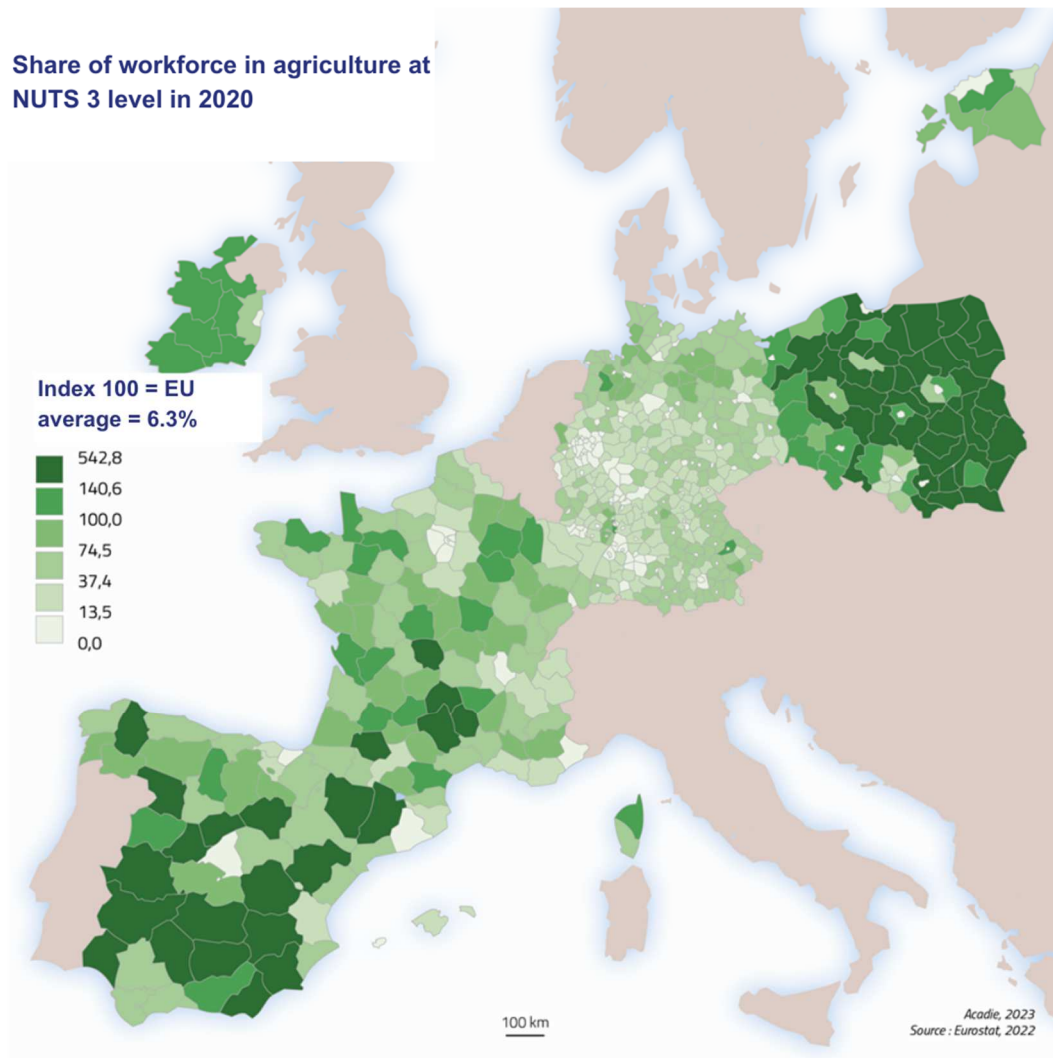
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<sup>49</sup> Ministry of Agriculture, AGRESTE, 2022.



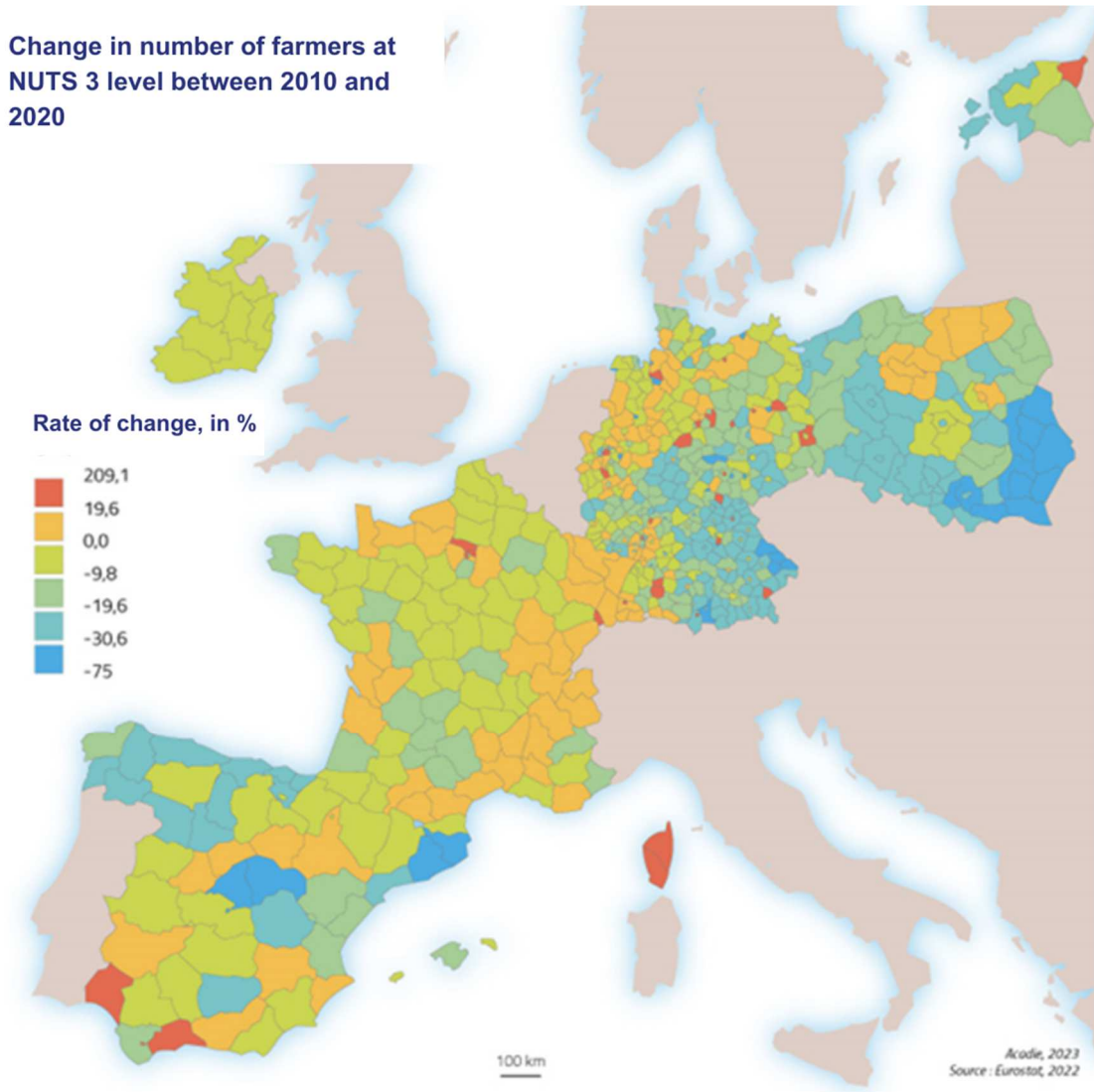
countryside of Estonia was abruptly depopulated, but has regained some attractiveness today; Irish rural areas have strong demographics; in Poland, rural areas, especially in the east, have not yet completed this transformation and are experiencing poverty and emigration.

**Map 11: Share of workforce in agriculture at NUTS 3 level in 2020**



6.3% of the European Union workforce worked in the agricultural sector in 2020. In order to highlight regional contrasts, the map shows the deviation from this average. The rural regions of Poland and Spain clearly stand out. The share of agricultural workers is very high in these countries, but for different reasons. In Poland, a large agricultural population has been maintained, while in Spain, workers in other sectors have left the countryside.

Map 12: Change in number of farmers at NUTS 3 level between 2010 and 2020



In some European regions, the number of agricultural workers is increasing again. These high percentages of change should be considered compared to a very low starting point. However, these figures do indicate the emergence of new farmers, especially in suburban areas. In Bavaria, Catalonia and eastern Poland, a rapid decrease in the agricultural population can be seen.



## 2. EMERGENCE OF RURAL AND REGIONAL DEVELOPMENT (1990-2020)

During the 1980s, at around the same time, the notion of rural development emerged, in addition to *strictly* agricultural policies.

### European standardisation

This shift is mainly due to the transformation of rural areas, social and economic diversification and changes in agriculture. In the "oldest" European countries, such as Germany and France, the concentration of agricultural property and performance of industrial agriculture left some of these areas abandoned. In both France and Germany, the loss of agricultural land is less related to urbanisation than to agricultural decline, or rather, as Hervieu and Purseigle<sup>50</sup> point out, to the disappearance of resident farmers. Agricultural workers are increasingly employed by large firms and groups and are less and less self-employed farmers operating in a family setting. Hence a growing dissociation between agricultural production and social and economic life in rural areas. Rural areas became distinct from agriculture, and agriculture became more and more removed from local life.

Rural areas were diversifying and following their own trajectories, as evidenced by the studies conducted in these countries.<sup>51</sup> This begs the question among Member States: what is the role of rural areas when they are no longer (only) agricultural? The European response slowly became standardised through the LEADER programmes: rural areas are the best place to implement endogenous development driven by the local community. In other words, this period hailed a change in the positions of governments. While adding a second pillar to their agricultural policies, that of rural development, they no longer intervened directly. Instead, they rallied local communities around the idea of regional projects. Thus, rural development essentially became, from the government's point of view, procedural.

This procedural shift did not prevent governments from continuing to intervene from a conventional planning perspective, at least in two main areas: communication (all countries have a comprehensive broadband network programme) and public services, with various approaches that try to mitigate the consequences of simplifying the administrative map (like public service centres in France). Other areas are more difficult to cover, including transport, which has entertained a wide variety of proposals. Nowhere, however, does there appear to be a satisfactory and lasting solution to provide the least dense areas with a level of service "equivalent" to that of urban areas.

Over time, the concepts conveyed through European funds contributed to disseminating a common language and methods among these countries, which also spread into other public policies. In France, for example, the expression "one region, one project, one contract" became the buzzword of development policies based on the 1995 and 1999 orientation laws for land use development (so-called "Pasqua" and "Voynet" laws). In particular, the technique of calls for tender and certification became the most widespread instrument, insofar as it meets two requirements: decentralisation (and therefore autonomy of local communities) and central monitoring of decentralised governments (via an increasing dependence on pre-formatted calls for tender).<sup>52</sup>

#### Notes .....

<sup>50</sup> BERTRAND HERVIEU, FRANÇOIS PURSEIGLE, 2022, *Une agriculture sans agriculteurs. La révolution indicible*, Paris, Presses de Sciences Po.

<sup>51</sup> See for example DATAR, 2003, 2011 or BBR-Thünen Institut, 2016, *Deutschland Atlas. Karten zur gleichwertigen Lebensverhältnissen*.

<sup>52</sup> R. EPSTEIN, *La rénovation urbaine: démolition-reconstruction de l'État*, Paris, Presses de la Fondation nationale des sciences politiques, 2013





In the newest members of the European Union, Estonia and Poland, these two stages (agricultural modernisation and rural development) are taking place at the same time, not without contradictions. Agricultural modernisation policies have negative impacts on the population since they help increase productivity and the size of farms, and consequently reduce the agricultural population. Conversely, rural development policies are based on the population, which is complicated in the rural areas of Poland and Estonia as they have experienced, and are still experiencing, heavy demographic losses.

Poland and Estonia are not, however, following the same path. Poland does not have a specific strategy for rural areas, but the central government encourages the regions to develop local strategies within the framework of European funds by stressing the importance of targeting spaces that combine cities and countryside in order to integrate these spaces into functional urban areas. Moreover, observers stress the importance of family aid distributed directly by the government, which also benefits low-income rural families.

However, an OECD report judges these attempts to diversify employment in the Polish countryside fairly harshly.<sup>53</sup> The report notes the government's insistence on maintaining structurally unprofitable small-scale farms for as long as possible. In addition, according to the OECD, national policy is not very focused on entrepreneurship and economic diversification. The report notes a decline in the allocation of European funds to rural entrepreneurship. Thus, Polish governments find themselves stuck between a modernisation strategy (agricultural modernisation and rural economic diversification) and political issues (maintaining the rural electorate, considered rather favourable to the current government).

In Estonia, on the other hand, rural areas do not appear as a specific category of public policies. They appear to be spread between productivist agricultural policies on the one hand and environmental protection measures on the other. The 2030 development strategy addresses the rural issue by stressing the importance of integrating rural territories as much as possible into the areas of influence of cities, particularly by means of public transport. However, development strategies are actually difficult to come by, between a national government that invests little in these issues and highly fragmented local governments,<sup>54</sup> since there is no intermediate level between municipalities and the State.<sup>55</sup>

## Specific national programmes to complement European policies

In parallel or in addition to European programmes, Germany, Ireland, France and Spain implemented national programmes to complement or amplify the local development approaches supported by European funds, all at about the same time. These steps are all linked to specific issues, adding a national tone to the European melody.

In Ireland, the crisis highlighted the shortcomings of a "trickle-down" strategy from cities to the countryside, triggering a national debate on "spatial justice" which culminated in a strategy entitled "Our Rural Future<sup>56</sup>", in addition to the national rural development programme<sup>57</sup> (which is an EU requirement for allocation of financial aid). This strategy is intended to be interdisciplinary,

### Notes .....

<sup>53</sup> OECD, *Rural Policy Reviews: Poland 2018*, 2019

<sup>54</sup> Despite the local government reform of 2016, which drastically reduced the number of municipalities.

<sup>55</sup> OECD, *Shrinking Smartly in Estonia*, *op. cit.*

<sup>56</sup> IRISH GOVERNMENT, "Our Rural Future: Rural Development Policy 2021-2025", 2019 (on line: <https://www.gov.ie/en/publication/4c236-our-rural-future-vision-and-policy-context/> ; consulted on 25 September 2023)

<sup>57</sup> "Report of the Commission for the Economic Development of Rural Areas (CEDRA)", 22 March 2019 (on line: <https://www.gov.ie/en/publication/45c298-report-of-the-commission-for-the-economic-development-of-rural-areas/> ; consulted on 25 September 2023)



including all ministerial departments. It aims to support rural areas in five main sectors: support for community projects, support for creation of businesses and jobs, tourism and recreational development, support for cultural actions in rural areas, and improving infrastructure (roads and telecommunications).

In Spain, the parliament approved a law on rural development in 2007 described as exemplary by the OECD public policy review,<sup>58</sup> which for lack of dedicated resources was never implemented. From 2017 on, a shift in opinion, first intellectual and then political, popularised the term empty Spain, which led to the creation of the "demographic challenge" strategy and a dedicated structure at the Ministry of Ecological Transition.

In Germany, European programmes have long been accompanied by policies autonomously supported by the Länder, which is not without causing some confusion among local players. In 2015, the federal government set up a specific programme based on a social, economic and geographic analysis called "model regions", which was intended to be experimental, in order to test solutions that could then be applied nationally.

It should be noted that political issues are among the factors that trigger specific national strategies. In Spain, rural political parties emerged and, for a time, played a pivotal role in forming the government majority. In Germany, the federal government has been concerned about the eastern regions' votes for the AfD. The importance of politics has led some observers to say that these policies are as much intended to "calm discontent" as to address issues faced by rural areas.<sup>59</sup>

### 3. THE TENSIONS OF TRANSITION

#### Reintegrating agricultural policies and rural development?

In retrospect, local development reveals uncertainty in all countries, for example as can be seen in the many attempts to define "rural". This uncertainty relates both to the nature of "rural" areas and their functions. The productivist modernisation period clearly indicates that the countryside, through farmers, is incited to produce food autonomy for the country or provide for their export capacity. But, as we have said, this productivism leads both to a scarcity of farmers and a diversification of rural spaces, to the extent that it is hard to understand what purpose they serve, or if they should even be contained in a specific category.

For a long time now, many social science studies in Europe have tended to denounce or bring nuance to the urban/rural distinction which was once so clear.

The "rural development" phase corresponds to governments referring this issue to local communities, which could be translated as follows: "We no longer have the ability to define you or assign you a role. It is therefore up to you to define yourselves and decide on your own path of development."

However, this period of uncertainty about the functions of rural spaces could be coming to an end. Rural spaces, or at least sparsely populated spaces, are once again highly prized by agricultural businesses and what could be called "green" capitalism, primarily for energy production. We also see rural areas in Europe hosting "support" services that are necessary for the rest of the economy,

#### Notes .....

<sup>58</sup> "Presentation of the study on Spain's rural policy (OECD)", 16 February 2009 (online: <https://web.archive.org/2016-06-23/67259-presentationofthestudyonspainruralpolicy.htm>; consulted on 15 September 2023)

<sup>59</sup> L. DIJKSTRA, H. POELMAN and A. RODRÍGUEZ-POSE, "The geography of EU discontent", *Regional Studies*, vol. 54, n° 6, Routledge, 2 June 2020, p. 737-753



but which require cheap and sparsely inhabited space, such as developing logistics or even setting up water and waste treatment. At the same time, environmental movements are pushing for greater protection of the agricultural, natural and forest areas, which in most countries results in restrictive legislation on land take—which can be interpreted by rural policymakers as restricting their development potential.

In practice, the objectives of "endogenous" economic diversification of the countryside supported by rural development policies may be successful, but using approaches, modes of organisation and financing that are far from the "bottom-up" approach promoted by the European Union and some States.

This new rural diversification, meaning development that is not only agricultural, is not a painless process. It introduces new tensions between residents and farmers. Agriculture, logistics and renewable energy production require less and less permanent presence. These modes of production use the soil as a productive medium, but are, in fact, above ground processes. These outsourced land uses mean that the economic benefits for the area are low, leading to many protests. The energy sector is becoming a cause of local tensions between farmers and residents. As many Spanish activists say: "Yes, renewable energy, but not like this."

In this context, it is likely that rural development policies and agricultural modernisation policies will find common ground through greening and diversification of agricultural activities on the one hand and return of sparsely populated areas as a resource for development to support the energy and ecological transition on the other.

Is it time for a third age in European policies, fusing these two pillars?

## Focus 2. Between tradition and transition, the turf war in Ireland

In 2022, Irish and international headlines referred to a "turf war"<sup>60</sup> for the peatlands. 17% of the country is covered by peatlands, which is organic matter with significant energy potential. Peat has been used by people to heat their homes since prehistoric times. With climate change, these practices are being called into question, as peatlands are powerful carbon sinks.<sup>61</sup> Moreover, peat combustion releases massive amounts of carbon into the atmosphere. It therefore seems necessary to limit peat extraction.

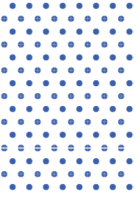
But peat and peatlands are an essential component of Irish rural life. Their social, economic, and cultural importance is essential to rural spaces and the associated collective imagination.<sup>62</sup> In 1946, the Turf Development Act created the semi-state company Bord Na Mona dedicated to large-scale peat farming, a moment of national pride. Starting in the 1990s, Ireland wanted to reduce the share of peat in energy consumption, in accordance with the country's international commitments to the fight against climate change. Environmental damage from peat extraction led Irish political leaders to permanently ban industrial-scale peat extraction after May 2020, and commercial and advertising practices around peat after October 2022. This forced industries to convert their activities, a process that began in the 2000s. Although this decision was announced a long time

### Notes .....

<sup>60</sup> -"Bannir l'usage commercial de la tourbe : le dilemme irlandais", *Ouest France*, 22 April 2022; —"We're being left with nothing: Ireland's turf wars exposes rural grievances", *The Guardian*, 4 May 2022; —"Turf wars stall Ireland's green agenda", *France 24*, 24 July 2022; —"L'Irlande peine à arrêter d'exploiter ses tourbières", *Reporterre*, 27 July 2022; —"Protecting the peatlands of Ireland as fuel costs skyrocket", *The New York Times*, 4 October 2022; —"The "turf wars" heat up as Ireland transitions away from peat", *Eurosite*, 5 October 2022

<sup>61</sup> "Protecting the peatlands of Ireland as fuel costs skyrocket", *The New York Times*, 4 October 2022

<sup>62</sup> "Peatland Vulnerability to Energy-Related Developments from Climate Change Policy in Ireland: The Case of Wind Farms | Tethys", s. d. (en ligne : <https://tethys.pnnl.gov/publications/peatland-vulnerability-energy-related-developments-climate-change-policy-ireland-case> ; consulted on 22 September 2023) ; A. BANERJEE and G. SCHUITEMA, "Spatial justice as a prerequisite for a just transition in rural areas? The case study from the Irish peatlands", *Environment and Planning C: Politics and Space*, SAGE Publications Ltd STM, 2023 (DOI : 10.1177/23996544231173210 consulted on 9 September 2023)



ago, protests remain strong against what was perceived as a direct attack on a de facto right to the land and free administration of its uses.

There are three interrelated elements in this debate. First, the economic element: one in seven families in Ireland still heats their homes using peat.<sup>63</sup> This proportion hits 40% in Galway County. While domestic use is still allowed, many fear the costs that will be incurred if it is banned. There is also an identity element ingrained in the collective memory: peat is connected to inherited traditions and landscapes. Finally, there is a regional element: peat was once one a major factor in exchanges between cities and the countryside. Renewable energy, also produced in rural areas, often comes from "urban" companies. Thus, rural areas have the impression of losing an important part of their exchanges with cities.

The Irish government has provided support so that households can insulate their homes as part of decreasing dependence on peat. The turf war begs the wider question of the economic, symbolic and heritage role of rural spaces in the ecological transition.

### Rural policy phases in the 6 countries

	Agricultural modernisation	Rural development	Rural spaces in transition
Estonia			
France			
Germany			
Ireland			
Poland			
Spain			

## Between new productivism and reinventing local development: a return to multifunctional rural areas?

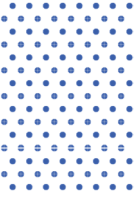
The productivist period and its consequences in terms of the takeover of arable land by commercial agriculture led to an "above-ground" agricultural system in every sense of the word. Above the biological soil as soon as it becomes nothing more than a tool for production, despite all the calls, attempts and measures intended to maintain "living soil"<sup>64</sup>. The system also exists above political and social grounds, insofar as agricultural trends largely escape the deliberative and regulatory capacities of local governments and communities. The same is true, albeit to a lesser extent, for protective measures. In Poland, the biosphere reserve status of the primary forest of Białowieża created a conflict between the Polish government and the European Commission which led to the condemnation of the Polish government in 2017.

The above-ground nature of these systems is exacerbated by renewable energy investments, which, while providing liquidity to landowners, bring very little benefit to local communities. In addition to the risk of fuelling new conflicts on use, these trends deprive local communities of control over processes of economic, social and environmental transformation. Local development policies, while significantly improving quality of life in the countryside, do not provide the means to control these processes.

### Notes .....

<sup>63</sup> According to the Irish Environmental Protection Agency

<sup>64</sup> Since 2003, one of the conditions of the CAP is respecting and restoring "proper agricultural and environmental conditions".



Extrapolating, we could say that the lowest-density areas are at a crossroads today. Either outsourcing trends will increase, with the risk of exacerbating conflicts between regions, or local communities will find a new way to regulate and direct the use of their own land. In other words, they will find a path to desirable multifunctional rural areas managed by the areas themselves.

### Focus 3. Is renewable energy really an opportunity for rural spaces? A Spanish debate

Spain has almost no fossil fuel under its soil. Moreover, the country is rather poorly connected to pan-European electricity networks. This has been an obstacle to industrial development and explains the extent of oil imports. This situation also reveals why the country has relied heavily on the development of renewable energies since the 1990s. Thanks to ambitious national public policies and incentives for investment in wind projects, Spain became the second-largest producer of wind energy in Europe after Germany in the 2000s. After the 2008 crisis, this development slowed due to a decline in public subsidies. It gained a second wind at the end of the 2010 decade.<sup>65</sup> In 2018, the country made a big splash, announcing that it wanted to reach 100% renewable energy by 2050 (compared to 21% in 2021). Shouldn't this be a major opportunity for empty Spain? But would not considering rural areas from the perspective of energy potential be ignoring "those that remain"? The debates are animated around an "above-ground" Spanish transition that would bring back all the contradictions of the productivist model.<sup>66</sup>

Many groups are challenging the development of renewable energy, including non-profits and even political parties, such as the local Teruel Existe party. Their slogan is "*yes, but not like this*". They denounce the industrial takeover of the countryside without positive economic benefits for local communities. They demand more participation from residents in the choice of locations for wind turbines and photovoltaic panels. They bemoan the competition between transitions and the damage sometimes caused to biodiversity. Many opponents equate these productions with "energy colonialism" or a form of "industrialisation of the countryside". Many energy production cooperatives were born in response to these criticisms.<sup>67</sup>

The debates focus on sharing the value created by energy infrastructure, and the role of local governments in authorising this infrastructure. The Spanish debate illustrates discussions that are emerging throughout Europe, not on the importance of the energy transition (and more generally of the ecological transition), but on the different impacts that "socio-eco-capitalist" paths of the transition may have on local areas.

#### Notes .....

<sup>65</sup> J. GORDON, *Spain's first wave of wind power: An examination of synergies between policies, markets and socio-technical innovation*, s. l., 2019

<sup>66</sup> R. DUARTE *et al.*, "Analysing citizens' perceptions of renewable energies in rural areas: A case study on wind farms in Spain", *Energy Reports*, vol. 8, 1<sup>st</sup> November 2022, p. 12822-12831

<sup>67</sup> <https://www.theguardian.com/world/2021/sep/01/spains-energy-cooperatives-lead-charge-to-exploit-solar-power>



# CONCLUSION

Comparing national policies for rural areas is all the more compelling when we consider how each country faces different challenges behind the rural question. On the one hand is the wide variety in rural areas in terms of density, economic diversification, cultural recognition, etc.; on the other is the differences in their main policy challenges, such as the ecological transition, evolution of public services, city-countryside relationships, national unity, etc. This diversity of concerns is, to some extent, masked by the relative similarity of the tools put in place for development of rural areas. On the face of it, the countries appear alike in many ways, particularly as a result of the implementation of community-based methods.

Across the board, rural policy is now being radically re-examined. We are clearly at a turning point in this respect. We believe that the ecological transition is responsible for this moment of doubt regarding the future of rural policy in Europe. Indeed, residents in rural zones know that the ecological transition will call into question many aspects of their lifestyles, notably the massive reliance on cars, but also certain practices in hunting, heating, etc. Economic activities in rural zones are particularly affected by ecological issues, including agriculture, as well as forestry and many other industries. Yet, it is in rural areas that the majority of green industries will be developed, particularly renewable energy production. In summary, both rural society and rural economy will undergo profound transformations in the coming decade. In every country in Europe, following the European Union's *Green Deal*, there are ecological planning efforts to identify expectations for various economic sectors (construction, energy, transport, etc.). However, no country has yet carried out studies to offer any real advancement on ways to apply the ecological transition to specific regions. We had hoped to find a few countries that were ahead of France in this regard, but it is evident that no country has yet broached the issue of a regional approach.

This absence of visibility regarding the local effects of the ecological transition is worrying. Local players in rural development feel that they are missing out on major sectoral transitions. For example, changes in agriculture depend much more on the relationships of this sector with upstream industries—seed producers, agricultural machinery producers etc.—and downstream industries—food processing and retail—than on the actions of elected officials and other local players. Moreover, the current tools of local development are not being tailored to meet these ecological challenges. While the 1990s and 2000s saw the emergence of innovative, bottom-up solutions for advancing ecological policy (regional food plans, Agenda 21, local energy initiatives, etc.), the most profound transformations today are largely instigated by sectoral strategies from the EU or its Member States. In short, in matters of the ecological transition, the *bottom-up* (sectoral) and *top-down* (regional) approaches do not align. This is all the more apparent in the countryside.

The challenge is immense in scale. It is political in nature because it requires increased contributions broken down by region. Yet, in all European countries, the roles of the national and local authorities are still divided such that the latter can express its own path, while the national government guarantees equality. It would be a major shift to restore national governments' capacity to divide (in consultation with local governments) projects by region. However, the challenge is also a technological and scientific one, as we are a long way from finding the stable data and methods needed for a rigorous and open region-based ecological transition.



# LIST OF INTERVIEWS CONDUCTED

## GERMANY:

Dr. Stefan Becker, Geographer, von Thünen Institute (Germany)  
Dr. Guillaume Lacquement, Geographer, University of Perpignan (France)  
Dr. Joséphine Lécuyer, Geographer, Sorbonne University (France )

## SPAIN:

Dr. Raúl Compés, Economist, Director of the International Centre for Advanced Mediterranean Agronomic Studies in Zaragoza (Spain)  
Dr. Javier Esparcia, Geographer, University of Valencia (Spain)  
Dr. Vicente Pinalla, Historian, University of Zaragoza (Spain)  
Mr. Gonzalo Valencia Sagrera, Director of the Technical Office of the General Secretariat for Demographic Challenge of the Ministry of Ecological Transition and Demographic Challenge (Spain)

## ESTONIA:

Ms. Kaire Luth, Ministry of Rural Affairs (Estonia)  
Dr. Olavi Petron, Ministry of Regional Affairs (Estonia)  
Dr. Priidu Riskok, Geographer, University of Tartu (Estonia)  
Dr. Garri Raagmaa, Geographer, University of Tartu (Estonia)

## IRELAND:

Mr. James Claffey, Irish Rural Network  
Dr. David Meredith, Geographer, Agriculture and Food Development Authority (Ireland)  
Mr. Eunan Quinn, County Donegal (Ireland)

## POLAND:

Dr. Jerzy Bański, Geographer, Academy of Sciences (Poland)  
Dr. Tamara Krawchenko, Expert in Comparative Public Policy Analysis and Regional Development, University of Victoria (Canada)  
Ms. Katarzyna Laskowska, Ministry of Agriculture and Rural Development (Poland)  
Ms. Ewa Malick-Kapler, Ministry of Development Funds and Regional Policy (Poland)  
Dr. Barbara Wieliczko, Economist, Academy of Sciences (Poland)

# COMPRENDRE

## RURAL AREAS AND RURAL POLICY IN EUROPE



The European Union is setting out a new ambition with the «rural pact». Various countries are redefining their policies for rural areas, notably France with the transition from the « Rural Agenda » to the « France ruralités » plan. The National Agency for Territorial Cohesion (ANCT) intended to carry out a comparative study of national policies for rural areas. The ANCT commissioned the Acadie cooperative to carry out this study. The countries studied are Germany, Spain, Estonia, Ireland and Poland. While the instruments used to promote rural development are fairly similar throughout Europe, the objectives and expectations of the Member States rural policies differ widely. Everywhere, the ecological transition is calling these policies, their instruments and their objectives into question.

