

THE GEOGRAPHICAL DIMENSION OF THE RURAL POLICIES IN SOME O.E.C.D. COUNTRIES

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ΠΕΡΙΛΗΨΗ

Ορισμένες νέες τάσεις στις αγροτικές πολιτικές των αναπτυσσόμενων χωρών-μελών του Ο.Ο.Σ.Α. φαίνεται πως θέτουν σε κρίση τις υπάρχουσες παραδοσιακές δομές στον αγροτικό τομέα. Η γεωγραφική όψη των προβλημάτων που προκύπτουν αντιστοιχεί στη μορφή το ολοκληρωμένου σχεδιασμού αγροτικής πολιτικής σε τρία διοικητικά επίπεδα εφαρμογής. Έτσι, στόχοι όπως: 1) η εναρμόνιση μεταξύ μακροοικονομικών σχεδίων και μικροοικονομικών περιορισμών, 2) η ελάττωση των δομικών ανισοτήτων, συχνά πραγματοποιούνται σε ένα πλαίσιο πολυ-τομεακής αγροτικής πολιτικής. Ομως, ορισμένα προβλήματα υποανάπτυξης μπορεί να συνεχίζουν όταν η αγροτική πολιτική δεν έχει λάβει υπόψη την ανάλογη γεωγραφική διάσταση. Αναφέρονται παραδείγματα από χώρες του Ο.Ο.Σ.Α.

ABSTRACT

The traditional predominance of the sectoral and agricultural interests is found in steadily advancing interrelation to certain new trends in rural policy making. The geographical aspects of the resulting problems become even more important in an integrated territorial approach to rural policy formulation at three interpenetrating administrative levels of policy implementation. Objectives such as: 1) the harmonization between macroeconomic goals and microeconomic necessities, 2) the reduction of the structural imbalances, are often fulfilled in a multisectoral policy framework, though certain persistent problems in this field may perpetuate as the incorporation of their geographical dimension may still be lacking. Examples are taken from some O.E.C.D. countries (France, Spain, Italy and Portugal in particular).

1. Introduction.

Rural policies devoid of strong spatial (geographical) views dominated in the whole range of classic and metaclassic economic models of this century. But, later occurrence of structural and other changes in the rural economies of the most technologically advanced countries (O.E.C.D. countries specifically), led to a reexamination of rural development policies. These changing concerns in the formulation of rural policies are traceable from a comparison of early O.E.C.D. reports with the latest ones. (F. Papadimitriou, 1993) *Journal of Agricultural Economics*, A.P.E.

member countries represent a quite distinct situation compared to the latest ones.

2. The recent structural changes.

The changes that took place in the rural economies during the post-war years have been examined extensively so far inasmuch as the post-1980 (recent) haven't. This gap is partly attributable to the lack of a unified evaluation of rural economies and rural policies of the last ten years as they have been embedded in a broader framework of scientific explanation, such as the impact of the C.A.P. regulations, the G.A.T.T. agreements etc. Therefore, a brief outline of the main post-1980 structural changes that took place in the O.E.C.D. countries (with variable extent and intensity), would certainly comprise: the increasing rural unemployment, the disaccordances between the rural production structures and the demands of the world market, the persistent underdevelopment in rural areas, as well as the downturn in some traditional rural industries.

3. The necessary adjustments and the new trends.

The necessary adjustments to overcome the structural change-induced crises would be threefold: social, economic, and institutional adjustments. As for the social adjustments, they should be designated in a way that would prevent further depletion of human resources, considering that manpower in rural areas is very likely to keep decaying in most O.E.C.D. countries in the 1990s. The economic adjustments are manifold. Generally speaking, they should aim at a balanced interaction between macro-policies, sectoral policies, human resource policies on the one hand and public, private or other interest groups on the other. The institutional adjustments rely almost entirely upon geographical concepts such as decentralisation and regionalisation.

After O.E.C.D. (1988), the new trends in rural policy making can be summarised as follows:

- a) Integrated territorial rather than traditional approaches,
- b) Integrated participation of various actors in the policy formulation process,
- c) Redistribution of responsibilities between Ministries and governmental departments,
- d) Cooperation between the private and the public sectors,
- e) Realization that the decentralisation is not a panacea.

Nevertheless, the list would be incomplete without reference to two other powerful trends, being:

- i) The increasing regionalisation of both the rural capital and the policy making
- ii) The increasing environmental awareness as to the use of environmentally unfriendly substances such as pesticides and fertilizers, soil erosion etc.

4. The geographical dimension.

The geographical dimension of these new aims of rural policies is closely related

to the socioeconomic spatial differentiation of the variables which are critical for the rural policy making. Variations in labour potential, capital and agricultural output, may well be considered as three such variables. What is significantly expanding, is the increasing involution of geographical terms in the overall policy making and rural policy evaluation process, to an extent that people have hardly ever considered so far. Rural lands are no longer recognised as a repository of natural resources only, but also as the spatial sustentances of a complex socioeconomic lattice upon which our long - term survival depends.

The post-war mobility of human and financial resources resulted in a disequibrated distribution of labour and capital within the countries themselves, thus making itself evident in the depopulation of rural areas and the disintegration of the rural economic structures. To a certain extent, the regional rural impoverishment had been concurrent with the observed internationalisation of production factors. markets, investments that widened the scope and the effectiveness of the regional entrepreneurial activity. Strong local entrepreneurship (partly in cooperation with the industrial sector), is very active in Spain. These entrepreneurs are often found in financial collaboration with the appropriate problem - solving oriented labor unions, the Banks, the financial institutions, the consulting companies and public administration in a harmonious rural development that compromises microeconomic necessities and macroeconomic objectives in the format of the local development.

A similar option for rural policy strategy is adopted by Portugal with the "Societies for Regional Development" (estab.1980) which undertake to revitalise certain of the country's less-developed areas through the promotion of the enterprise development, technical support and access to financial resources.

The rural entrepreneurship inevitably foreshows the expansion from local to national, even international markets but regional, national or global concerns play even more decisive role now in drawing aside the free growth of rural capital.

Food security, stable prices of agricultural commodities, rural employment and environmental protection may find themselves in sharp contrast with the long term objective of allowance of market prices of market prices to influence the agricultural production. In view of the urgent need to prevent further deterioration of the market imbalances, certain farm incomes may fall in price guarantee mechanisms, such as the C.A.P.'s "monetary compensatory amounts". Examples from O.E.C.D. countries that favor environment - friendly considerations would include the U.K. (for which a compromise between nature conservation and development of rural economy is a primary objective), Belgium (for which water management has been an essential part of the country's rural policy) and Germany which paid special attention to the ecological principles in rural policy making.

Decentralisation of rural economies and rural policy making may be thought of as another form of internationalisation of local rural economies (or rural interests). The hierarchy connecting the international , regional, local rural interests is steadily

becoming fuzzier and self-referential, giving way to a growing complementarity that coordinates self-sustainedly the various hierarchical levels of rural economy and rural policy.

Several planners uphold the view that greater decision making capacity at the regional and local levels should bring decision making closer to policy execution, others warn about the risk of transfer of bureaucracy at the regional and local level. Regional plans for comprehensive territorial development aiming at a proper coordination of different public authorities with encouragement of endogenous development are now well formulated in Belgium, Italy, Norway, U.S.A., France, Finland, Spain, Netherlands (among other countries). The Swedish and the Italian experiences show an increased multi-sectoral coordination in rural policy, while the French and Spanish systems are based on a well-defined hierarchy ranging from town council to state government. In Greece, the inability of both the private and the public sectors to fund alone rural development, gave way to an increasingly efficient multi-sectoral participation in rural development through contractual policy arrangements.

5. Conclusion: Geography, C.A.P.: a conjecture on future interrelationships.

The E.E.C. has experienced three significant stages in the development of its rural sector: 1) The 1960s reduction in production deficits, 2) The great increase in productivity in the 1970s, 3) The growing agricultural surpluses and the resulting imbalances between demand and supply. The 1988 C.A.P. revision aimed at a restructuring of agricultural exploitations Europe-wide. The geographical perspective has broadened since then in that national rural policies had to comply with the C.A.P.'s new regulations. E.E.C. countries have attained internationalisation of their rural communities and rural economies. Nevertheless, most exploitations became more fragile. The increased sensitivity of national, regional, and local rural policies to internationalisation is both a challenge and a hazard. Institutional changes and socioeconomic adjustments like the ones referred to herein may turn out to be absolutely necessary for the rural policies to survive. The geographical disequilibria in labor and capital will probably be accentuated in Europe, particularly in the event that a G.A.T.T. agreement would fail. The decade of the 1990s is probably the most critical for the rural structures since the end of the WW2, as rural policy makers have often to face all the rural problems of the past fifty years accumulated and exacerbated. Obviously, the E.E.C. countries will be the first among the O.E.C.D. countries to suffer the burden of failure or profit the fruits of success.

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