

# LAGs and their innovative approaches to rural development in South Bohemia within the post-crisis period

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# Goals and methodology

## ● Goals

- To observe shift from dysfunctional innovative and development processes to functional processes in LAGs of the South Bohemia after the world economic crisis
- The role of regional identity and local actors in such processes

## ● Methodology

- Comparison of the LAGs' developmental documents of the South Bohemia Region
- Periods 2007 – 2013 and 2014 - 2020
- Methods: critical discourse analysis of texts
- Statistical analysis of socio-economic data (Czech Statistical Office CZ)

# Socio-economic characteristics of the South Bohemia (year 2014)

- **Demographic characteristics**

- Number of inhabitants in total 673.3 thousands
- 4 945 immigrants / 4 361 emigrants → net migration + 584

- **Age and education structure**

- Average age 41.9 years (in the Czech Republic 41.7 years)
- Share of tertiary educated population 14.7 %

- **Macroeconomic indicators**

- Share in GDP of the Czech Republic 5.1 %
- GDP per capita reached 84 % of national average



# Identified local sources and innovation

## Local culture

- **Live culture:** traditional events x feast days
- **History of region:** sights x known compatriots x cultural legacy
- **Modern culture:** (buildings x contemporary events x associations x weekend cottagers)

## Regional production

- **Regional brand:** small interest of firms x effort of broadening x export of regional culture
- **Traditional crafts:** decline of unemployment x promotion of region
- **Short food chains:** encourage to local farmers x resilience to globalisation

## Natural wealth

- **Ponds and rivers:** lido x fish farming x padding sports x source of drinking water
- **Forests:** societal usage x wood mining x environmental influences

## Social sources

- **Social capital:** sport x crafts x neighbourhood
- **Social networks:** firms x public administration x politics x common population

# Features of entrepreneurship in region

## ● Branches

- **Agriculture:** diversification x specialisation x climate condition x animal production x crop production
- **Manufacturing industry:** missing skilled employees x missing entrepreneurs x missing add value
- **Travel business:** missing educated employees x missing infrastructure x high potential of development
- **Forestry:** wood mining x encourage travel trade x encourage sport activities
- **Fish farming:** lido x fish x clear water

## ● Relation among

- **Low trust:** public administration x among entrepreneurs to each other x between LAGs and entrepreneurs
- **Cooperation:** unsystematic x ineffective

## ● Investment activities

- **Unsystematic investment incentive:** in the long term harmful x unclear development strategy
- **Small number of entrepreneurs:** low investments x low financial sources

# Crisis elements in localities

- **Insufficient infrastructure**
  - Housing, transportation, small villages
- **Lack of financial means**
  - Low economic performance, unrepaired buildings, postponements of projects, low customer force, endangered association activities, low innovation potential
- **Inaccessibility of locality**
  - Labour market, travel business, exodus of young population, low interconnectivity within the locality
- **Low education**
  - Content (not consistent to local labour market x not aimed to patriotism x low manual skill fullness; small number of foreign languages)
  - Low quality (threatening travel business x disinterest of children to join in associations)
- **Lack of information**
- **Environmental burden**
- **Threatened groups of population**
- **Lack of raw material**
- **Mistrust**

# Regional identity

- **Promotion of the region from “Jihočeský region“ to „South Bohemia“**
  - Logic step → strengthening of the symbolic meaning of the region and regional consciousness of its inhabitants
  - Term “*Jihočeský kraj*“ (South Bohemia region as an administrative unit) x „*Jižní Čechy*“ (South Bohemia as expression for a land)
- **Regional identity and identity of region**
  - Traditionally linked with history region, tradition of fishpond and unique character of environment
  - Strong relations of inhabitants to region creates strong regional identity and positive image of region as well



# Theoretical findings

## Theory of growing centres (poles)

- Solve unemployment in smaller villages
- Cultural events build image of locality, flow of information, bring innovation
- Attract young population, threaten SME in small villages, threaten development potential in small villages

## Mechanical solidarity

- Care of seniors in the families
- Cultural events depends mostly on residents therefore deeper relation to locality

# Found causalities and paradoxes

- **Usage of ponds** (typical for the South Bohemia)
  - **Tourism** → lidos need clear water for water sports and summer relaxation
  - **Fish farming** → profit brings fish feeding and it enables ceremonial fishing out
- **Cultural sights and their protection**
  - **Contemporary** → rules of historic preservation and limited financial sources cause devastation of historical sights
  - **Long term** → rules of historic preservation enables maintain cultural and historical legacy
- **Financial stability of local associations and clubs**
  - **Member's financial contribution** → encourage solidarity and local identity x brings instability within economic crises
  - **Subsidies** → help within the economic crises x weaken solidarity and local identity
  - **Sponsorship** → involve local organisation in local activities x miss within the crises

# Found causalities and paradoxes

- **Lack of financial means for infrastructure**
  - **Poor infrastructure** → low quality of life for residents – they leave their villages
  - **Small villages** → suffer from lack of means and it leads to low quality of life for residents
- **Transport in/accessibility of locality**
  - **Inaccessibility** → weaken potential for tourism and image of locality
  - **Accessibility** → enables commuting and stay of residents – they have no time to build image of locality
- **Young population leave region and come back after getting old**
  - **Care about seniors** → expensive, don't exist social services and missing contribution of young population – it ensure family and close relatives
  - **Return of old generation** → brings burden for locality, they have not bindings and relations to locality
- **Lack of raw material**
  - **Natural wealth** → low industry protect the nature, image of locality as relax place, natural heritage for future generation
  - **Labour market** → potential in tourism x ecological burden

# Found causalities and paradoxes

- **Influence of agriculture on locality**
  - **Positive** → local production, influence on local labour market, potential for tourism
  - **Negative** → bad way of farming threatens environment, doesn't need workers with high qualification
- **Low rate of unemployment** (statistical)
  - **Free places** → none or few free places – lack of investments and new entrepreneurs
  - **Commuting** → influences statistics positively x local development negatively
- **Effort to higher education level of residents**
  - **Achieving of higher education** → improving services, increasing innovation potential and encourage local identity x not finding appropriate job and leave of young population from region
  - **Not achieving of higher education** → decreasing development potential, few workplaces and leaving young population

# Shift innovations

- **Regional brand** → for the LAG is better to cooperate with other LAGs because of financial means and wider promotion
- **Regional identity** → reinforcing of its role brings stability within period of economic crises
- **Marketing promotion of the region** → as a reaction to decreasing number of tourists in crisis period (using „*South Bohemia*“ instead „*Jihočeský region*“, new borders of tourist area)
- **Transport services** → in cooperation with regional office has been implemented new user-oriented forms of traffic transport DRT – *Demand Responsive Transport* (Milevsko region)
- **IT technology** → various kind of web portals (flow of information, education, promotion, sale) help to small villages

# Conclusions

- LAGs were solving own existence and were looking for appropriate tools of local development within the first period (2007 – 2013). On the contrary during the second period, it started to be important the quality of such tools.
- Economic crises bring the potential to examine functionality of accepted strategies.
- Conflict of private ownership and local needs could be reduced by building of regional identity.

**Thank you for your attention.**

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