

THE RURAL RECONQUEST

The policies of the EU countries that were launched in the 1960s supported the modernisation of a competitive agricultural sector that was geared to intensive production. Profound changes came about in rural areas from the early 1970s onwards, the most important being the decline in the significance of agriculture in terms of workers and income. Today these areas are being recomposed as the “non-agricultural” population gradually forms the majority, particularly in areas less endowed with production inputs. Developments have taken a different course in the southern and eastern Mediterranean countries: population growth, rising unemployment and the spread of poverty in rural areas are all challenges which agriculture cannot meet alone. Furthermore, the liberalisation of the economy has aggravated the situation of the most vulnerable population groups, most of whom are located in rural areas – hence the need for special efforts to promote them.

RURAL DEVELOPMENT POLICIES IN THE SOUTHERN AND EASTERN MEDITERRANEAN COUNTRIES

Rural areas in the southern and eastern Mediterranean countries have been the focus of a policy of providing infrastructures and services (electrification, drinking water, roads, agricultural advice bureaus, etc.), which have been financed entirely or in part by international organisations. Sectoral projects, particularly in the irrigation field, have been a core issue since the 1960s. Egypt, Algeria, Tunisia and Morocco are emblematic examples of these developments, which took place in three stages:

Stage 1: the « re-appropriation » of agriculture after decolonisation. This reconquest of land formerly controlled by France, or, in Egypt, by the landed nobility was organised through particularly strong intervention on the part of the

State: in Morocco, 1 million hectares of land were irrigated and/or covered by the “semi-arid land project”; in Tunisia, land was collectivised in the 1960s; in Egypt, a policy of water resources development and agrarian reform was pursued; and in Algeria, land was placed under direct state control and agrarian reform was introduced.

Stage 2: State withdrawal. This second stage coincided with the implementation of the structural adjustment programmes in the mid 1980s. Since the poorest rural population groups were suffering the negative effects of internal liberalisation, which reduced government transfers, social support measures and schemes were introduced, although no real rural development strategy was announced. The Integrated Rural Development Programme in Tunisia can be cited here as an example, or the measures taken by the Social Fund in Egypt to support small investment or business start-up projects.

Stage 3: Opening up to the international market. This period of external liberalisation overlapped with the previous stage and is still in progress. This opening corresponded with the period when national rural development strategies were affirmed that focused on fighting poverty and reducing unemployment by diversifying activities and improving the living conditions of rural populations. These strategies took the form of the Green Plan in Morocco, the Rural Renewal Programme in Algeria, the Integrated Development Programme in Tunisia, and the 2030 programme in Egypt. In Turkey, a new rural development programme was drawn up in 2006 with a view to EU approximation, and a huge development programme, the GAP project (*Güneydoğu Anadolu Projesi*), furthermore concerns the region of South-East Anatolia. Many actors are involved in rural development in the southern and eastern Mediterranean, but unfortunately they often operate without any plans for

concerted action. Tasks are in fact shared to a certain extent, but not enough to build a common vision: public facilities and international organisations take action through major schemes, whereas local development associations and international NGOs work more on small projects in the fields of health, education and the environment.

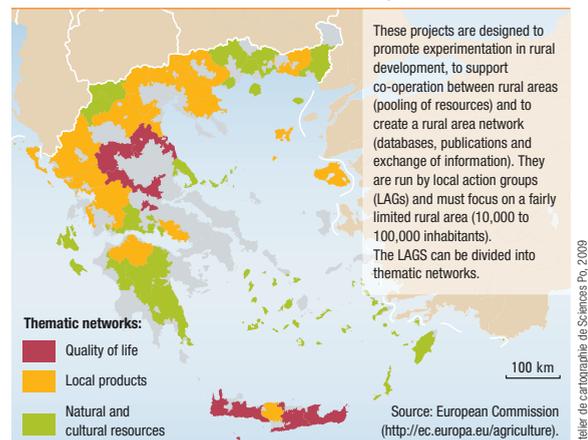
EU RURAL DEVELOPMENT POLICIES

The rural development policies implemented in the EU Mediterranean countries are supported mainly within the Community framework. The EU has adopted the principle of subsidiarity in response to problems of coordination amongst the many rural development actors: depending on the degree of decentralisation established, each country has several regional levels of consultation on, participation in, and elaboration and implementation of local strategy. As with the southern and eastern Mediterranean countries, there have also been three major stages in the history of rural development policies in Europe:

Stage 1, when rural was synonymous with agricultural. From 1975 to 1988, rural development was essentially limited to the socio-structural policies of the CAP, which were geared to modernising production, processing and marketing. Specific measures also focused on the least developed areas and mountain regions from 1975 onwards.

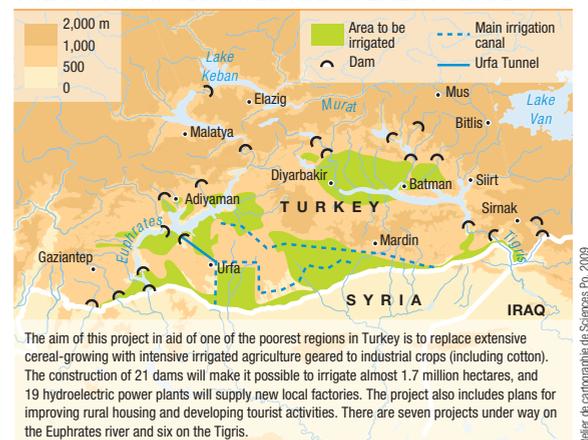
Stage 2: the stage of regional and environmental policies. In the 1980s it was realised that rural areas only benefited to a limited extent from the CAP, which was designed and implemented with a view to launching and supporting the modernisation of agriculture and farms (20% of agricultural areas were producing 80% of value added). After the publication of the Andriessens report on the future of the rural world in 1988, rural development became a major

GREECE: LEADER PLUS PROGRAMME, 2007



Atelier de cartographie de Sciences Po, 2009

THE GAP: AN INTEGRATED MANAGEMENT PROJECT



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concern. The MacSharry reform in 1992 introduced agro-environmental measures to take account of local areas and recognise the environmental amenity benefits of farmland and certain farming practices. An ambitious policy to reduce regional imbalances, a common problem in many rural areas, was launched in parallel with a view to preparing as far as possible for the single market that was scheduled for 1993. That policy defined six objectives, two of which concerned rural development specifically (Objective 1 and Objective 5b). All or part of Spain, Greece, Portugal and the south of Italy were classed as underdeveloped regions (Objective 1). Other experiments were launched in the regional policy context, such as the Community initiative programmes, which included the Leader programmes and their successive generations (Leader, Leader II, Leader +), the most successful initiative in terms of rural development since the beginning of the 1990s.

Stage 3: The autonomy stage, from 2000 onwards. Rural development policies gradually formed a coherent whole, being quite separate in part from regional policies, and when Agenda 2000 was adopted they became the second pillar of the CAP. The main objective of the latter was to help all rural zones to meet economic, social and environmental challenges with a view to facilitating social and regional cohesion. Numerous measures were scheduled in the Rural Development Regulation for the 2000-2006 period (diversification of activities, tourism, village renewal operations, etc.). Two of these measures, concerning the agro-environment and support for mountain regions, received the bulk of funding.

EU enlargement to 27 countries has brought renewed interest in rural development, since rural regions now account for 91% of the territory of the EU and over 56% of

its population. A new Rural Development Regulation has been drawn up for the 2007-2013 period. This new rural policy is now financed by the European Agricultural Fund for Rural Development (EAFRD), which was set up in 2005, and consists of four main lines of policy: 1) measures to improve the competitiveness of agricultural and forestry sectors; 2) measures to improve the environment and land management; 3) measures to improve the quality of life in rural areas and to diversify the rural economy; 4) implementation of local rural development strategies based on the experience gained in the Leader programmes.

Since its inception, the second pillar has been allocated between 20% and 25% of the CAP budget, depending on the year, which itself accounts for some 43% of the total EU budget. The EU granted a total of €561 million for funding rural development in the 2000-2006 period (and 56% of that amount was allocated to the Mediterranean countries). And a total of €908 million will be allocated for the 2007-2013 period (32% of which will go to the Mediterranean countries). In each member country the EU funding (EAFRD) is supplemented with public funds (from the State and regional budgets) and private funds. In the EU Mediterranean countries EU funding for the 2007-2013 period will amount to between 36% of the total amount allocated to rural development (in the case of Greece and Portugal) and 23% (in the case of Spain), whereas the share of public expenditure will be around 44% in Spain and 53% in France. The share of private expenditure ranges from 15% in Greece to 34% in Spain. It should also be pointed out that as regards how the EU appropriations are distributed over the four above-mentioned lines of policy, lines 1 and 2 absorb from 70% to over 80% of those resources in all of the Mediterranean countries of the EU except Malta.

SUPPORT FOR REGIONAL POLICY IN THE EU

Parallel to this second pillar of the CAP, EU regional policy, which also supports rural areas, is still being implemented. Far-reaching reforms were brought about in this policy in the period from 2000 to 2006; its objectives were reduced from six to three : to promote the development of underdeveloped regions; to support the economic and social conversion of regions facing structural difficulties, including declining rural areas (this objective covers the broader issues of former Objectives 2 and 5b of the 1994-1999 period); and to support human resources development (training and employment) (formerly Objectives 3 and 4 in the 1994-1999 period).

The regional cohesion policy for the 2007-2013 period focuses on three lines of action: 1) convergence between the regions and the Member States in order to enhance conditions for growth; 2) regional competitiveness and employment with a view to helping the regions to anticipate economic change through innovation and environmental protection; 3) European regional cooperation with a view to developing cross-border and interregional cooperation. The European regions are classed into four groups for the first two lines of policy: converging regions, some of which are in Spain, Italy, Greece and Portugal; 'phasing-out' regions (where aid is being gradually phased out) – these include regions in Spain, Greece and Italy; regions of competitiveness and employment – this concerns France, northern Italy and certain regions in Spain and Greece; and 'phasing-in' regions (where aid is gradually being phased in).

There is no real continuity between the former zoning system adopted in regional policy (1994-1999) and the classification of European regions according to the 2007-2013 objectives in that this new classification system is designed

to be dynamic so that trends can be taken into account. Regions formerly classed in Objective 1 (underdeveloped regions) are thus now part of the converging regions, while others are classed in the "regions of competitiveness and employment" or "phasing-in" regions. Certain regions that were formerly classed under Objective 2 (declining regions and industrial areas) are now in the "regions of competitiveness and employment" category. Regional policy has three funds for financing these lines of action: the European Regional Development Fund (ERDF), the European Social Fund (ESF) and the Cohesion Fund. In the period from 2007 to 2013, ERDF action in rural zones will focus on improving accessibility through measures to improve infrastructures and communication networks and on developing new economic activities (in the context of the "convergence" and "competitiveness and employment" objectives). The ERDF also makes provision for supporting investments to create economic activities related to the cultural and natural heritage and to tourism with a view to taking account of the specific local characteristics of regions with natural handicaps (defined according to the criteria of climate and altitude, and island regions); most of these regions are rural areas.

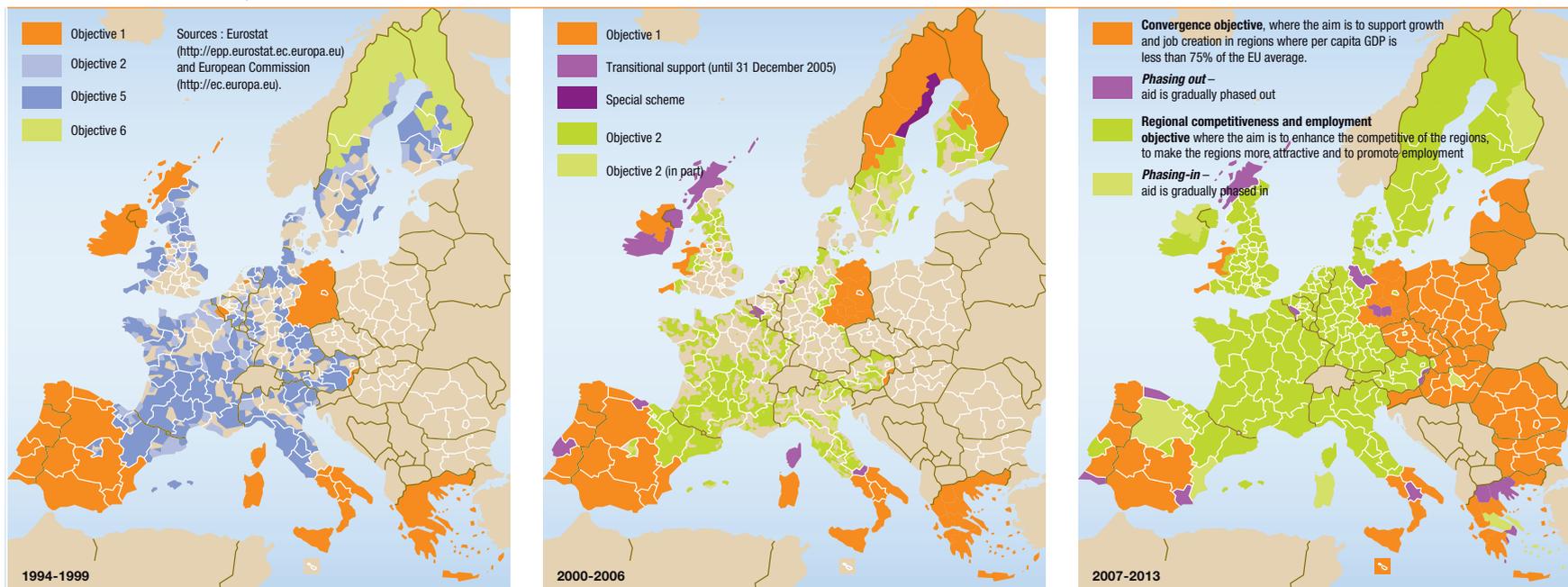
THE RURAL WORLD AS A COMPONENT OF SUSTAINABLE DEVELOPMENT

From the sectoral and technical point of view, as rural development policies have become more autonomous their orientation has developed towards an integrated and multi-sectoral approach. Given the economic and social changes in the southern and eastern Mediterranean countries (liberalisation of the economy, opening to the external market, depletion of natural resources, population growth,

increasing unemployment and poverty in rural areas), measures to integrate rural areas into the overall development process have become imperative. Rural development policies are now geared to fighting poverty and improving the standard of living of the various populations; the emphasis is on diversifying job-creating economic activities and incomes in rural areas and on improving infrastructures and services. But the effort to upgrade rural areas that are sometimes far removed from the coastal belt, which already has links with regional and international economic trends, is a vast undertaking.

In the EU context, rural development policy has developed rapidly and, with the announcement of a second pillar in the CAP that is very compatible with WTO obligations, has acquired a certain degree of autonomy with regard to agricultural policy. However, in-depth analysis of the appropriation of EAFRD funds to the various lines of policy that constitute the second pillar reveals that agriculture still receives the lion's share. But European rural zones, which have become less and less agricultural, receive a number of forms of support and aid in the context of regional policy, which focuses on improving the competitive capacity of the various regions and diversifying economic activities. Thanks to these aids, rural areas have funding at their disposal which goes beyond the agricultural sector and which they can use for developing infrastructures and creating jobs. Even if approaches differ in both the northern and the southern Mediterranean, the need for sustainable development based on the preservation of resources, regional balance and social equity make it imperative to integrate rural areas as an essential component of development policies. ■

THE STRUCTURAL FUNDS, 1994-2013



RURAL DEVELOPMENT POLICIES IN CERTAIN SOUTHERN AND EASTERN MEDITERRANEAN COUNTRIES, 1960-2009

