

**Rural Economy and Development** 

Project number: 5055 Funding source: Galway Rural Development

Date: January, 2005 Project dates: Jan 2002 – Jan 2005

# Rural development in Co. Galway, 2005



## Key external stakeholders:

Local development companies

## Practical implications for stakeholders:

- Recognising the diversity of rural areas is important and two broadly common dimensions are immediately evident namely (1) the rural economy and (2) the rural community. Effective rural development must take these essential components into account in a balanced way for the benefit of rural people.
- The question of balance between these two elements is a key issue and given their specific circumstances varies between different areas.

### Main results:

Policies at EU and national level, such as in the National Spatial Strategy, the Government White Paper on Rural Development and to a lesser extent in Common Agricultural Policy (CAP) Reform, are inclined to emhasise the economic dimension of development. Economic led policies tend to focus on entities much larger than rural communities (the focus of this study) and are largely concerned with employment in medium to large scale enterprises located in or near urban centres.

It is the contention in this study that this 'macro' economic thinking overlooks the needs of more remote rural areas and the establishment or maintenance of indigenous enterprise in these places. In view of the continued outflow of farm labour and the decline of other agricultural related employment this is a significant gap in the support framework available to rural areas.

## **Opportunity / Benefit:**

The increasing emphasis on bottom up, community led economic development necessitates rural areas accepting greater responsibility for their own development. This, however, requires the development of an institutional support framework, ranging from the local level (Local Authority) right the way through to national state agencies, e.g. Teagasc or Enterprise Ireland, if the bottom-up approach is to be viable.

## **Collaborating Institutions:**

Galway Rural Development (GRD), Galway County Council, Galway County Development Board, Údarás na Gaeltachta & Cumas Teoranta (Gaeltacht Partnership Company).



Teagasc project team: External collaborators: Dr. Jim Frawley Galway County Council Galway LEADER Company

#### 1. Project background:

In the past decade the exceptionally rapid rate of change in population structures and economic activity has transformed many rural areas. Areas close to urban centres generally experienced increases in population and in economic and social activity while some remote areas experienced a decline. These distinctively opposing changes have different impacts on rural communities and those living in them. As a result adjustment is most likely required, not only for individuals and households in rural communities but also for the economic and social supports of rural areas. The rationale for this study is to examine how different rural areas adjust and respond to change and how households in different circumstances are affected.

#### 2. Questions addressed by the project:

- How are recent economic developments impacting on different types of rural area?
- How are recent economic developments impacting on different types of households in rural areas?

#### 3. The experimental studies:

- Different types of rural area were identified, at sub county level, based on the type and quality of natural resources, the composition of the local economy and proximity to urban areas. A dynamic element was incorporated into this spatial typology through consideration of how rural areas respond and adjust to changing economic and social conditions.
- A similar approach was taken to the classification of households in five case study areas. Different types
  of households (farm and non-farm) were identified before considering the determinants of household
  viability, how they adjust to changing circumstances and how different policies and service delivery
  agencies support or hinder their adjustments.

#### 4. Main results:

- In EU terminology the principle of subsidiary is widely promoted. In the first instance this decentralisation of authority and the responsibility to deliver agreed policies rests with the nation states within the European Community. The principle acknowledges the need to customise and develop support measures, which take into account the unique and different circumstances in different member states. In the same way the principle of subsidiarity is relevant to different sub-state regions and communities comprising the state.
- A consequence of the devolution of authority to smaller spatial units is the need to accept responsibility at the lower spatial level. This requires an organisational structure and capacity to represent those communities and implement policy measures on their behalf.
- In the Irish context there are many county and sub-county agencies or organisations well positioned to identify the specific needs of local communities and the differences between them. Many are already involved in local development issues such as LEADER, the county councils, Udaras na Gaeltachta, Teagasc, the county enterprise boards and others. Besides agencies many communities have voluntary organisations and associations, also positioned in a representative way, which can contribute to local and community development.
- It is the contention here that the potential of sub-county or local level bodies / groups are not fully exploited in the development and delivery of economic and community services. Given the challenges facing all rural areas there is a need to capitalise on the potential that exists within communities. This potential can be realised through appropriate capacity development and enterprise development initiatives.
- Arising from the study a number of economic development issues which could benefit from locally led or assisted support can be suggested,
- The development and retention of entrepreneurial skills is a key issue in local development. Incentives that promote and favour these skills should be considered.



- The need to promote indigenous enterprise in local communities is a critical issue.
- Appropriate incentives and facilities must be in place to support and prime local entrepreneurs to compete with more advantaged locations.
- Infrastructural needs, such as access to communications systems, is a basic requirement for the development of many service-type enterprises. To attract this technology a critical mass is required which could be organised at the local or community level.

#### 5. Opportunity/Benefit:

Given the challenges facing all rural areas there is a need to capitalise on the potential that exists within communities. The potential of sub-county and community level bodies or groups can be developed through enhanced co-operation between local authorities and local development groups, rural industry and community stakeholders. This potential can be realised through appropriate capacity development and enterprise development initiatives. These supports need to be tailored to the needs of each area through the agreement of local development plans specifically focused on supporting enterprises within the areas and growing new businesses opportunities.

#### 6. Dissemination:

Seminars were held in each of the five study areas

#### Main publications:

Frawley, J. 2005. *County Galway Rural Resource Study. Laurencetown*. Galway Rural Development Company Ltd: Athenry.

Frawley, J. 2005. *County Galway Rural Resource Study. Glinsk*. Galway Rural Development Company Ltd: Athenry.

Frawley, J. 2005. *County Galway Rural Resource Study. Woodford*. Galway Rural Development Company Ltd: Athenry.

Frawley, J. 2005. *County Galway Rural Resource Study. Clarinbridge*. Galway Rural Development Company Ltd: Athenry.

Frawley, J. 2005. *County Galway Rural Resource Study. Gorumna*. Galway Rural Development Company Ltd: Athenry.

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