
Globalization Challenges and Opportunities for Rural Europe



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DERREG

Developing Europe's Rural Regions in the Era of Globalization

- European Commission Framework Programme 7
- January 2009 – December 2011
- Helping rural regions better anticipate and respond to the challenges of globalization
- www.derreg.eu



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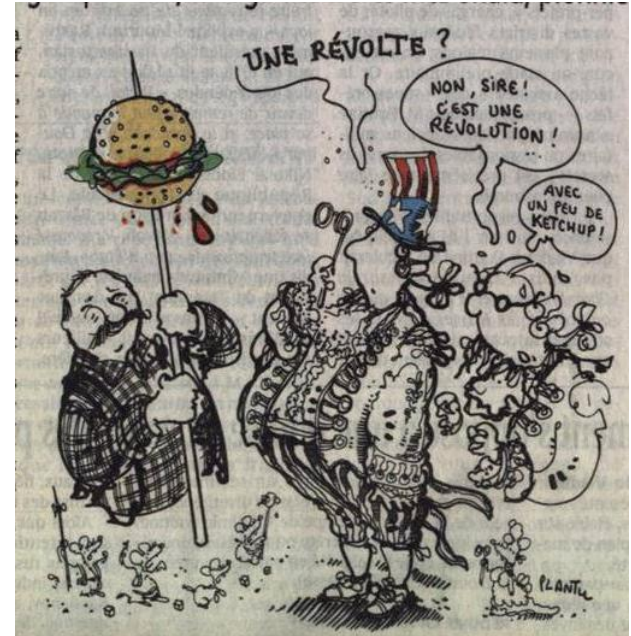
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Developing Europe's Rural Regions in the Era of Globalization

- How are globalization processes impacting on Europe's rural regions?
 - What variation is there between different regions' experiences of globalization?
 - How are regional actors responding to the challenges and opportunities of globalization?
 - What factors shape the capacity of regional actors to respond?
 - How can regional policy better respond to globalization?
 - What examples of good practice can be identified and disseminated?
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Myth 1: Globalization as domination

- Globalization portrayed as a domineering, homogenising force imposed from above
- Threatens the identity, traditions and distinctiveness of European rural regions



Le Monde, 30/6/00

Myth 2: Globalization as saviour

- Globalization equated with time-space compression created by new technologies
- Perceived as removing barriers of accessibility and location holding back rural economies

“for the first time since the industrial revolution, technological change is allowing rural areas to compete on an equal basis with towns and cities for employment.”

Howard Newby quoted in *The Financial Times*, 8 December 1989

Challenging the myths

- Both positions are too simplistic in their imaginings of both globalization *and* rural areas
 - Both positions see globalization as something that *happens to* rural areas
 - Both positions represent rural areas as largely static and isolated in character
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Scientific model

- Recognises that globalization is a complex, multidimensional and sometimes contradictory bundle of processes
 - Globalization involves the multiplication, stretching and intensification of the social, economic and political relations that connect places
 - Globalization works through places by altering the already existing relations that constitute place
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Scientific model

- Globalization proceeds by global actors and forces engaging, enrolling, negotiating with, manipulating and being manipulated by local actors and forces
 - Experiences and outcomes of globalization will be different in every rural locality
 - The outcomes of globalization are not pre-determined.
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Globalization and Rural Europe

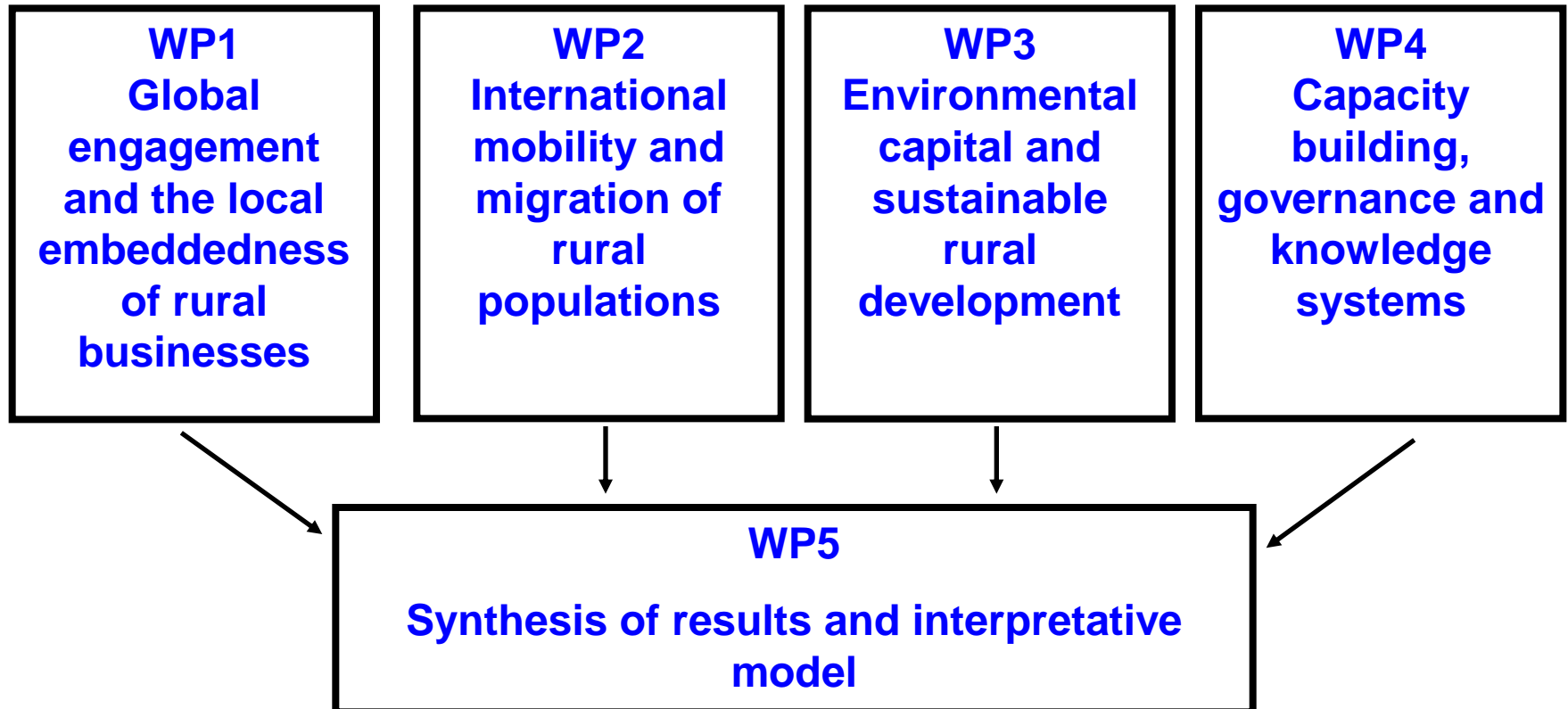
- **Globalization is refashioning the diversity of rural Europe not eroding it.**

Policy implications:

- Regional actors have the opportunity to intervene in globalization processes and to shape outcomes in their locality
 - Experiences and outcomes of globalization will be different in different rural regions
 - Developing effective policy means understanding how globalization works at the local scale
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Four thematic work packages



Case Study Regions

1. Oevre Norrland, Sweden
2. Co. Roscommon, Ireland
3. Alytus, Lithuania
4. Comarca de Verín, Spain
5. Goriška, Slovenia
6. Pomurska, Slovenia
7. South Moravia, Czech Republic
8. Westerkwartier, the Netherlands
9. Regierungsbezirk Dresden, Germany
10. Saarland, Germany



Economic globalization

Challenges

- Increased competition in domestic markets due to trade liberalization
 - Loss of competitive advantage on labour and property costs
 - Removal of support mechanisms as part of re-regulation of global economy
 - Transnational corporate concentration and loss of local control
 - Vulnerability to distant political and economic events
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Economic globalization

Opportunities

- Expansion into international markets, overcoming constraints of limited regional markets
 - Inward investment and access to new sources of capital
 - Valorization of regional products in global niche markets
 - Knowledge exchange and collaboration
 - Resource demands from emerging economies
 - Weakening of national borders reshaping notions of core and periphery
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Economic globalization

- Growth linked to inward investment by transnational corporations
- Branch plant vulnerability to corporate decision-making
- Relocation of traditional industries to cheaper locations outside Europe



Economic globalization



Kiruna, Northern Sweden

Economic globalization

- How can we support rural businesses to engage in international networks to expand markets in ways that are regionally embedded and sustainable economically?
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International migration

- International migrant communities are found across rural Europe
 - Patterns of migration vary between regions
 - Profile of migrants
 - Balance of out-migration and in-migration
 - Motivations for migration
 - Reach of migration
 - Cross-border
 - Intra-European
 - Inter-continental
-



Thai migrant workers berry-picking in northern Sweden

Brazilian communities in Gort and Roscommon, west of Ireland



Community of Malouccan political refugees and descendents, Westerkwartier, NL

International migration

- Cyclical and periodic nature of migration
 - Much migration is temporary (intentionally or otherwise)
 - Rural regions are both the source and the destination of international migration
 - Significance of repeat emigration
 - Importance of return migration for rural development
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International migration

Challenges

- Competition for jobs and property
 - Dilution of local cultures and languages
 - Fragmentation of communities
 - Cultural tensions and discrimination

 - Out-migration results in loss of skilled workers and young people
 - Critical contraction of population undercutting service provision and economic activity
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International migration

Opportunities

- Capital investment
 - Access to skills, experience and knowledge of in-migrants (including return migrants)
 - Filling gaps in local labour market
 - Revitalisation of depopulating villages
 - International networks and ties that can be developed economically
 - Creativity resulting from cultural fusion
 - New markets serving in-migrant populations
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International migration

- How can rural regions successfully integrate international migrants and take advantage of the opportunities for social and economic development resulting from international migration?
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Global consciousness

- Globalisation not just about movement of commodities and people, but also about developing a global consciousness
 - Global environmental consciousness, e.g. climate change
 - International standards and agreements on conservation and protected areas (e.g. Natura 2000; UNESCO biosphere reserves)
 - Incorporation of sustainable development discourse into regional development strategies
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Global consciousness

Opportunities

- Potential for development of eco-economy as supplier of renewable energy, wild-resources and craft products, and ecosystem services
 - Growing interest in sustainable tourism
 - Potential greater resilience of rural regions with significant renewable energy resources
 - Use of international designations to protect regional environments and cultural heritage
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Global consciousness

Challenges

- International challenges to carbon-intensive traditional industries, such as mining and coal-based power production.
 - Bias against investment in new transport infrastructure
 - Increased travel costs resulting from green taxes
 - Local opposition to some renewable energy projects
 - Tension between global environmental imperatives and perceived regional interests
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Hunters in Flanders protesting against Natura 2000 designation

Protest camp against Via Baltica 'trans-European highway', Poland



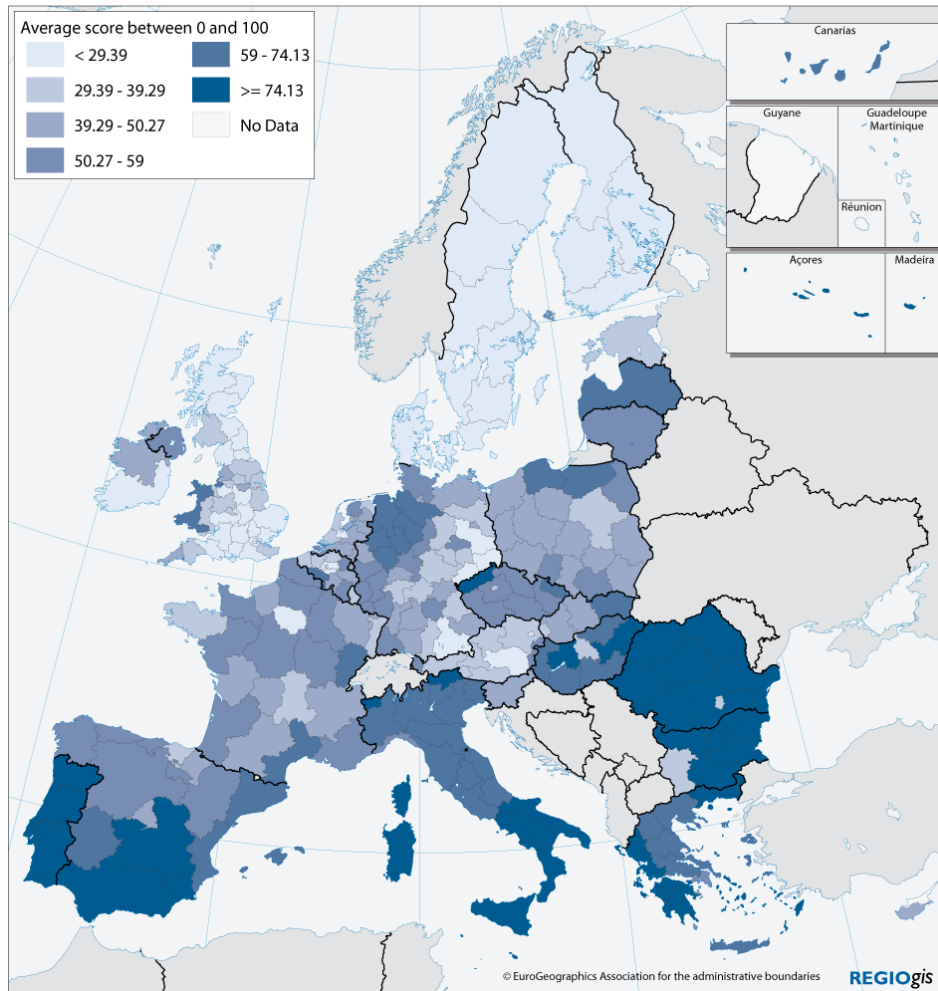
Greenpeace demonstrations against brown-coal power generation in eastern Germany

Global consciousness

- How can regions balance local and global interests in strategies for sustainable development?



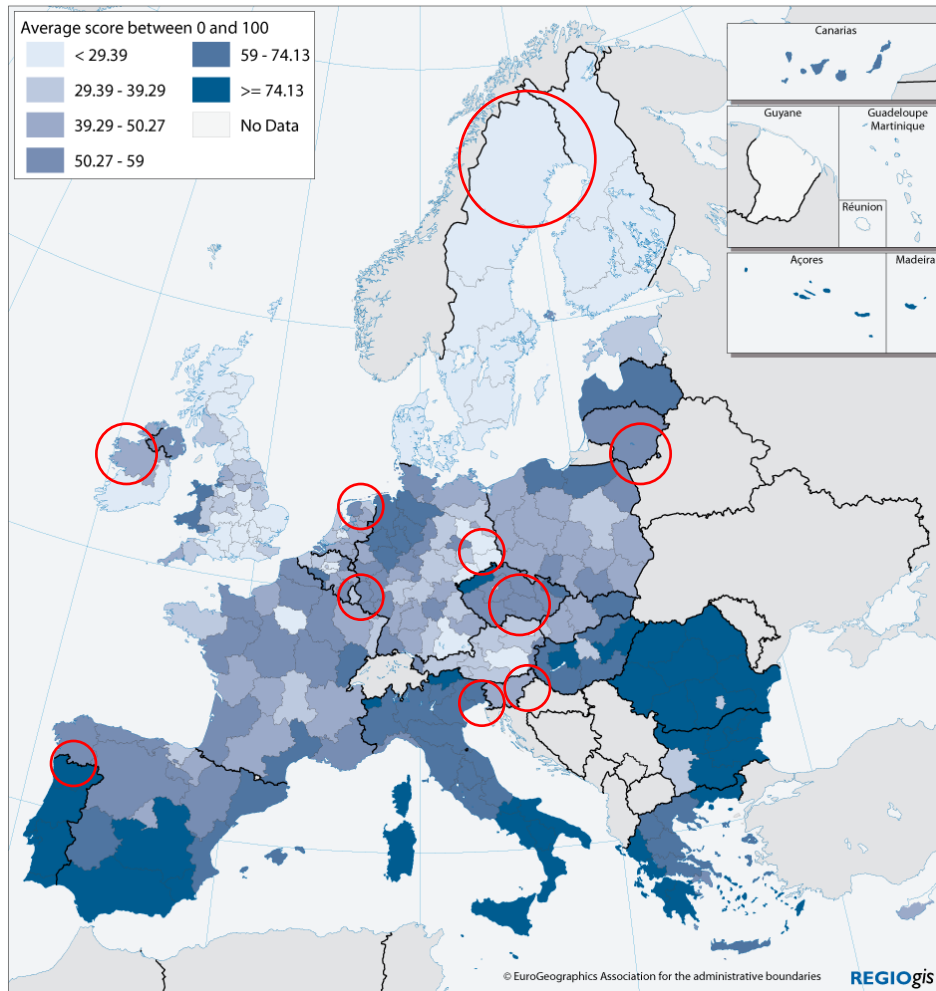
Regional differences



Globalization vulnerability index 2020

Source: European Commission (2009)
Regions 2020: Globalisation Challenges for European Regions

Regional differences



Globalization vulnerability index 2020

Source: European Commission (2009)
Regions 2020: Globalisation Challenges for European Regions

Regional differences

Location

- Size and influence of local markets
- Prosperity of bordering regions
- Capacity to network with urban-based centres of knowledge and innovation

Economic structure

- Relative strength of traditional primary industries (e.g. mining, forestry)
 - Nature and orientation of agriculture
 - Focus and organization of manufacturing
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Regional differences

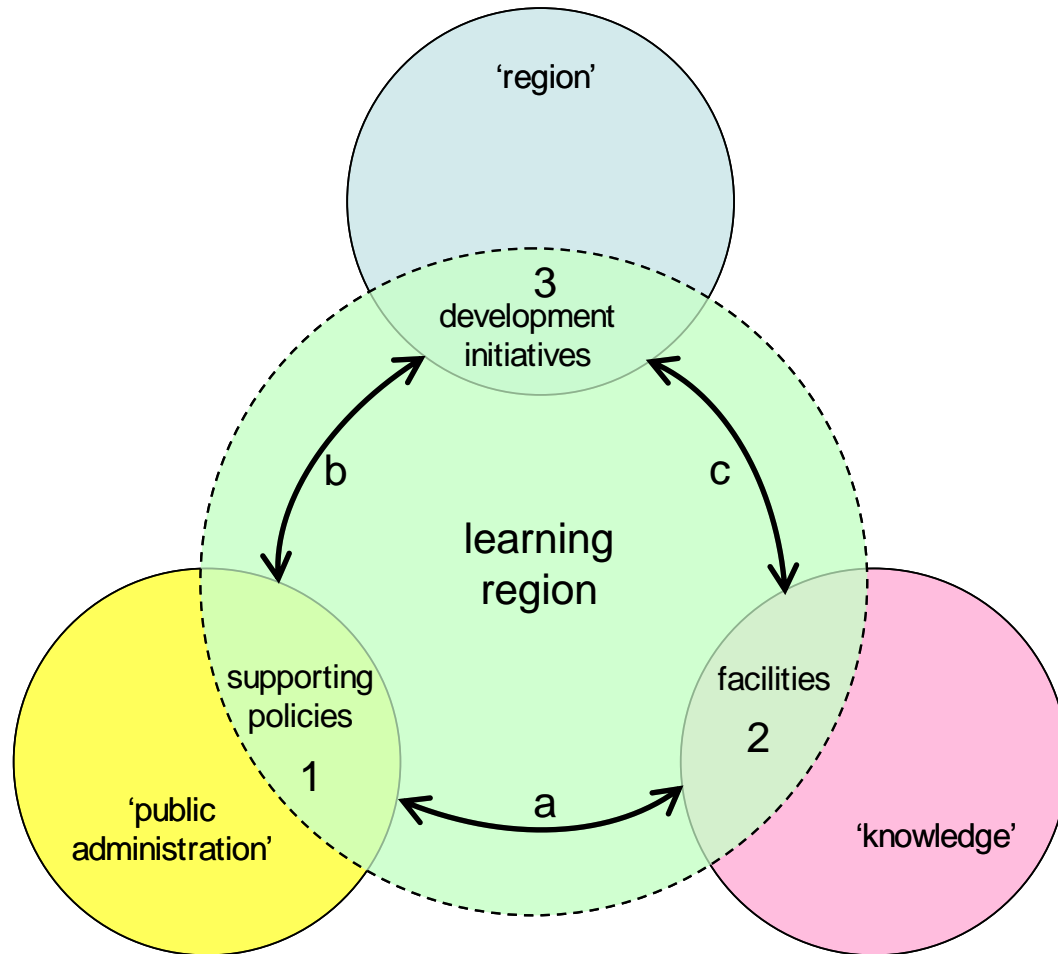
Natural environment

- Perceived international significance
- International appeal for tourism and amenity migration

Political-economic factors

- Legacy of socialist central planning
 - Spatial planning and development control
 - Compatability of business regulations
 - Strength of regional governance
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Regional learning and capacity-building



Regional learning and capacity building

- How can public support and facilitation of joint learning and innovation in grassroots rural development initiatives be best arranged to enable regions to respond constructively to globalization?
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Seminar structure

Globalization impacts and responses

- Rural SMEs and transnational business networks (Andrew Copus)
- International migration to rural regions (Birte Nienaber and Wioletta Frys)
- Rural sustainable development in international context (Joachim Burdack and Michael Kriszan)

Rural development policy and practice

- Rural learning regions (Dirk Roep and Wiebke Wellbrock)
 - CAP reform and rural development (Davide Viaggi – CAP-IRE)
 - Policy integration for rural development (Sylvia Herrmann – RUFUS)
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An ongoing project....

- DERREG runs to December 2011
 - Further analysis and integration of results to be completed
 - Additional policy recommendations...
 - Today's discussion to feed into this process
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- Final conference in Slovenia, 12-14 October
 - Web-based good practice database
 - Films of case study examples
 - www.derreg.eu
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