

***This think-piece is based on a plenary presentation to the Agricultural Economics Society Annual Conference, Dublin, 25<sup>th</sup> April, 2017***

Despite the almost universal gloom about Brexit among the academic community, a number of voices are beginning to think about opportunities that could emerge. In the area of rural development, these include opportunities to develop a new vision for farming (CPRE, 2016); to take an innovative approach to policy design (IPPR North, 2017) and to explore new approaches to managing rural assets (Annibal, 2017).

Over recent decades, there has been increasing recognition that rural areas are places of increasingly diverse enterprise and entrepreneurship (Centre for Rural Economy, 2017) and in England they contribute some £210bn (16%) to the national economic output (Defra, 2015). However, in preparing a presentation to consider how rural development policies might be designed in the future, I was left questioning the fundamental rationales for different policy approaches.

Defra's "10 point plan for rural productivity" (2015) includes a number of measures that are clearly based on an aspiration to reduce inequalities (in terms of the availability/access to broadband internet, mobile telephone, childcare, transport infrastructure, and education and training) while others are seeking to promote enterprise creation and growth (Enterprise zones, apprenticeships in agri-food, and improved planning for rural businesses). Finally, Defra advocates the devolution of power which fits with wider academic thinking about the benefits of a "place-based" approach (OECD, 2005; Horlings and Marsden, 2012; IPPR North, 2017; Centre for Rural Economy, 2017).

In thinking about the future, I want to first consider what a place-based approach really means and then to think about the contemporary needs of rural living and the broader requirements of rural places.

A place-based or territorial approach has been at the heart of European approaches to rural development for some time, enshrined in the LEADER approach. In 2016, the Cork Declaration 2.0: echoed this, demanding that we remain "Mindful... of the need for a strong territorial emphasis, and adding that governance "should reflect the needs and aspirations of the territories concerned and should respect the partnership principle".

A place-based approach requires policy to build the capacity of local actors and organisations to manage and implement development objectives (Reimer and Markey, 2008). This goes further that an approach that seeks to tailor mainstream policy to distinctive contexts which might be described as "location sensitive" (Kraybill and Kilkenny, 2003; *cited in Reimer and Markey, 2008*) by suggesting that distinctive policies should be developed and shaped from within local areas. Such thinking has been captured in neo-endogenous development thinking (Bosworth and Atterton, 2012) where the interplay of top-down and bottom-up forces are thought to provide the best solution. The problem with these hybrid approaches occurs when local action is restricted to operating in the spaces that top-down policy dictates to be suitable – an issue that emerged in our review of LEADER (Annibal et al, 2013).

Therefore, in thinking ahead to a new rural development policy, we need to think about who it is for and why. Policies to support rural businesses, rural communities, the natural environment, food and

energy production, or targeted towards rural residents, workers, visitors or consumers might all look quite different. Furthermore, the rationale of equity of life opportunities for rural residents may not be complementary to policy objectives that push for food and energy security or maximising economic growth, which in turn might conflict with policies aimed at promoting recreation, health or biodiversity.

Within the economic policy remit, a further contradiction emerges in the argument to support businesses to negate the “rural penalty” (Malecki, 2003) associated with remoteness, sparseness and poorer quality of infrastructure. Is policy supporting inefficiency or is it correcting a market failure that allows otherwise valuable opportunities to be exploited? With LEADER, the targets for job creation might also be considered to promote lower levels of productivity so greater clarity in terms of the purposes of any rural policies is much needed.

From the review of LEADER in England, we identified that EU-wide collaboration opportunities were poorly taken up and there were problems associated with a lack of continuity between programmes – both suggesting that establishing a replacement for LEADER that is UK-centric will not be detrimental. A lack of participation from certain groups, especially younger people, and the spatial limitations of the policy were also consistent criticisms so a new policy offers the change for new thinking.

Having also been involved in advising the BIG Lottery’s Village SOS programme, one such approach could be to provide skills and ideas rather than cash. The Village Champions scheme required local groups to have the ambition to establish a new project and then provided support in the form of expertise and network connections to move away from a grant-chasing mindset. Although this has limitations with respect to reaching out to all rural communities, it illustrates the potential to integrate different ways of thinking into rural policy.

Taking this forward, I want to offer three suggestions – none of which are especially ground-breaking in their innovativeness but are still not fully in the mainstream thinking of rural development policy.

The first is drawn from the example of a village pub where the tenants sought to purchase the freehold to secure the business’ future.

Without sufficient capital, they approached the villagers and regular customers to ask for investments of £1000 per person, which was then returned over time in the form of a credit to spend in the bar or restaurant. This not only secured a low cost loan but guaranteed that the repayments were spent in the pub. Meanwhile, the villagers were happy to feel that they had a stake in this village asset and this extended to people who felt that they had strong connections to the village and/or pub, even if they were not residents.



Since the private sector can make it work (and there are several other similar examples in the community enterprise sector, why can’t the public sector find innovative mechanisms to fund local

services? Not everyone is engaged in local politics and the Parish precept is perhaps a dated mechanism so why not invite local residents and people from further afield to invest in parks, playgrounds, swimming pools, village halls and a range of other village assets? This approach would recognise that rural spaces are increasingly porous and investors, if provided with preferential rates for using the facilities or a vote on key decisions, would be willing to buy into that rural asset. Many village assets, notably pubs and shops, are cited as being valued by residents but their economic fragility results from a lack of patronage in the face of wider competition for retail and leisure spend. If residents and visitors had the chance to pay for “option value” of the local shop or the “public good” value of the local park of nature reserve, this could help to provide new futures for these assets.

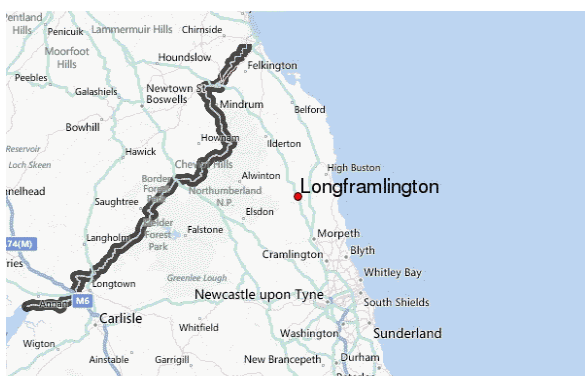
The second suggestion is inspired by seeing the impact of a relatively small investment in Collingham children’s playground. The new facilities attract families from several neighbouring settlements, and



this creates parking congestion on particularly sunny days. We could advocate charging for parking as the “free-riders” from other villages have not paid for the facility but in reality, the vibrancy is a boost for local stores in the village and the cost of implementing and charges would negate any real benefits. Rather than a pricing strategy, a collaborative strategy where Collingham Parish Council works with neighbouring villages to create a network of valuable local facilities would seem to be more positive. If public funding was to reflect the need for

collaborative approaches rather than forcing actors to compete against each other for investment, perhaps this could shift mindsets? The playground might also fit suggestion 1 – families buying a share in the playground (whether from the village or outside) could have a vote on new additions to the park and if they were leased a square foot of the land for each year that they paid a subscription, it could be used as a mechanism to preserve the use of the field for the community in the longer term. There are so many rural assets in public ownership, we need to think about how best to capture their value whilst simultaneously safeguarding and/or enhancing their future uses.

The final suggestion is inspired by an interview with a shopkeeper in Northumberland (his village and shop are illustrated below).



In an interview, he commented that “Every 6 minutes you see an Asda van go by delivering...I don’t know how it pays because you can stipulate when you order and you can’t tell me that it can possibly pay their diesel to go up there.” He also told me that “For the millennium all hanging, the kids had to draw what they thought was the centre of the village and 8 out of 10 of them did the shop rather than the church or anything else.” In today’s digital age with larger retailers enjoying universal coverage, the village shopkeeper cannot compete. The “option value” of knowing he is there for those last minute purchases yields no profits and he could not stock enough fresh produce to cover all of these demands anyway. For those in a touristic location, diversification opportunities are clear but elsewhere – business owners have to think innovatively. For example, can they be the delivery hub for the village? Can they adapt their opening hours to suit commuters? Does an ageing population provide new opportunities?

As indicated at the start, these are some suggestions which are intended to start a debate about what we want rural places to look like in the future, what services they need to provide and what will allow them to provide a good quality of life to a diverse and sustainable community. Thinking about rural development as a more holistic set of measures to sustain rural communities, and not simply an adjunct of agricultural policy, has to be the first step.

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