

ESCAPE European **S**hrinking Rural Areas:

Challenges, **A**ctions and **P**erspectives for Territorial
Governance

Applied Research

Final Report – Annex 3
‘Nostalgia is not a policy option’
Summary of High Level EU Policy Stakeholder
Interviews

Annex 3

This applied research activity is conducted within the framework of the ESPON 2020 Cooperation Programme.

The ESPON EGTC is the Single Beneficiary of the ESPON 2020 Cooperation Programme. The Single Operation within the programme is implemented by the ESPON EGTC and co-financed by the European Regional Development Fund, the EU Member States and the Partner States, Iceland, Liechtenstein, Norway and Switzerland.

This delivery does not necessarily reflect the opinion of the members of the ESPON 2020 Monitoring Committee.

Authors

Dr David Meredith (Ireland)

Advisory Group

Project Support Team: Benoit Esmanne, DG Agriculture and Rural Development (EU),
Izabela Ziadek, Ministry of Economic Development (Poland),
Jana Ilcikova, Ministry of Transport and Construction (Slovakia)
Amalia Virdol, Ministry of Regional Development and Public Administration (Romania)
ESPON EGTC: Gavin Daly, Nicolas Rossignol, Andreea China, Johannes Kiersch

Acknowledgements

We would like to thank all the participants in this research for their willingness to participate in the study, to give so generously of their time and for their commitment.

Whilst the views represented in the report are a reflection of the contributions of the participants, the interpretations of these contributions were made by the author. Any errors or omissions are the responsibility of the author.

Information on ESPON and its projects can be found on www.espon.eu.

The web site provides the possibility to download and examine the most recent documents produced by finalised and ongoing ESPON projects.

© ESPON, 2020

Printing, reproduction or quotation is authorised provided the source is acknowledged and a copy is forwarded to the ESPON EGTC in Luxembourg.

Contact: info@espon.eu

ISBN: 978-2-919795-70-3

Final Report - Annex 3

**‘Nostalgia is not a policy option’
Summary of High Level EU Policy Stakeholder
Interviews**

ESCAPE
European **S**hrinking Rural Areas:
Challenges, **A**ctions and **P**erspectives for
Territorial Governance

Version 21/12/2020

Table of contents

List of Figures	II
List of Tables	II
Abbreviations	III
1 Introduction	1
1.1 The Interviews and Focus Groups	1
1.2 Validation	2
1.3 Evaluating the Interviews: A Critical Realism Perspective	3
2 Understanding geographies of shrinkage	5
2.1 Departure points	5
3 Understanding Drivers of Shrinking	9
3.1 Demography is the outcome, not the cause.	9
3.2 Space and time	11
3.3 Gender	12
4 Policy and Governance	13
4.1 Inter-Institutional: <i>Commission</i> ⇔ <i>Council</i>	14
4.2 DG Agri ⇔ DG Regio	15
4.3 EU ⇔ Member State:	17
5 Reflections	21
References	23

List of Figures

Figure 1: Wordel highlighting key drivers of rural shrinkage referenced by focus groups and interviewees.....	9
---	---

List of Tables

Table 1.1: Interview / Focus Group codes and sub-codes	4
--	---

Abbreviations

EC	European Commission
ESPON	European Territorial Observatory Network
ESPON EGTC	ESPON European Grouping of Territorial Cooperation
EU	European Union
DG	Directorate General
NUTS	Nomenclature of Territorial Units for Statistics

1 Introduction

The report details the outcome of interviews and focus groups undertaken with high level EU policy stakeholders working in DG AGRI and DG REGIO. The background and approach to these interviews and focus groups is set out below. The results are then presented in three sections that cover the understanding of the geography and scale of shrinking, the drivers associated with shrinking and, finally, policy options and governance issues.

Twelve individual semi-structured interviews were conducted and, with consent, these were either recorded or contemporaneous notes were taken. Subsequent to each interview, additional notes were made capturing the framing of responses and additional details or reflections, i.e. how the interviewee responded to questions, whether they drew on official statistical data or anecdotes etc. In addition, two focus groups were held with three agricultural and three regional policy stakeholders respectively. Both the interviews and the focus groups were guided by the same basic set of issues. These were determined by the objective of the European Shrinking Rural Areas: Challenges, Actions and Perspectives for Territorial Governance (ESCAPE) project. The project assessed the spatial dimensions of shrinkage, the drivers associated with these processes and possible policy options for regions that are currently experiencing shrinkage or at risk of doing so. The core objectives of the ESCAPE project sought to understand the processes driving shrinkage, map the heterogeneity within this group of regions, and devise intervention logic(s) for more appropriate integrated policy approaches, which encourage strategies based upon territorial assets and emerging opportunities. Guided by a critical realist perspective and in line with these objectives the basic set of questions that structured the interviews sought to; gather EU policy stakeholder's perceptions on the geographic extent of shrinkage; their assessment of the key drivers of the associated processes; and, the potential policy options that may support Member States or regions develop strategies to either adapt to or reverse population decline.

1.1 The Interviews and Focus Groups

The interviewees and focus group participants were identified by two key gatekeepers supporting the research. Gatekeeper is a term used in social research to refer to individuals that can affect the researcher's access to particular groups of actors (Yin, 2015). Here the term is used to refer to 'essential mediators' who identified key persons to be interviewed and arranged the timing of these interviews (Andoh-Arthur, 2019). Gaining the support of these Gatekeepers was crucial to the research as it provided access to a range of 'high-level' policy stakeholders working within the European Commission Directorate-General for Agriculture and Rural Development and the Regional Directorate-General for Regional and Urban Policy. The term 'high-level' refers to the position held by the interviewees or focus group members within the Commission and included Directors, Heads of Unit, country specialists and analysts. The

first Gatekeeper had been involved in the evaluation of the original applications to undertake the research and was clearly interested in supporting the project. They were also an active member of the project support team, a function within ESPON projects to ensure early engagement between research teams and policy stakeholders. This Gatekeeper subsequently provided an introduction to his counterpart in DG REGIO. Initial communications with both Gatekeepers focused on explaining the aim of the research and the types of stakeholders that were relevant to it. The Gatekeepers then identified potential interviewees and established whether they would consent to being interviewed. These lists of potential interviewees were sent to the author who assessed them in relation to their role(s), and where appropriate, their specific geographic remit. There are specific units within each of the DGs with responsibility for individual Member States, e.g. Within DG AGRI, Directorate E consists of five units that cover 16 Member States whilst Directorate F has five units, four of which cover the remaining EU members. For additional detail on the organisation of the DG for Agriculture and Rural Development see https://ec.europa.eu/info/sites/info/files/organisation_charts/organisation-chart-dg-agri_en.pdf. DG REGIO follows a similar structure, see here: https://ec.europa.eu/regional_policy/sources/dgs/organigramme_en.pdf.

Following the purposive selection of the interviewees and focus group members the dates and times of the meetings were agreed. The first set were undertaken over two days in DG AGRI in early January 2020 whilst the second set, in DG REGIO, were undertaken in early February 2020. The gatekeepers took differing approaches to the conduct of the research with one choosing to organise the meetings and, subsequently, not involving themselves beyond this. The second gatekeeper remained involved throughout the process and sat in on all but one of the interviews. There was a concern that the presence of the Gatekeeper would stifle aspects of the conversation but it became apparent early on that their presence conveyed to interviewees and members of the focus group that the research was important and has a role in informing policy thinking. At no stage was there any sense of interviewees or focus group members holding back due to the presence of the Gatekeeper and there was no instance of them trying to steer the conversation towards particular topics or issues.

1.2 Validation

Validation of the results of the research saw a further round of engagement with the research participants to verify that their views when the draft report was circulated to them. This task sought to enhance the validity and “credibility” of the findings and establish that “the results of the research reflect the experience or the context of the participants” (Whittemore, Chase, and Mandle’s (2001, p. 530). See also Creswell & Poth, 2017). This stage of the research saw additional information and details concerning ongoing policy development relevant to the ESCAPE project being forwarded to the author.

1.3 Evaluating the Interviews: A Critical Realism Perspective

Semi-structured interviews and focus groups with EU policy stakeholders elicited their personal views on the topic of rural shrinkage. The subsequent analysis explored the understandings of policy stakeholders of the scale of the issue, the geographic extent and distribution of shrinkage, their conceptualisation of the issue, i.e. the underlying causes of shrinkage, and their views on the types of policy options that might be considered. These options were broadly classified as measures that either seek to mitigate or reverse the impacts of shrinkage and those that seek to adapt to shrinkage. In applying this dichotomous construct of policy options we seek to assess whether there are differences between what policy stakeholders consider to be the solutions to shrinkage and whether, in their view, these options are acceptable within their institutional context or the wider governance framework, i.e. to national, regional or local stakeholders.

When evaluating each interview / focus group, issues of geographic scale and patterns of shrinkage, drivers and policy options formed the key themes (Table 1). An additional theme was also added. This concerned the types of evidence referenced by the interviewee or presented by the participants in the focus groups. The purpose of including this theme was to develop better insights into how the results of the project could be communicated to policy stakeholders.

Reviewing the interview transcripts and notes resulted in the identification of multiple sub-codes associated with each of these thematic codes. This full dataset of sub-codes were assessed to identify commonalities between topics and any replication, redundancies or overlaps in content and meaning. This resulted in the classification of sub-codes associated with each thematic code (Table 1) and include:

- Three sub-codes were identified relating to **geographic scale**; EU, Member State and Regional/Local. 'EU' captured references to terminology or concepts drawn from EU policy discourse including 'less favoured or area of natural constraint', 'mountainous', 'inner-periphery', 'cross border', 'islands' etc. It also encompassed much looser definitions, e.g. east or southern. The code 'Member State' was a reference to a specific country whilst 'Regional/Local' picked up on sub-national references which included specific regions within individual countries or, more commonly, inter-regional dynamics which included references to 'core – periphery', 'urban – rural continuum', or 'functional areas'.
- A broad range of **drivers** associated with rural shrinkage were referenced and discussed by the interviewees and focus groups. In the first instance these were coded in terms of whether they were being referred to as legacy/historic effects or contemporary/on-going processes. They were subsequently grouped into broad categories of drivers including demographic, economic, social, cultural, and

environmental. Commonly the distinction between social and cultural drivers was vague as these were generally discussed in ways that suggest their inter-relatedness.

- **Policy options** were coded in terms of whether they were presented as a means of supporting regions adapt to shrinkage or mitigate the impacts. It was made apparent in an early interview and focus group that this binary coding of policy is crude as it did not take into consideration the need for territorial responses build on a range of policy options that seek to both mitigate and adapt to shrinkage. The third sub-code referenced issues associated with governance and includes ‘co-operation’, ‘collaboration’, ‘capacity’ and ‘leadership’.
- The **evidence** code was split between two options, quantitative and qualitative. ‘Quantitative’ captured any references made to official reports, statistics, maps or similar data sources. ‘Qualitative’ referenced case-studies, personal experiences, anecdotes or vignettes recounted by the interviewees or during the focus groups.

Table 1.1: Interview / Focus Group codes and sub-codes

Themes	Thematic codes	Sub-codes	Interview ID
Geographic Scale	EU	Broad regions	
	Member State	Countries	
	Regional / Local	Sub-national	
Drivers	Legacy / Contemporary	Demographic	
		Economic	
		Social (Education)	
		Cultural (Leave/Remain +/-)	
		Environmental	
Policy	Adaption		
	Mitigation		
	Governance	Capacity, co-operation, collaboration, leadership	
Evidence	Quantitative (Statistical)		
	Qualitative		

Whilst the views represented in the report are a reflection of the contributions of the participants, the interpretations of these contributions were made by the author. A draft of this report was provided to the interviewees / focus group participants for their records, to comment on and, where necessary to highlight errors of interpretation. A range of comments, clarifications and suggestions were made. In most instances these were very minor though there were a small number of instances where the draft report prompted the research participants to provide addition comments and clarification. Any errors or omissions are the responsibility of the author.

2 Understanding geographies of shrinkage

2.1 Departure points

The geographic extent and scale or severity of shrinkage was the first question addressed in most interviews and focus groups. This provided a useful departure point and anchored the conversations around geographic scales determined by the interviewees. It resulted in most of the interviewees very briefly explaining the geography of their lifecourse, tracing where they were from, setting out why they had moved from these places and, in all instances, references to personal connections back to these places. Whilst the level of introspection and reflection on their own lifecourse provided a context, it did not form the focus of the interviews. In all instances there was clear engagement with issues affecting and shaping the development of rural regions across the EU. With respect to the focus groups the same level of personal 'grounding' or positioning was not as evident, though all participants did reference where they were from. Despite the less intimate positioning of these discussions, the small group resulted in interesting dynamics as participants linked between each other's perspectives and scales, e.g. one might note that key drivers or issues were particularly evident in certain parts of the EU before another picked up on this and presented more detailed information relating to a particular Member State, region or set of regions, e.g. inner-peripheries.

In presenting the assessment of the discussions concerning the geography and scale of shrinkage across the EU, we distinguish between those interviewees with a role focusing on individual Member States and those with a broader or thematic responsibility. The selection of interviewees, outlined in Section 1 above, specifically sought out those with responsibilities for Member States that had been identified by the mapping work (see Section 3 of the Final Report).

Considering those interviewees with a management or thematic responsibility first, it was apparent from responses to the question of the geography of shrinkage that eastern parts of the EU were to the forefront of their thinking. In every instance, interviewees focused initially on population changes across the east of the EU and, subsequently the 'south'. There was some mention of the north and little reference to western parts of the EU. The concept of scale and, associated with this, reporting of statistical data were at the heart of these conversations. Population decline was understood to be pervasive across rural regions throughout the east of the EU with frequent references to individual countries, particularly Bulgaria, Hungary, Poland and Romania. Conversations centred on these as they were seen as places enduring substantial contemporary decline in population which was transforming their societies and socio-economic prospects. Estonia, Latvia and Lithuania, all of which have extensive areas experiencing contemporary population decline were also mentioned as part of these discussions. These references tended, however, to be oblique, i.e. bundled in or added on to

the discussion rather than being a focus in their own right. The EU scale challenges were positioned as representative of the issues confronting extensive sub-national areas of Germany, Greece, Spain, Italy, Finland, and Portugal. With respect to the latter case, this was rarely referenced in discussions despite regions in the east of the country experiencing contemporary population decline. The inclusion of Finland was prompted by specific reference to a recent event in Brussels that had been attended by a number of interviewees from both DG AGRI and DG REGIO where a presentation had been given highlighting the response of a region in eastern Finland to the challenge of decline.

Overall then, what emerges from these interviews with officials responsible for management or thematic responsibility is an understanding that the issue of shrinkage is most acute in the east of the EU where it is seen to affect most if not all rural regions within a number of Member States. The emphasis was clearly on those larger Member States with large numbers of regions experiencing population decline. Distinctions were drawn between those countries facing extensive contemporary decline and those where decline was limited to particular areas, e.g. the eastern part of Germany, central France or southern Italy. Effectively the difference between a national issue and, serious but regionally constrained shrinkage was in evidence.

When discussing the geography of population decline, there was an awareness that some of this decline was unobserved within the reporting of NUTS III and, particularly, NUT II data. The distorting effects of spatial aggregation were seen to mask population decline in some instances. Of greater concern to a number of interviewees were the impacts of aggregating economic indicator data for urban and rural areas. This was viewed as inflating the value of economic activities in rural areas resulting in funding eligibility issues for firms, sectors or municipalities. Asked about the potential solution to this issue, interviewees highlighted the need to develop a spatial typology based not only on administrative geographies but also on functional geographies as well. This is a view held by interviewees working in both DG REGIO and AGRI and it is seen as an effective means of deploying policy interventions and associated supports based on needs rather than historical precedent. It is considered a means of targeting regions or communities that either have or could develop the capacity to absorb them. Issues of relative accessibility or the urban – rural continuum (URC) were referenced throughout the interviews and focus groups. A region's or community's access to larger urban centres was considered as a key characteristics and explanatory factor in understanding the distribution and scale of shrinking. The URC was highlighted by interviewees from both DG AGRI and DG REGIO, who referenced the work of the OECD in their development of 'Principles on Rural Policy'¹. Whilst remoteness, peripherality or poor accessibility were considered key

¹ <https://www.oecd.org/regional/ministerial/documents/urban-rural-Principles.pdf>

characteristics of many, though not all, shrinking rural regions, the focus groups and interviewees stressed that relative accessibility is a key explanatory factor of shrinking, i.e. that the concentration of economic and social activities in larger urban centres is one of the forces driving processes of shrinking. This point will be returned to in Section 3.

Throughout the interviews and focus groups there was engagement with how the issue of shrinkage is understood with reference to spatial statistics. Here the limitations of using aggregate data to report population trends were understood to be strongly influenced by the spatial scale of the units being used for this purpose and their settlement structure, i.e. whether they contained a large urban centre. This was considered by a number of interviewees to result in some areas, particularly in western parts of the EU to be less considered in discussions concerning rural change.

“Sometimes there are places that don't feature when they should. These are generally in large regions with a big town or city. These [urban] places are thriving, but the surrounding [rural] declines. The risk is we fix on the obvious and miss these other places – they could be the left behind, left behinds.”

This perspective was a common theme in interviews amongst those with geographic remits. In general responses to the question regarding the spatial extent of population decline in rural areas broadly reflected those reported above, i.e. through a broad overview of the EU scale dimensions of shrinkage with particular emphasis on eastern and southern member states. There was a seamless shift in emphasis from this scale to national and sub-regional levels, focusing predominantly, but not exclusively, on the geographic territory(ies) that they have responsibility for. There was a particular spatial framing of the issue from the interviewees with; firstly, a focus on the Member State(s) they covered and subsequently referencing other, generally neighbouring, Member States. This was particularly evident amongst DG REGIO interviewees who were engaging with 'cross-boarder' initiatives and investments. As the discussions became more specific there was greater consideration of differences within and between regions with particular emphasis placed on relative accessibility of rural regions / communities to urban centres. Associated with this was the view that improved reporting of spatial statistics for function areas, including the URC, would greatly improve understanding of the geography, impacts and characteristics of areas experiencing shrinkage.

The interviews of those with geographic remits highlight the extent of understanding of the geography of population decline and the associated drivers. In all instances the discussion of geographic variation in shrinkage was detailed and nuanced with examples of between country, within country and within region comparisons. References to official EU statistics were supplemented by consideration of reporting by national statistical agencies, research reports

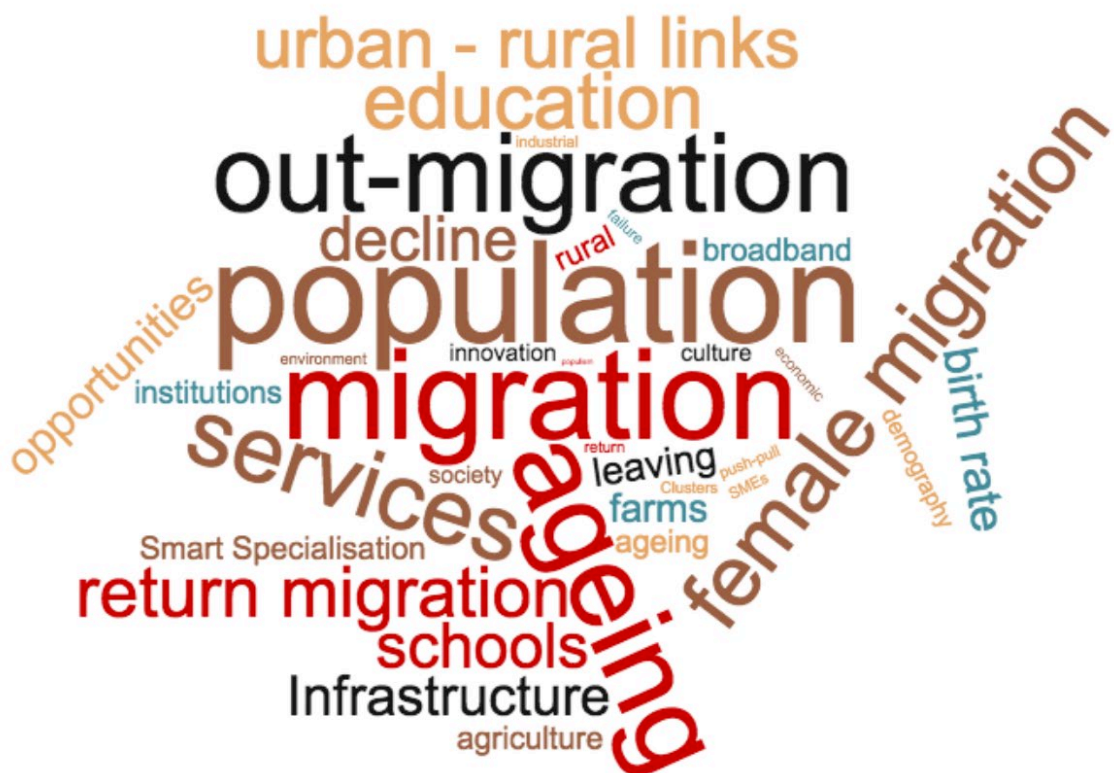
and anecdotes based on personal experience. The latter were used to draw out the implications of particular issues or how these might intersect / interact with other issues resulting in spatial variation in patterns of decline. Anecdotes were also used to highlight opportunities within particular sectors that may be relevant to other regions.

Overall, there was a clear sense from all of the interviewees and focus group participants of a detailed level of understanding of the geography of rural population decline within the EU and amongst individual Member States. There is also a realisation that this understanding is conditioned by official statistical reports or research that draw on these data. The limitations of these data are recognised in terms of the spatial resolution or detail. In these instances anecdotes and case studies of particular localities are used to highlight key factors shaping patterns of decline or responses to this, i.e. whether it be a mayor of a small village in Spain, a renewable energy community initiative ('Smart Village') in Germany, measures to support renewal of existing farms and enterprises or development of new food businesses in eastern Poland and Lithuania or the challenges of securing farm labour in Romania.

3 Understanding Drivers of Shrinking

The interviewees were asked of their understanding of the overall drivers of rural population decline and shrinkage, and exploring differences in the impacts of these drivers. Whilst there was an initial focus in all responses on issues of ageing and migration it was apparent that the interviewees held a comprehensive understanding of the range of social, cultural, economic, political and environmental factors that interacted to produce shrinkage. Furthermore, there was an understanding of the temporal dimensions of shrinkage with some places been seen to decline as a consequence of legacy effects whilst others were declining as a consequence of contemporary developments. As a means of summarising the range of drivers referenced by interviewees in relation to the question regarding causes or processes of decline a summary word cloud was produced. This depicts the centrality of issues concerning population and migration but also highlights the large number of other issues that were referenced (Figure 1).

Figure 1: Wordel highlighting key drivers of rural shrinkage referenced by focus groups and interviewees



3.1 Demography is the outcome, not the cause.

Out-migration of young people combined with ageing of population were considered to be the primary outcomes of shrinkage. The ageing process was seen to be the result of declining fertility rates over decades and increasing lifespans. The interviewees challenged the notion that ageing was a driver in and of itself. Rather, they saw it as a primary outcome of the drivers of shrinkage.

“Yes, the population falls but this is the end point. It is not the cause. Other events and processes are behind this. The closure of a factory 20 years ago, migration of young people away from the region at that time, decline of schools and quality of services, no return migration, and then ‘suddenly’ you have this ‘crisis’ of rapid ageing. Of course, the out-migration is [a] vicious circle; your friends leave so you leave. Staying is like saying ‘I’m a failure’”.

This statement captures much of what was said by interviewees regarding the trends and processes associated with shrinking. It highlights the understanding of the interactions of past and current processes, how economic drivers (industrial decline) feed into social and economic processes (out-migration), culture (being seen as a failure if you remain) and the decline in the availability of services of general interest (schools), interact to produce shrinkage.

The issue of availability and quality of services was reflected throughout the interviews. The understanding of their role and importance went beyond the implications for current populations but extended to appreciating that these services make rural places attractive to people who might move to an area.

“I think accessibility, as such, is not the main issue for the shrinking rural areas. I think the proximity to qualitative services (education, health) is the main factor making some rural areas more attractive for living.”

Another put it more succinctly:

“If you don’t have schools, particularly primary schools, you have no future.”

The interviewee was referring to the importance of primary schools in encouraging return migration of younger people, either with children or those planning on starting a family. This specific perspective was reiterated by different interviewees referencing diverse types of rural region across the EU. The attractiveness of rural regions to return migrants was an issue highlighted in interviews at both DG Regio and DG Agri. Whilst infrastructure and services were seen as critical so too was the broader social context. The point was made that it was important that wider socio-cultural setting was supportive of key groups, i.e. mothers with young children or younger cohorts. Absence of these largely informal networks was considered to increase isolation and, consequently, diminish the attractiveness of rural regions.

The issue of path dependency was alluded to throughout all interviews with references to temporal effects and socio-cultural structures. Time was considered an important factor in

understanding the process of shrinkage. Interviewees distinguished between legacy impacts of structural economic change that occurred a number of decades ago, e.g. modernisation of agriculture, and contemporary processes that were on-going, e.g. agglomeration of services and economic activities in larger urban centres. Discussions concerning this issue identified differences in their spatial manifestation. Legacy type processes, e.g. ageing and natural decrease, were considered to particularly effect Member States in the south, north and west of the EU whilst contemporary processes, e.g. change in the size, composition and location of economic activities, were seen to be prevalent through-out the eastern Member States.

“It’s a bit simple to say x driver is the cause. There are lots of drivers and they are probably the same wherever you go in the EU. Time is the difference. Regions in Italy, Greece and Spain went through this economic change [restructuring] decades ago and now decline is driven by people dying. My country [eastern Member State] is going through it now, decline is driven by out migration to places like your country [Ireland].”

This last point was telling as it reflected the appreciation of the impact of human and financial motilities on particular countries and regions. Though it was not part of the interview schedule, the issue of spatial relations between shrinking and growing regions was a common undercurrent.

3.2 Space and time

In general the view of stakeholders is that it is not a case of either legacy or contemporary effects, rather both processes are seen to operate simultaneously and they are highly interrelated. The point was made that legacy shrinkage (rapid ageing) is reflective of ‘late stage’ processes and may indicate that a tipping point has been reached. When considering these issues within the focus groups, there was significant discussion between the participants about the implications and whether it was possible or feasible from a policy perspective to reverse these processes. Whilst generally uncertain about whether action would be taken, focus group discussions highlighted positive examples of high-level policy actions in Spain with the appointment of a Government Commissioner for the Demographic Challenge and, more recently, the appointment of an EU Vice-President for Democracy and Demography. There was also reference within the focus groups and interviews of local level actions communities working to mitigate the impact of population decline or increase the number of people moving to the area, regions or municipalities in Romania, Spain, Finland and Italy were specifically mentioned.

3.3 Gender

The importance of the role of socio-cultural structures was closely linked to gendered dimensions of shrinking processes. Whilst the role of schools was emphasised, the gendered structure of migration was a feature of interviews that focused on or considered contemporary changes in eastern Member States. Interviewees commented on women leaving rural areas first followed at a later stage by their partners. The conversations around these issues considered the push factors (limited job opportunities for women, 'conservative' culture) and pull factors (better paying opportunities in other countries or urban centres within their own country). They also considered the links between 'leavers' and 'remainers', highlighting that those who stay in place facilitate those who leave. They noted that whilst younger people migrated, particularly women, their children remained in the care of family members. This resulted in a number of effects, primarily simultaneous demands for education facilities for younger people and services target towards elderly people.

4 Policy and Governance

Whilst policy options were coded in terms of whether they were presented as a means of supporting regions adapt to shrinkage or mitigate the impacts, it was made apparent in an early interview and focus group that this binary coding of policy is overly crude and does not take into consideration the need for territorial responses built on approaches that seek to both mitigate and adapt to shrinkage.

“It is not one or the other; we need to be thinking of both. It has to be dynamic. At the regional [sub-national] level there will need to be strategies that support some communities and localities adapt whilst also supporting others to tackle [mitigate] and turnaround the decline.”

This perspective was developed during other interviews when the issue of balance between these broad approaches was placed within different ‘shrinking’ contexts. The point was made that for some places and sub-national regions, particularly in southern Europe, that have been experiencing decline over an extended period, the emphasis needs to be on adaption measures. An interviewee captured the issue very succinctly:

“Should [either EU or National/sub-national] money be spent building playgrounds in places with no children?”

This point was placed in a specific context, i.e. it referenced a particular place in Spain, but it drew attention to the centrality of place-based approaches. This in turn led to more detailed discussions concerning policy options and absorptive capacity. When asked about relevant or potential policy options to support shrinking regions, another contributor made the following startling observation;

“The policy toolbox is full...”

They went on to explain that, in their view, whilst there are a wide range of potential options available to policy makers at all levels, the issue is one of identifying which ones are relevant in particular contexts and developing a strategy that integrates different policy options together to create a coherent strategy. This point was picked up in a separate interview when an interviewee with a specific geographic remit noted that:

“it is difficult to pick the right tool(s), given the very complex set of factors at play.”

These perspectives frame the issue as one of knowledge to know what is required, adaptive capacity to develop a strategy that, ideally, anticipates rural change or deals with the consequences after the fact, and absorptive capacity to successfully implement the various strands of a policy initiative. It also highlights the critical need for capacity at national, regional and local scales to identify, assess and adopt/adapt these tools to specific contexts². All of the

² For more on this issue see the Case Study Reports.

interviews and focus groups highlighted some or all of these elements of governance. Assessing the interview transcripts and notes highlights the centrality of these issues in the interviewee's and focus group's responses to the challenge of shrinkage. This prompted discussions regarding policy frameworks that supported integrated or territorial planning from the EU to the sub-national scale.

The complexities and dynamics of inter and intra EU institutional interaction and EU – Member State interaction within the policy design and implementation process was very much to the fore of most of the interviews and, particularly, the focus groups. This is not all that surprising given the European Commission's key role and 'place' in the policy design and development process. In contrast to the common positioning by national policy makers and stakeholders of the EC as an all-powerful and sometimes authoritarian body (Shore, 2011; Somek, 2015), the interviews highlighted, firstly, the limitations of the power of the EC within the overall EU policy development process and, secondly, the limitations of the extent of the influence of the interviewees, despite their key roles within the internal hierarchy of both DG REGIO and AGRI.

4.1 Inter-Institutional: *Commission* ↔ *Council*

During the course of the interviews and focus groups those working within the EC described interactions with other EU institutions. The most commonly referenced of these were the EU Council and two parliamentary committees; the committee on Regional Development and the committee on Agriculture and Rural Development. In most instances these references were placed within the context of policy development processes and, unsurprisingly given the respective role of these institutions, tensions between the vision and objectives of the EC and the Council were evident. At the end of one interview I commented on the view from the office which looked out on both the Berlaymont building (Commission) and the Europa building (European Council) and asked "Does this allow you to keep an eye on them or is it the other way around?". Their response was to focus on the Europa building, smile and say:

"We keep a close eye on each other."

The same tensions were not as evident with regard to the European Parliament. When asked about this it was explained that the Parliamentary committee's role in policy development was, in general, supportive of improving the targeting and efficacy of measures. Further discussion around this issue led to an understanding that the breath of Parliamentary inputs allowed for consideration of a range of interconnected issues. Whilst the primary concern of the Council was associated with national budget allocations and ensuring full drawdown of these budgets, the Parliamentary committees were engaged in understanding the impacts and implications of the implementation of policies within and between Member States. Furthermore, they commonly sought to highlight interactions between a number of policy measures that resulted in unanticipated impacts, particularly with regard to environmental and socio-economic issues.

On several occasions, the frustrations of interviewees were evident in examples of how EC proposals concerning measures funded through both the EAFRD and the ERDF were watered down during negotiations with the European Council. Commenting on decisions taken within the Council regarding a specific measure covering the next programming period, 2020 – 2027, one stakeholder put it bluntly:

“They changed one word , from ‘shall’ to ‘may’ and that changes everything. Some of what we had hoped to achieve with an agri-environmental initiative won’t happen in some Member States, yet we know that this is a huge issue for citizens.”

Another recounted a similar experience. In this instance it related to a measure designed to encourage Member States to move beyond thinking about EU funds as a means of supporting investments in hard infrastructure. In discussing opportunities for shrinking regions and how policy can support these, enhanced inter-regional or inter-country co-operation with regard to rules, regulations and practices is considered key to overcoming some of the challenges in these areas. A proposal was made for the 2020 – 2027 period to include this as a mandatory cross-cutting measure. This perspective emerged from internal reviews of the challenges associated with regional, cross border development that highlighted the impact of investments in infrastructure was undermined by regulatory issues or lack of capacity. A number of Member States resisted this proposal and the wording was changed to make it an optional measure. In assessing the process that led to this outcome, the interviewee reflected that it highlights the importance for the EC to engage with other EU institutions at an early stage to ensure there is clear communication as to the purpose and implications of proposals in order to overcome thinking that favours the status quo being maintained.

4.2 DG Agri ↔ DG Regio

Unsurprisingly, both interviewees and focus groups referenced their counterparts in DG Agri and DG Regio. These references tended to focus on three broad topics; policy co-ordination, inter-institutional collaboration and learning from each other.

In the area of policy co-ordination comments and observations centred on delays in the agreement of the CAP for the period post 2020, the need to conclude a ‘transitional arrangement’ and the potential implications this might have for the implementation of initiatives under the Common Provisions Regulation (CPR). During the current programming period, which has been extended with the agreement of ‘transitional arrangements’, the latter facilitated cooperation and coordination among different funding sources including the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument. Currently, the proposed (amended) CPR makes no reference to the EAFRD raising questions as to the

ability of Member States to develop and implement co-ordinated actions. These questions were reflected in interviews amongst both DG Agri and DR Regio policy stakeholders though they were a more common concern for the latter group. When this issue was raised with DG Agri interviewees in follow-up conversations that focused on clarifying key points, they stressed that they did not necessarily see it as being a critical issue but rather that the immediate focus was on getting a Transitional Arrangement in place for 12 – 24 months. They explained that:

“The CPR proposed for 2021-2027 does not cover the EAFRD. This decision was made by DG AGRI because they had to choose: should EAFRD be closer with the EAGF (I pillar) so that they make up together the CAP Strategic Plan, with a whole new implementation system, OR should they continue to be strategically and implementation-wise [aligned] with cohesion policy? The decision was taken that the first option is the best, because DG AGRI planned a major overhaul of the whole implementation system. [Furthermore, this new framework and associated monitoring and evaluation framework] that for the post-2020 [also] cover[s] the EMFF and the three ‘home’ funds (AMIF, ISF and BMV), would not mesh together. [As a consequence] it would make it very difficult for the EAFRD beneficiaries and authorities to find their way in a maze of provisions in the CPR and ... the CAP Regulation.”

Whilst the need for greater alinement of, particularly, rural and regional development policies is well recognised, the text above highlights some of complexity associated with this in the context of trade-offs between improving the structure and implementation of key EU policies, e.g. the CAP, and improving integration between them.

Interviewees from both DG REGIO and DG AGRI stressed the importance of the. The range of issues covered in these different funds points to the challenge of integration. Notwithstanding this, the CPR is considered by most of the interviewees and focus groups as one of the key mechanisms of improving synergies strengthening ties between policies; this is particularly the case with regard to the local initiatives, e.g. ‘Community Led Local Development’ (CLLD):

“... there are a few important instances, where the proposed [2021 – 2027] CAP Regulation makes a direct reference to the proposed CPR provisions, so that the CPR provisions apply to the EAFRD, most importantly CLLD / Leader (so that it remains possible to support these initiatives from EAFRD and cohesion policy), [and also] financial instruments (for continuity purposes for EAFRD).

When it came to inter-institutional collaboration, several interviewees highlighted relationships with their counterparts in other DGs, in particular AGRI and REGIO. These were most commonly mentioned by those with a specific geographic remit, i.e. national experts. Discussing the purpose of collaboration, there was a general view that it was important to have a broad understanding of what strategies and investments were planned associated with EU funds. Interviewees stated that whilst reviews of national planning documents and Operational

Programmes were useful in providing an overview, they could not give a comprehensive understanding of sub-national activities particularly those with both rural and regional policy dimensions. Examples given of this type of activity highlighted that the long term need to support restructuring of the agri-food sector or the development of the bio-economy required co-ordination of agricultural, rural development and regional development initiatives to ensure strategic planning and development of supply chain whilst also taking into consideration the need to ensure social inclusion. When asked about structures to support inter-institutional collaboration interviewees highlighted that much of this activity is based on personal relationships rather than formal processes. Whilst seminars or workshops are considered very useful in developing contacts with counterparts in other DGs, those who commented on this issue emphasised that these relationships are ad-hoc in nature:

“When I took up this [position] nobody said that I should talk to [my counterparts in] DG AGRI, I picked up the phone, introduced myself and we went for lunch. We talk, forward on reports or links to projects that might be useful and catch up at conferences or seminars. These are great for face-to-face [meetings] as it is hard to make time [for] meetings. We are only a few tram stops away from Schuman (the metro station under the Berlaymont building which is the headquarters for the EC) but ...”

The last point about the location of DG REGIO relative to other DGs, particularly AGRI, highlights the challenge of interacting with colleagues in other DGs. When this point was raised with an interviewee in DG AGRI, which is located beside the Berlaymont Building and literally in the heart of the EU, they reflected that whilst in general interaction between DGs was good ‘meaningful discussions’ were more difficult to have as they took time and, frequently were unplanned. There was an acceptance that more interaction would support greater understanding of the logic associated with initiatives and identify potential synergies.

4.3 EU ↔ Member State:

The relationships between the EC and the member states and sub-national levels were highly varied. Within the context of rural shrinkage and specifically the emphasis within the interviews and focus groups on eastern parts of the EU that are experiencing these processes, there were a range of references to the benefits of interactions. One of the key benefits is considered the development or enhancement of national level capacities in the areas of designing, monitoring and, particularly, evaluating national strategies or plans that draw on EU funds.

“We see it in the relationships that develop between individuals within the EC and their counterparts in the Ministries. Where the relationship is good – I mean there is a good understanding of the issues and concerns – we can work through most difficulties before they escalate to the political level. Over time, you see that not only has the knowledge and capacity of the people and institution you are working with increased

but the culture changes as well. This is really clear when it comes to evaluation cultures.”

The limitations to these relationships was apparent in several interviews. These highlighted that interactions were driven by the need or desire to support those with responsibility at national levels for drafting plans or their implementation, i.e. officials within national Ministries with responsibility for agriculture, rural or regional development. However, there was a recognition that these are functionaries within the system and not actual decision makers, i.e. political representatives. Here there was a clear frustration on the part of the interviewees and focus groups at the level of inertia within the national policy development system.

“You get to understand that whilst the people that you are dealing with understand where the Commission is coming from and why they are raising issues or questions, you also know that these people are working in a political context that just wants to keep things the way they are and draw down money for the existing beneficiaries. There is little innovation and that can lead to frustration and tension on both sides.”

Drawing out some of the implications of these developments another interviewee made the link between policy inertia and concerns with the growing prevalence of anti-EU sentiment and consequent rise in the number of ‘Euro-sceptic’ MEPs and national governments.

“A key concern that we have is the implications of changes to the budget and change in emphasis in funding from grants to support for financial instruments is not fully reflected in the thinking of national policy makers working at both the EU and national levels. From my point of view this is a huge challenge for the EU as it is hard to demonstrate that we are listening to and prioritising the concerns of citizens if what they see is a continuation of business as usual.”

A number of interviewees and both the focus groups pointed to the empowering nature of interactions from the national and sub-national level to the EU level. These types of interaction were prompted by two different sets of concerns; development and implementation of national and regional Operational Programmes and ensuring that national interpretations of EU policy measures were correct. In relation to the latter, interviewees spoke of interactions with sub-national bodies, i.e. Local Action Groups funded through the CAP, and Regional Authorities or other sub-national beneficiaries of the ERDF, that sought guidance on whether national interpretations of EU rules and regulations were correct. With regard to the former, DG Regio interviewees in particular, referenced a number of supports to national and sub-national institutions responsible for the design and implementation of EU funded initiatives. The joint European Investment Bank (EIB) – EC initiative offering Joint Assistance to Support Projects

in European Regions³ (JASPERS) and the DG Regio *b-solutions* project managed by the Association of European Border Regions (AEBR) were referenced as useful tools to support the development of programmes and projects in support of regional development. *b-solutions* took a bottom-up approach to the identification of key issues and provided support for the development of local solutions and, associated with this, to capture and transfer the learnings associated with the process to other regions. During interviews and a focus group discussion, it was emphasised that this initiative sought to overcome a key criticism of the EU regional policy post 2014, namely the emphasis placed on growth. A number of interviewees reflected this point with one putting it simply:

“Perhaps there has been too much focus on the growth.”

This point was reflected and developed by other interviewees who noted that large-scale infrastructure investments in transport (rail and road) had limited benefit for some rural regions as they did not have access to them. When asked about this, they clarified that whilst the infrastructure passes through rural regions the absence of connections, e.g. railway stations, limits the benefits to local communities. The reforms that accompanied the new Regional Policy for the period 2014 – 2020 shifted emphasis from a ‘transfer/absorption-oriented policy to a growth-oriented investment policy focused on results and fully embedded in the coordination of economic policy’ (Deffaa, 2016, 157). The emphasis on growth was considered by some interviewees as having favoured urban regions, in general, and larger urban regions in particular. The criticism was nuanced as is evidenced in a number of contributions that highlighted disconnects between innovation systems, which were viewed as predominantly urban based, and the regions. It is not a simple case that the investments were being made in urban areas and hence these places and their associated accessible rural regions were the main beneficiaries. The point was being made that there is a fundamental disconnect between urban and rural innovation and capacity development systems. Furthermore, aside from the absence of appropriate links between urban and regional / rural innovation systems interviewees highlighted the inappropriateness of proposed innovations to particular contexts. Two quotes drawn from examples in two eastern Member States highlight the issue:

“It is a small country but there is little relevance between what is happening in universities in [city] and the more remote rural regions.”

“There are two [problems/challenges]; the solutions are not economically viable for small and medium sized businesses in the rural regions, and the knowledge transfer system cannot deal with those solutions that might be appropriate. There is a human capacity issue that is stopping innovations being transferred or adopted.”

³ <https://jaspers.eib.org/>

Another interviewee provided an alternative view:

“I don’t think rural businesses encounter cooperation difficulties with the urban universities. Most of the businesses having the biggest potential for innovation and cooperation with science are based in cities in [member state]. Support for rural communities, like analysis for local development strategies are also available via various associations.”

Perhaps unintentionally, this comment draws attention to the challenges for rural enterprises that depend on innovation, co-operation and science and highlights the need of these type of businesses to locate in urban centres. When this issue was explored during the interviews and focus group in DG Regio a number of initiatives were highlighted as proving useful in overcoming some, but by no means all, of these challenges. The development of the pilot *b-solutions* programme and, more generally, JASPERS to specifically target regional capacity issues is seen to reflect a responsiveness on the part of the EC to adapt policy frameworks to deal, firstly with the need to support the development of strategic and absorptive capacity at the regional level and, secondly, to support investment in smaller scale projects outside of urban regions. Notwithstanding this, the challenge of developing capacity at both national and sub-national levels to deal with legacy, contemporary and potential future drivers of shrinkage was a central feature of all the interviews and focus groups. In every instance there was a view that more has and should be done though it common that interviewees would reference the need for change particularly at the Member State level.

5 Reflections

A significant emphasis was placed within a number of the interviews and one of the focus groups on the direction of President of the European Commission, Ursula von der Leyen, to the Vice-President for Democracy and Demography, with the support of the Agriculture Commissioner, to launch a Conference on the Future of Europe resulting in the development of a long-term vision for rural areas. This was seen as a means of, firstly, engaging with national and, particularly, sub-national policy stakeholders and, secondly, of collating views and perspectives from the diversity of rural areas across the EU. This was described by one interviewee as a means of sense checking EU rural policy, identifying new directions and, potentially, of giving voice to the diversity of perspectives surrounding the future of rural areas. Whilst optimistic, they were cautious about what can be achieved:

“It’s great but it’s not clear at this stage how this (the Conference and the development of the vision) will actually work. It might be the same set of voices that we always hear but it might open up a space for others - like those from shrinking regions and communities. It would be good if we got to hear new things. It might help shift positions and change minds on how we, and I mean all of us in the Commission and the Member States, think about rural areas and the role they have to and will play in contributing to solving global challenges like climate and biodiversity.”

Another interviewee pointed to the risk of dominant voices and narratives shaping the outcome of these initiatives and emphasised the need to:

“Really do a vision for rural areas in close consultation with rural people”

They expanded on this point stressing that ‘urban’ communities and stakeholders, whilst important voices in the process, should not be dictating what it wants from rural land whilst neglecting the challenges to livelihoods and the viability and vibrancy of rural communities that such developments might bring.

These views were reflected in many of the interviews and tied into a common theme in many of the conversations, that based on the results of the EU Parliamentary elections large sections of the rural population throughout the EU appear to be at best agnostic about the EU and at worst openly hostile towards it. When asked if there is a relationship between shrinking rural regions and ‘euro-scepticism’ and shrinking processes, there were no definitive answers. One interviewee put it as follows:

“I don’t know for sure about all regions but in my country the populists and those who say they are sceptical about the EU are in declining rural regions. This is no surprise. The people feel left out or behind. They see other places developing and life improving

but not theirs. They are angry and though they might not agree with all the policies of the populists, they see them as a way of having their voice heard.”

The discussion that followed this comment focused around the importance of the development of a vision for rural areas and the need to use this as a means of renewing and reinvigorating the EU policy commitment to rural communities.

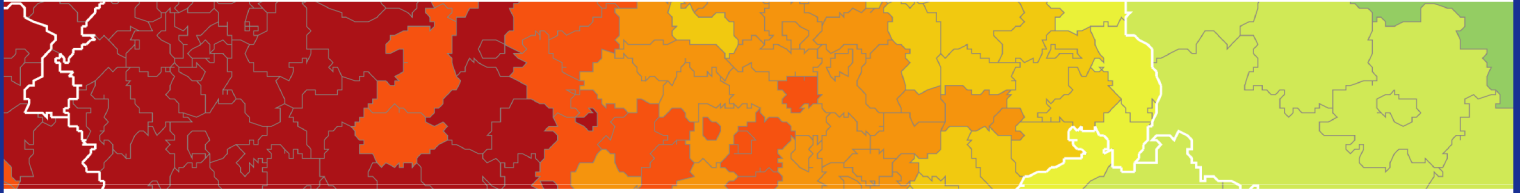
Another interviewee saw the preparatory work in support of the development of the long term vision that are ongoing within the Commission at the time of writing as offering scope for inter-Directorate collaboration. They concluded with:

“Being involve in the works of the Vision for rural areas, I see (and hope) for the cross EC works and spirit, where AGRI and REGIO worlds can come even closer to each other. Yes, I am optimist!”

It is evident that the development of the Vision is not just an opportunity for engagement with a diverse set of stakeholders across the EU but it is also seen as an opportunity to enhance collaboration between what are conceptualised as two distinct ‘worlds’.

References

- Andoh-Arthur, J. (2019) Gatekeepers in Qualitative Research. In: P. Atkinson, S. Delamont, A. Cernat, J.W. Sakshaug, and R.A. Williams, eds. *SAGE Research Methods Foundations*. [online]. [Accessed 7 April 2020]. doi: 10.4135/9781526421036854377.
- Hussein, K. (1994) Policy networks, networks and European Union policy making: A sceptical view, *West European Politics*, 17:4, 15-27, DOI: 10.1080/01402389408425041
- Shore, C. (2011) 'European Governance' or Governmentality? The European Commission and the Future of Democratic Government. *European Law Journal*, 17: 287-303. doi:10.1111/j.1468-0386.2011.00551.x
- Somek, A. (2015) Authoritarian Liberalism. *European Law Journal*, 21: 340-360. doi:10.1111/eulj.12132
- Yin, R. K. (2015) *Qualitative research form start to finish*. New York: Guilford Press.



ESPON 2020 – More information

ESPON EGTC

4 rue Erasme, L-1468 Luxembourg - Grand Duchy of Luxembourg

Phone: +352 20 600 280

Email: info@espon.eu

www.espon.eu, [Twitter](#), [LinkedIn](#), [YouTube](#)

The ESPON EGTC is the Single Beneficiary of the ESPON 2020 Cooperation Programme. The Single Operation within the programme is implemented by the ESPON EGTC and co-financed by the European Regional Development Fund, the EU Member States and the Partner States, Iceland, Liechtenstein, Norway and Switzerland.