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THE INTEGRATION OF RURAL REGIONS OF IRELAND AND POLAND INTO THE EUROPEAN UNION

Abstract: *Against the background of the enlargement of the European Union, Ireland is often mentioned as a key example for the Central and Eastern European countries of a successful European integration process. Thereby, the development of the complete Republic of Ireland since the EU accession in 1973 is analyzed. If you survey separately the economic and social development of urban and rural regions, it emerges that the rural regions could hardly participate in the economic success of Ireland and that disparities have increased. Many farmers are dependent on public welfare to make a living, as the Irish living costs have increased during the last years. Consequently today about one third of the Irish households live - in spite of the economic success of the Celtic Tiger - under the relative poverty line.*

Against the background of this depletion process, the question comes up whether Ireland can act as a paradigm for the European integration process of Poland. Looking at the initial situation of Ireland in 1973 and the current situation in Poland, several parallels exist, however, also strong distinctions. While major similarities can be determined with the agricultural structures as well as with the social value system, developments in Poland are still subject to the not yet completed transformation process from a socialist to a democratic and capitalist system.

Key words: *Rural development; Ireland; Poland; EU integration; agriculture*

This conference paper will present rural development with a small view on the development of the two rural regions County Mayo in Ireland and Powiat Złotów in Poland and compare the countries at the time of EU accession as well as today. Concluding perspectives of the transferability on the regional level shall be pointed out.

About 56% of the population of the European Union lives in rural areas which are including about 92% of the total area of the EU. Rural is thereby defined by the OECD definition of 150 inhabitants per km² (Grabski-Kieron/Krajewski 2007: 12).

The rural development in general is characterized by

- Ongoing structural and functional changes in agricultural and forestry;

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- Different economic spatial dynamics;
- Demographical changes;
 - Land use conflicts and increasing land consumption;
 - Ongoing hazard of the natural open space resources; and
 - Regionalization and decentralization as an expression of a changing planning culture (Grabski-Kieron/Krajewski 2007: 12-13).

While the countryside is changing and urban lifestyles are moving into the countryside, old-fashioned associations with rurality and agriculture are losing their validation (s. amongst others Grabski-Kieron/Krajewski 2007: 13). In spite of these characteristics heterogeneity of rural areas in the European Union can be determined.

This heterogeneity and the realized multifunctionality of agriculture and rural areas have led to the implementation of the new “European Agricultural Fund for Rural Development (EAFRD)” (2007-2013).

With this new fund three aims are pursued:

- Improving the competitiveness of agriculture and forestry by means of support for restructuring;
- Improving the environment and the countryside by means of support for land management; and
- Improving the quality of life in rural areas and encouraging diversification of economic activity (European Union 2007).

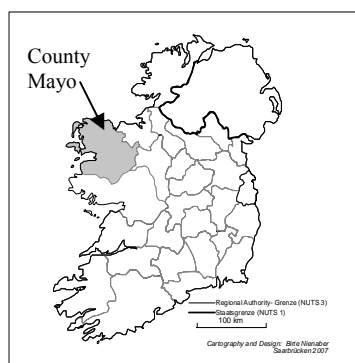
The case of rural Ireland

Ireland is also called the „Celtic Tiger“ as it has experienced an extreme economic boom during the late 1990s and the early 21st century. The GDP increased and the unemployment rate decreased rapidly. There are different causes for this economic boom like foreign direct investment, low taxes and good educated young people who speak English as their mother tongue. The GDP grew since the EU membership from 21.389Mio€ (1973) to 97.756Mio€ (2003) (GDP at 1995 market prices) (CSO 2007a). The average earning increased to 2003: 835.3 when 1973 is set equal to 100 (CSO 2007a). This economic development, however, led to an increase of regional disparities. While the region of Dublin and its surroundings developed very well, other parts of the country suffer from development. An East- West- gradient of regional development can be seen. Moreover, an increase of the disparities between urban and rural regions can be recognized during the peaks of the Celtic Tiger. Living costs have increased because of the Celtic Tiger phenomenon. Because of the general, not of the regional development, Ireland is no longer an objective 1 region in the European Union which means that the financial support to Ireland is reduced.

Ireland changed from an agricultural dominated to a service and IT country while still 71.6% of population lives in rural areas (2003) which are towns under 1,500 inhabitants or remainder of regions (Irish definition). The change in the economic structure is shown

e.g. in the decrease of employment in agriculture (from 23.9% in 1973 to 6.5% in 2003). The Irish agriculture is characterized by a high percentage of cattle, sheep and dairy farming. Nowadays many farmers live on public welfare. Even 1/3rd of the Irish households live under the relative poverty line. Agriculture, however, is still important, not so much as an employer, but from a social and ecological point of view (Bolten 2007: 40-41; CSO 2007a-c; Eurostat 2007; Ní Mháille Battel 2003; Sprenger 2005; Walsh 2007: 46).

Figure 1: County Mayo, Ireland



County Mayo is one of the dominant rural regions, located in the Western part of Ireland. Of 123,839 inhabitants (2006), 71.2 % of the County population lives in rural areas (2006). The education level in County Mayo is very low. 28.5% of the population had only visited the primary school (4 years) (2002), while in Ireland it were 21.1% of the total population. Part of the County is Gaeltacht area which means that the major percentage of the inhabitants speaks Irish Gaelic and not English as their mother tongue what might be problem of development and to participate in the growth of the Celtic Tiger (CSO 2007a-c; Sprenger 2005).

The case of rural Poland

Because of massive economic problems before 1989 rural areas in Poland have been neglected. Essential investments in technical infrastructure (a.o. road system, telecommunication, water supply, effluent disposal) and social infrastructure (a.o. educational system, cultural condition) have not been realised. These deficiencies in development still have effects on the situation in rural areas today (Difu 2002: 11). Data about the share of rural areas and population living in rural areas are diverse, depending on used indicators. In 2005 the share of rural areas was varying between 91% (OECD) and 85.7% (Eurostat). The share of rural population was 34.4% (OECD) resp. 29.3% (Eurostat) (GUS 2006).

Analyses dealing with economic and social development in Poland show that the last eighteen years of transformation and international integration have been accompanied

with enhancement of inter-regional disparities. Especially differences in development between urban and rural areas on the one hand and between the Western and Eastern parts of Poland on the other hand are increasing. This process is reflected a.o. by high income differences and sharp regional distinctions of unemployment. Indeed big cities are the “winners” of the economic transition. On the contrary, the Western parts of Poland turn out to be the regions with highest unemployment although the spatial distance to Western Europe is low (Pütz 2004:10-11). Inter-regional differences in unemployment are caused by different structures in agriculture that are a consequence of historical processes. In Southern and Eastern parts of Poland a collectivisation planned by the government after World War 2 could not be enforced. About three quarters of agricultural areas stayed in private hands even in socialist times. A contrary development took place in the so-called New Western Regions which have been part of German territory before World War 2. In these areas essential parts of agricultural land have been socialised and state farms were established (Borsig/Kriszan 2003: 47-48). After the end of socialism these state farms were privatised – partially with foreign capital. Usually this process of privatisation was accompanied by investments in machinery which resulted in a high rationalisation and caused dismissals of agricultural workers (Pütz 2004:10-11).

Large agricultural enterprises in Western parts of Poland are competitive on European scale, but the number of these modern and high specialised enterprises is low compared to the total number of agricultural undertakings in Poland. In most parts of the country actually there is an agricultural structure that existed already before World War 2. The average area per farm is 7.6 hectares (GUS 2007a) and specialisation, labour productivity and education level of farmers are low. Thus most of Polish farms can't be considered as competitive. It is estimated that 1 million farms will not be able to exist in medium term. Only a maximum of 40% of all agricultural undertakings has a theoretical chance of survival after a consequent modernisation (Pütz 2004:10-11).

Although the significance of Poland's agricultural sector for the national economy has fallen drastically since 1989 (1995: 8.0%; 2005: 4.6%), the primary sector still accounts for a large proportion of the total employment situation in Poland (2005: 15.0%) (GUS 2007b). This imbalance is also the cause of the largest problem in the Polish agricultural sector – a surplus of labour. In large parts of Poland today agriculture acts as a safety net for workers that have been released in other sectors of the economy over the course of the transformation process and is, in addition, the main and secondary source of income for large portions of the rural population (Borsig/Kriszan 2003: 47-49).

The general development in Polish agriculture that has been observed since 1989 is primarily subject to the effects of the transformation process and not to a structural change in the agricultural sector itself with inherent dynamics. Societal developments that may result from the structural change in agriculture, for instance a pronounced migration from rural areas to the cities, are not apparent at the moment. Accordingly, the effects of the transformation process remain intensively until today so that possible

consequences of a currently weakened structural change of the agricultural sector are hidden (Borsig/Kriszan 2003: 47-49).

Figure 2: Powiat Złotów, Poland



The Złotów district is located in the north-west of Poland, in the northern part of Wielkopolska Voivodship. The district has an area of 1.661 km² and is one of the largest districts in terms of area in Wielkopolska Voivodship (Borsig et al. 2007: 67-68). Złotów district is very rural in nature. This is shown both in the below-average population density compared to national level (2005: 122 inhabitants/km²) of 41 inhabitants per km² and in the settlement structure. Of the eight self-governing communities of the district only two communities (Złotów: ca.18.500; Jastrowie: ca.11.500) have over 10.000 inhabitants and only the city of Złotów has an urban character.

The share of employed people in agriculture and forestry in the Złotów district (2004: 15.8%) is comparable to national level (2004: 16.0%). The employment in industry (2004: Poland 22.9%; Złotów 38.1%) is above national average, and in services (2004: Poland 61.1%; Złotów 46.1%) it is much below (GUS 2007b). Unemployment in the Złotów district at 26.9% (31.12.2004) is clearly above that on national level (31.12.2004: 19.0%). Reason for above average unemployment rate is a lack of non-agricultural jobs (Borsig et al. 2007: 67-68).

The natural area of Złotów district has been principally affected by the Scandinavian ice sheet. A distinguishing feature of this countryside are the numerous lakes. The above-average forest share making up 45% of the area of the district. Agriculturally used area also occupies 45% of the overall area. 38% of the total surface is used for arable purposes and 7% as meadows and pasture. Although some of the soil quality in the Złotów district is of medium quality, large areas must be classified as sub-quality. The cultivation of cereals and planting of potatoes is far more important than that of other

plants and crops. There are a number of large-scale pig-rearing undertakings. All in all, the livestock is below average in this region. In Złotów district there were 4,836 agricultural undertakings in 2002 processing 65,500 hectares – the average area per farm operated an area of under 2 hectares – only 4.3% of them worked areas of over 50 hectares (Borsig et al. 2007: 67-68).

The agricultural developments in the Złotów district that have been observed since 1990 should be seen as repercussions of the transformation process. For instance, a rise in the average farm size in private agriculture is primarily a result of the dissolution of the state-owned farming properties and not so much due to the sale of smaller farms. It is fair to say with regard to the socio-economic structures and developments in the district of Złotów that this area is among the structurally weakest in Poland, despite the favourable agricultural structures. Unlike other rural areas in Poland (above all in South and Central Poland), agriculture in the Złotów district does not act as a “social buffer”. The unemployment is still a consequence of the transformation process and it is quite manifest in this region, as insufficient numbers of jobs have been created in sectors outside of agriculture until now due to unfavourable economic location factors (Borsig/Kriszan 2003: 51-53).

Perspectives of the transferability

Several similarities, but also several differences between Ireland and Poland can be assessed. Parallels between the initial situation in Ireland 1973 and Poland today can be found out. They were and in some aspects still are for example: Similarities in the agricultural structures, an increase of export since EU membership, and the integration into the EU market, infrastructural problems at the beginning of EU membership as well as similarities in the social value system (e.g. Catholicism).

The agricultural systems are characterized by a low productivity and specialization of farmers, by a state of technical underdevelopment, by low education level of farmers and employees, by low soil quality (mainly in the North of Poland, and Central and Western Ireland), by subsistence farming (East, South-East of Poland, Western, North-western Ireland) and that many farms are not competitive (s. e.g. Borsig/Kriszan 2003: 47-48; Grabski-Kieron/Krajewski 2007: 17). The agriculture, however, differs in the type of agriculture that is practiced. While Poland is dominated by arable farm land, the Irish farming is characterized by the major importance of pasture. The disparities between rural and urban regions are increasing and show that (most of) the rural European areas do not participate on economic developments.

The transformation process of Poland from a socialist to a democratic and capitalist system has not yet completed which is a problem that the Irish economy has not to face. Other differences are for example the two countries are very unequal in terms of area size and population size.

Figure 3: Indicators:

	Poland	Germany	Ireland	EU-15	EU-25	EU-27
population density (inhabitants/km²) 2003	122,2	231,2	58,4	117,5	101,7	114,2
percentage of rural communities (%), 2003	97,2	98,7	80,6	90,8	98,0	91,9
percentage of employment in primary sector, 2005	17.1	2.3	5.9	3.7	k. A.	k. A.
growth rate of the real GDP, (%) 2006	6.1	2.9	6.0 ^(f)	2.8	3.0	3.0
GDP per capita (EU = 100), 2006	50.9	109.4	138.3 ^(f)	107.8	100	96.2
unemployment rate, (%) 2006	13.8	8.4 ^(p)	4.4	7.4	7.9	7.9

Source: Eurostat 2007; own compilation

The two case study areas have shown many of the similarities and differences that are there on national level however the Polish Powiat Złotow is not a so predominant rural area as the Irish County Mayo.

The new European Agricultural Fund for Rural Development will focus more and more on the non-agricultural, multifunctional importance of rural development. That is why the LEADER measurement with a regional, bottom-up perspective is integrated. It will show in the future if this new fund will help to decrease disparities and to help rural regions to develop. All actors and stakeholders, however, have to be involved in an integrated rural development process so that this can be successful.

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Summary

Against the background of the enlargement of the European Union, Ireland is often mentioned as a key example for the Central and Eastern European countries of a successful European integration process. Thereby, the development of the complete Republic of Ireland since the EU accession in 1973 is analyzed. When surveying separately the economic and social development of urban and rural regions, it emerges that the rural regions hardly can participate in the economic success of Ireland and that disparities have increased. Many farmers are dependent on public welfare to make a living, as the Irish living costs have increased during the last years. Consequently today about one third of the Irish households live - in spite of the economic success of the Celtic Tiger - under the relative poverty line.

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The agricultural systems are characterized by a low productivity and specialization of farmers, by a state of technical underdevelopment, by low education level of farmers and employees, by subsistence farming (East, South-East of Poland, Western, North-western Ireland) and a low level of competitiveness of many farms. The agriculture, however, differs in the type of agriculture that is practiced. While Poland is dominated by arable farm land, the Irish farming is characterized by the major importance of pasture. The disparities between rural and urban regions are increasing in both countries and show that most of the rural European areas do not participate on economic developments.

The transformation process of Poland from a socialist to a democratic and capitalist system has not yet completed which is a problem that the Irish economy has not to face. Other differences are for example the two countries are very unequal in terms of area size and population size