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**Publication date** 2015 **Document Version** Final published version Published in Proceedings of ESRS2015

Citation (APA)

de los Rios, AP., Rivera, M., Knickel, K., Chebach, T., Qvist, D., & Ashkenazy, A. (2015). Rethinking rural prosperity: a discussion of empirical data derived in seven countries with the "Working with People" approach. In Proceedings of ESRS2015 (pp. 136-137). James Hutton Institute.

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## On-line Proceedings

Places of possibility?

Rural Societies in a Neoliberal World

18-21 August 2015

Aberdeen, Scotland



L-A. Sutherland, K. Brown, M. Currie, R. do Carmo, J. Duncan, M. Kohe, A. Koutsouris, R. B. Larsen, D. Maye, E. Noe, T. Oedl-Wieser, L. Philip, P. Pospěch, E. D. Rasch, M. J. Rivera, M. Schermer, S. Shortall, P. Starosta, S. Sumane, R. Wilkie & M. Woods.





### PUBLISHED BY THE JAMES HUTTON INTITUTE Craigiebuckler, Aberdeen, United Kingdom AB15 8QH

First Published by the James Hutton Institute in 2015

Sutherland, L-A., Brown, K., Currie, M., do Carmo, R., Duncan, J., Kohe, M., Koutsouris, A., Larsen, R. B., Maye, D., Noe, E., Oedl-Wieser, T., Philip, L., Pospěch, P., Rasch, E. D., Rivera, M. J., Schermer, M., Shortall, S., Starosta, P., Sumane, S., Wilkie, R., Woods, M.

212 Pages

Proceedings of the XXVI Congress. Places of Possibility? Rural Societies in a Neoliberal World

ISBN 978-0-902701-14-4 eBook - PDF

# Rethinking rural prosperity: a discussion of empirical data derived in seven countries with the "Working with People" approach

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Abstract - Farm level changes tend to be connected with alterations in markets (and food chains) on the one side, and with the prosperity of the rural areas in which they are embedded on the other. They are inherently linked to the underlying logics of agro-economic and food systems. Technical 'solutions' often only alleviate the symptoms and ignore wider ramifications. In this paper, we argue that decisions in both, the private and public sector need to pay attention to the systemic nature, and dynamics, of processes, interactions and impacts. The main focus is on rural prosperity, the different ways of understanding the concept and the related parameters and strategies. The discussion incorporates key elements of social learning as well as a range of rural development models. In the analysis, we will examine different farming systems through the "Working with People" model. The basis for the analysis are major case studies from six countries with data from interviews with key actors and stakeholders, focus groups and data on indicators of rural prosperity and wellbeing.

#### Introduction

The term prosperity has in the past mainly been associated with economic aspects. Kasser et al. (2007) defined prosperity as the capacity to generate economic growth through consumption. This economic interpretation of prosperity has been influenced by the ideal of indefinite progress (Friedman, 1987) based on the belief of the unlimited availability of natural resources and the promotion of consumption in modern societies. Since the 1970s, a reformulation of relevant concepts was initiated and alternative definitions and measurement techniques for progress were developed (Jackson, 2009; Stiglitz et al., 2009). Today there is considerable consensus that growth in output does not accurately represent the growth in human welfare. The use of GDP as a key indicator of prosperity fails in particular to account for non-market services, negative externalities and changes in the asset base (Stiglitz et al., 2009).

Other analysts argue that factors such as social cohesion and engagement, as well as community and family networks need to be considered. An overarching idea is that society should search for models were people can thrive, find well-being and live in ecologically sustainable ways. Kasser (2007) and Jackson (2009) argue that this vision of prosperity is much more complete than the materialistic interpretation used so far. Daly (2008) argues that society needs to aim at qualitative development instead of quantitative growth. Van der Ploeg et al. (2008) translate these views to the rural world pointing out that quality of life is closely linked with a social life characterized by

networks, shared norms and expectations that promote interactions and create a "sense of belonging". Understanding prosperity in this new way implies a recognition that economic growth at regional level and economic efficiency at farm-level are only to a limited extent signs of prosperous rural areas. We argue that if economic efficiency does not remain the predominant criteria any more, we need to revisit the merits of large specialized farms who may no longer be the unquestioned ideal. Smaller and mix farms can in many regions be linked with valued cultural landscapes, based on smaller field sizes and mosaic-like field structures, as well as with lower farming intensities and the use of more traditional environmentfriendly farming systems (Shucksmith and Rønningen, 2011, Knickel, 2001). The aim of this paper is to examine the linkages between farming, rural prosperity and well-being in different countries and contexts (Spain, Italy, Lithuania, Latvia, Israel, Germany and Denmark). We will examine how different management and development strategies relate to new concepts of rural prosperity and well-being. Two key questions addressed are how the links between the different dimensions of prosperity are actually conceptualized among stakeholders, and how this expresses different ideas and strategies about rural development.

#### METHODOLOGY

We base our paper on seven agro-economic, farming and rural systems case studies carried out in the international RETHINK research programme: The cases included small-scale farms from Latvia, Lithuania and Denmark, Italian pork breeders, organic farmers from Spain, hi-tech vegetable producers from Israel, and renewable energy producing German farmers. In the case studies we used the "Working with People" (WWP) model as a common analytical framework for framing three main prosperity dimensions: ethicaltechnical-entrepreneurial and contextual. The WWP model integrates the knowledge and experience of the population with expert knowledge (Cazorla, 2013). Empirical data was gathered through 11 focus groups and 205 semi-structured interviews as well as secondary data from surveys and official records.

#### RESULTS

In the following, we will briefly point to some key results structured into the three WWP dimensions.

Technical-Entrepreneurial dimension



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18-21 August 2015, Aberdeen Scotland

Farmers follow very different strategies in order to increase prosperity: 1) Diversifying the range of goods and services. An example of this is the Spanish case study, where farmers produce through organic and biodynamic means and commercialise online using medium and long chains. Another example is Israel, where certain farmers have started to establish tourism services on their farms. 2) Quality of goods and services is also crucial according to farmers. In the Italian case, not providing quality ham would mean a downfall in international level competitiveness as well as reduction in value-added. 3) Ensuring the profitability of the farm through a careful selection of products and services. 4) Having a coherent vision and business strategy, which means, among Lithuanian farmers, continuous knowledge and learning, and more specifically, knowing your objectives and the most effective means to reach them.

#### Ethical-Social dimension

Key elements are the following: 1) Being able to overcome conflicts and crisis, both at personal and business levels. 2) Having autonomy in decision-making; farmers who are more autonomous are also more flexible and faster in their reactions, for example in the context of constantly changing market opportunities. Trust enhances cooperativeness, ty-building and respect. An example is the Spanish case where the cooperative is built on trust, and where without it, it would not exist. 4) Having an open attitude towards cooperation. Latvia highlights this as a very important factor for many small farmers, especially for those who are not deeply embedded in the value chain and who aim at keeping marketing diversity under their own control. To trust one each other, and build and maintain cooperative relationships is considered important for prosperity as it can in turn improve governance structures and leadership.

#### Political-Contextual dimension

There are both positive and negative impacts of public policies according to farmers. However, the positive ones do not coincide much between countries, while negative ones tend to be similar. Farmers from all countries seemed to agree on the fact that EU policies are favourable for the farming sector. The reasons range from supporting young entrepreneurs to increasing human capital, enhancing community building as well as establishing common product standards. The bureaucratic nature of many support schemes tends to be commonly perceived as a negative consequence (aspect?) of policies that is slowing down processes, limiting freedom and autonomy, and causing ineffectiveness. Most farmers in all case studies also agree on the fact that administrative rules for support schemes are rigid and complicated, maintain unprofitable activities, limit autonomy, and in some cases even impair competitiveness. Most farmers also feel that the public-private dialogue is ineffective and that the real needs of farmers are hardly ever addressed. Farmers criticize that policies still follow traditional modernisation pathways and productivity, rather than innovative ways towards prosperity.

#### **CONCLUSIONS**

Quality of life, education, social capital, adaptive capacity and the environment need to play a larger role in the general definition of rural prosperity and progress. Rural prosperity as a separate concept from national prosperity has not been dealt with sufficiently yet. It is therefore important to know which elements seem important at farm level in order to better define the concept. Policies and the public system exert great influence on the prosperity of farms and should be further developed. Technical solutions often only alleviate the symptoms and ignore wider ramifications within agro-economic, food and rural systems. It seems particularly important to value social and contextualized developments that pursue more holistic strategies for improving prosperity in rural areas. Further analyses will focus on: What social capital elements seem truly relevant for rural prosperity and why? What is the role of small farms in changing the focus from economic efficiency to effectiveness and well-being? What can we learn from stakeholder's perceptions of prosperity?

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