# CHARACTERISTICS OF RURAL AREAS IN SLOVENIA: ADVANTAGES, WEAKNESSES AND POSSIBILITIES FOR IMPROVEMENT OF PRESENT SITUATION FROM VIEWPOINT OF SUSTAINABLE RURAL DEVELOPMENT

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### ABSTRACT

In the article an analysis of the situation in the Slovene Rural Areas are presented. The comparative analysis, based on typology of rural areas in Slovenia made by The Institute of Agricultural Economics on Biotechnical Faculty, shows that the Slovene countryside is not homogeneous. Present situation and the possibilities of development and the attraction of individual rural areas depend on the demographic situation, on the level of economic and social development, on natural conditions etc. Present situation is analysed from the viewpoint of sustainable rural development: advantages, weaknesses and some possibilities for improvement are presented.

Key words: rural areas, sustainable rural development, agriculture, typology, Slovenia



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# **1 INTRODUCTION**

The rural areas in Slovenia play an important part in its space and society. They occupy more than 90% of the territory [3] and are inhabited by 57.2% of all the population according to 2002 census. Besides agriculture and forestry which are the most expressive economic activities in the countryside, some other activities are present as well, namely, industry and services. The rural areas are a popular attraction for people who want to spend their free time there for recreation and leisure activities. They also enable the development of infrastructure, and present a qualitative environment for living. The rural areas are characterized by typical living conditions, life styles, and cultural patterns. The values (natural and cultural heritage) so well preserved in the countryside are transmitted to a modern and highly urbanized individualistic civilization. Therefore the rural areas as a place for living are becoming more and more interesting to the urban population as well.

In the past the countryside was mostly used for its space, natural resources, and workforce needed in the industrial and urban centres. As in many developed states in the west the development in Slovenia was concentrated in the urban areas. The influence of this process reached the countryside as well, but the consideration for the typical characteristics of the rural area and its inhabitants was not sufficient. Consequently, the rural areas lagged in development, their cultural qualities were disturbed, and development potentials were neglected. Hence the demographic situation and the aging structure of the rural population became worse. Simultaneously encountering the environmental and social problems caused mainly by a profit-directed development of modern civilization, encouraged the developed societies to discover qualitative possibilities for more acceptable and sustainable development in the countryside and to realize the importance of treating the rural areas as a specific subject with its own particularities. Today the development of rural areas receives special attention and most of the developed states perform special development policies regarding the needs of the countryside.

# But what is sustainable development and sustainable rural development?

Sustainable development is a process of developing land, cities, business, communities, and so on that "meets the needs of the present without compromising the ability of future generations to meet their own needs" according to the Brundtland Report from the United Nations. One of the factors which it must overcome is environmental degradation, but it must do so without forgoing the needs of economic development, social equality and justice [6].

Sustainable development demands ways of living, working and being that enable all people of the world to lead healthy, fulfilling, and economically secure lives without destroying the environment and without endangering the future welfare of people and the planet. FAO define that sustainable development in the agriculture, forestry and fisheries sectors conserves land, water, plant and animal genetic resources, is <u>environmentally non-degrading</u>, <u>technically appropriate</u>, <u>economically viable</u> and <u>socially</u> <u>acceptable</u>." When all the above mentioned demands are fulfilled in rural development we can talk about sustainable rural development.

### 2 MATERIALS AND METHODS

The data and the results presented in this article base on different data sources presented in the reference list. Some data are divided upon the typology of rural areas in Slovenia [3] made by the Chair of Agricultural Economics of Biotechnical Faculty where three basic types of rural areas have been defined (Map 1): suburban areas (cover 5.7% of the area and 10.7% of inhabitants of Slovenia), typical rural areas (cover 50.5% of the area and 32.3% of inhabitants) and depopulation areas (cover 42.0% of the area and 14.2% of inhabitants of Slovenia). Typical rural areas have three subtypes: typical rural flat land areas, typical rural hilly areas and typical rural mountainous areas. There are also three subtypes of depopulation areas, namely: areas of intensive depopulation, areas of moderate depopulation and areas of potential depopulation.

# **3 RESULTS**

### 3.1 Present situation in the Slovene Rural Areas

The Slovene countryside is not homogeneous. It is distinguished by its various natural conditions and obstacles, diversified demographic, economic, and social structures. Research made on sample of rural areas in Slovenia [5] found out the following conclusions:

Suburban areas are the most developed by expectations. From demographic point of view they are marked with constant population growth (from 1869-2002 the number of inhabitants increased by 147%). Those areas have the highest population density among the rural area types. The average population density of sample suburban areas is 293 inhabitants per km<sup>2</sup> and also the average incline and latitude are the most advantageous. In view of employment of inhabitants by the sectors of economic activity here predominates employment in secondary activities (industry, trade...) and among basic types we can find the highest share of employees in tertiary and quaternary activities. That also means better paid jobs

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and better economic situation in the area compared with other two types of rural areas. Because of the town nearness, where the offer of jobs is greater, in suburban areas a share of daily migration is high as well (77%) and infrastructure is good developed.

Typical rural areas are in almost all analyses the most vital part of Slovene countryside. In this type we can find the most favourable farm structure, which will in the future still improve because certain farms will stop farming. The data shows that in this rural area type the share of part-time farms is the biggest among the types (54%). This is characteristic for subtype of flat land areas. In typical rural areas the aging structure of rural population is also the most favourable and indicates that there is still satisfactory reproduction of the rural population present in this type. The aging structure of total population (as for rural population) in this type is the most favourable and even better than the Slovene average. The majority of employees work in a secondary sector and the tertiary and quaternary sectors here are almost halved in comparison with suburban areas, but higher than a share of those sectors in the depopulation areas. A share of daily migration here is 65%.

Depopulation areas are the most problematic part of Slovene countryside, from agricultural and from demographic points of view. In depopulation areas, when compared with other basic types, a share of fulltime farms is the highest (25%) as well as the share of employees in primary sector (40% of all employment). Further, those areas mark the worst aging structure of total and rural population. The number of inhabitants decreases constantly, since 1869 by 27%. A problem is the most conspicuous in the areas defined as areas of intensive depopulation. The situation is bettering a bit just in the areas of potential depopulation, where a small number increase is perceived. Depopulation areas have the lowest population density among the three basic types (45 inhabitants per km<sup>2</sup>). A share of daily migration here is 54%. Depopulation areas cover more that 40% of Slovene territory, therefore a reason of concern.

The following characteristics are recognized in rural areas important for sustainability [2]:

• <u>Demography</u>: aging population in general in Slovenia (but in agriculture and in areas of depopulation big reason of concern), depopulation of remote and mountainous areas, low education in agriculture and in rural areas comparing with urban areas (also reason of out migrations), many younger farmers are not married, farms has no successor etc.

• Agriculture: still small size structure but improving, number of farms decreasing, subsidies and other

programs of CAP helps to maintain or even improve economic situation, number of supplementary activities increasing, as also number of ecological farms and farmers implementing agri-environment programmes.

• <u>Economy</u>: working places even more concentrate in Ljubljana and its surrounding and around Slovene highway cross, but there are possibilities in rural areas for entrepreneurship, self-initiatives, services. Easter Slovenia is economic less developed and has higher share of people engaged in agricultural activities.

• Environment: relatively good preserved nature and biodiversity, around 8% of territory are protected areas, more than 30% NATURA 2000 areas, Slovene Agri-Environment Programme (SAEP) implementing already 5 years and contribute to nature and environment protection, number of ecological farms increasing so negative effects of agriculture are smaller, use of mineral manure and pesticides by statistics decreasing, use of alternative sources of energy increasing (biomass, solar and hydro energy etc.).

• <u>Social aspect</u>: rural communities are not so connected anymore (more individual and fast way of life), people miss more social contacts, rural areas has problems to maintain schools, kinder gardens, ambulances and other necessary services etc.

# **3.2** Analysis of present situation from the viewpoint of sustainable rural development

On the basis of presented analysis of situation in agriculture and in rural areas, several segments are stressed out, weaknesses, strengths and possibilities for improvement of current situation in agriculture and on countryside are described below.

### a) Demographic conditions on the countryside

The basis of rural development are people. If a rural area has massive out-migration of young people or if a large percentage of the people is above the age of 65, it will be very difficult to initiate endogenous economic growth. The human dimension also includes the educational level of the population, their cultural identity and their social structure. Human factors are not only relevant in the rural areas: we also have to consider the impact of urban lifestyle change on rural areas, such as changes in leisure activities or food consumption of the urban majority.

Possibilities for the improvement of demographic condition are indirect. Stimulating policies aiming at young families, advantageous bank credits that would improve their working and living conditions in less attractive areas, building and maintaining infrastructure (preliminary condition for economic development) and balanced regional development are indirect possible

Trend:	WEAKNESSES	STRENGTHS
Aging population	<ul> <li>Ever higher costs for pensions and health care.</li> <li>Less development ideas and wishes, innovations</li> <li>Danger for sustainable development.</li> </ul>	
Concentration of population in flat, suburban areas	<ul> <li>Pressure on environment and on the best agricultural land for the purposes of non agricultural activities (lost of the resource).</li> <li>Depopulation of remote rural areas (border, mountainous areas).</li> </ul>	<ul> <li>Inexpensive infrastructure.</li> <li>Inexpensive and easier to organize tender and social activities.</li> <li>Higher economic strength.</li> </ul>
Depopulation of several rural areas	<ul> <li>Decaying of building and other cultural heritage of the countryside.</li> <li>Difficult maintenance of current infrastructure</li> <li>Aging population.</li> <li>Services move out from area, ever weaker social infrastructure (schools, kindergardens, health care etc.).</li> <li>Overgrowth of agricultural land and gradual decline of cultural landscape.</li> </ul>	

measures that can have influence on demographic structure also.

# b) Agriculture

Agriculture in rural areas still presents an important (in some areas prevalent) economic activity and a source for employment. The significance of agriculture in economy of many rural areas is higher than the national average. Agriculture is still today important factor for social stability and management with natural sources in rural space [1].

Possibilities for improvement of the situation in agriculture:

• Improvement of farm size structure (longterm process) and suitable land policy (prevention from speculation in connection with land, protection of best agricultural land). • Stimulation of introducing and developing supplementary activities on smaller and medium-size farms (stimulative measures and legislation, considering specifications and not equalizing with the big processing units).

• Education (emphasis on education in terms of organization of production, management and marketing methods, not only in technologies).

• Transfer of farm to young, more educated generation (results can be improved economic situation, more investments, specialization, new development ideas and wishes etc.)

• Better market organization of farmers (cooperatives, producer's organizations, producers associations) and more direct marketing of products.

Preservation of small and medium-size farms

WEAKNESSES	STRENGTHS
• Farm size structure.	• Agriculture assures jobs and help to solving social
• Scattered agricultural land.	problems on countryside.
• High percentage of agricultural land located in less	• Relatively low intensity of farming means less
favoured areas.	burden for environment and higher quality of
• Unfavourable age and education structure of farm	products (safe food).
population.	• Easier to track source and origin of products.
• Uncertain succession on farms and single farmers (not	• Decreasing in number of farms means long-term
married).	increasing in size of other farms (without social
• Overgrowth of agricultural land and abandoning of	conflicts).
farming activities.	Relatively sufficient preserved cultural landscape and
• Low productivity and exploitation of working forces on	biodiversity.
farms.	<ul> <li>Possibility for introducing supplementary activities</li> </ul>
<ul> <li>Weak economic power of agriculture.</li> </ul>	on farms, if there are available work forces.
<ul> <li>Inefficient organization of farmers on market.</li> </ul>	• Measures that financially stimulate food production
• Unequal social position of farmers (maternity leave,	in environmental friendly way (agri-environment
substitute for sick leave, amount of pension etc.).	measures, ecological and integrated farming etc.).

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(also kind of support for them) (to keep the population density and cultural landscape, implementing alternative learning programmes etc.).

• Development of new brands (quality products with origin).

• More complex offer of supplementary activities (from producing phase to processing (added value)).

• Discovering and usage of market niche (ecological farming, supplementary activities such as social services: child care, elders care and care of handicapped people, education activities etc.).

• To brighten the consumers about quality of local products and about social meaning of activities for development (farms and people working on farms, preservation of population density and cultural landscape, national identity and heritage).

• Reduction and simplification of administrative requirements (by applications and public tenders).

• Stimulations for ecological and other nature friendly kind of farming (results can be rich biodiversity, higher prices for products, improved quality of live in quality environment)

### c) Socio-economic situation

If there is no viable economic basis for rural life, there will be no rural life. Other sectors than agriculture and forestry are getting more and more important, such as rural industry or rural services. In recent years there have been also economic developments in rural areas that could be summarized under the term "new economy". These include not only facilities and services of the IT industry, but also bio-technology firms and others. The "new economy" is sometimes combined with traditional production, heritage and tourism, such as in the direct marketing projects on the Internet for organically produced agricultural products.

Lack of employment opportunities is one of the main problems in rural areas in Slovenia. In the time of globalization even current working positions in rural areas are closing down and aiming towards urban areas. High percentage of rural population with low income is another weakness but it is also a result of unfavourable education structure. On the other hand there are possibilities for entrepreneurship, craft, supplementary activities on farms and also for non-agricultural activities and services.

Possibilities for improvement of current situation are the following:

• To encourage and stimulate entrepreneurship, private initiative and creation of new working positions, vacancies or prosper to maintain a current ones.

• Adaptation of tax policy (i.e. temporarily exemption from taxes for new vacancies).

• Improvement of education structure and expert qualification, to retain young educated people on countryside.

• Stimulations for self-initiatives, innovations, specific knowledge, networks (information and other ones), based on local development potentials and sources, traditional knowledge and cultural heritage used on new more productive way.

• To assure appropriate social care for population (education system, health care, child care etc.).

• To assure social life and events in rural areas for better quality of live and as possibility for local people to meet. Different actions in local area can contribute to better connections between local people and stronger local community which has more development power.

#### d) Environment

Natural resources underpin sustainable development. They provide essential life support functions such as food and habitats, carbon and water storage, as well as essential raw materials. Although small changes in most stocks of natural resources pose little immediate threat, a persistent decline would be of great concern for resources that are difficult or impossible to replace, such as biodiversity. The relationship between economic growth,

WEAKNESSES	STRENGTHS
• Water, air and soil pollution (industry, agriculture and	• Relatively unpolluted natural environment.
households).	• High share of protected areas and NATURA 2000
• Inadmissible interventions in environment (clearing in	areas.
forests, marshland destroying etc.).	• Wealth of natural sources (water, forests).
• Interventions in environment without hesitation	• Diversity and attractiveness of landscape.
(highways, constructions on the best agricultural land).	<ul> <li>Rich and maintained biodiversity.</li> </ul>
• Increased usage of non-renewable energy sources.	• Big possibilities for use of renewable energy
• Vulnerable and sensitive ecosystem (Karst, Alps).	sources (biomass, solar and wind energy).
<ul> <li>Lack of canalization in villages.</li> </ul>	• Stimulations for ecological farming, alternative
• Danger of genetic modified organisms (GMO) in	energy use, nature protection.
nature.	

consumption of natural resources and the generation of waste must change. Strong economic performance must go hand in hand with sustainable use of natural resources and management of waste, maintaining biodiversity, preserving ecosystems and avoiding degradation of land.

Despite relatively preserved and maintained natural environment, its condition can be improved in many ways. Mostly we can contribute to elimination of weaknesses. Few possibilities:

• Enforcement of environmental friendly way of farming that maintains natural environment, ecological balance, biological diversity and cultural landscape aiming at sustainable development (ecological farming, agri-environment measures, and integrated production methods).

• On expertise based usage of mineral manures and remedy for plant protection.

• Sewage systems and cleaning devices construction, responsible waste management in households as well as in economic organizations, cleaning devices in industry and in thermo-power stations.

• Stimulation for renewable energy sources usage (wood, bio and solar energy)

• Stimulating agri-environmental measures for farmers.

• Protected areas and Natura 2000 areas with new possibilities for rural people (also economic ones).

# **4 DISSCUSSION**

The demographic situation is one of the key factors which define the level of development of the area and its possibilities for the future sustainable development. If the population of a particular area is low in number (or the population is in decrease) and aged, then the level of development is low as well and the area is poorly equipped with communal, economic, and socio-cultural infrastructure. In such cases it is very difficult to maintain the already existing infrastructure, and various service industries are liquidated (shops, schools, kindergartens, etc.). The development perspective is weak, and people show little enthusiasm for the progress. This is typical of the depopulation areas in Slovenia where the population is in constant decrease (since 1869 it has decreased almost by third). The reverse situation can be seen in the suburban areas and typical rural areas where the demographic situation is better, infrastructure is well developed, traffic connections are satisfactory, the development activities are enlarged, the settlements are well managed and economically more powerful, and consequently the development perspective of the area is optimistic.

Higher numbers of population mean more capital and diverse knowledge, more ideas and better workforce for the future development of the areas but sometimes also more environmental problems. Rural areas are marked with natural conditions and heritage, available human resources and their geographical position, economic structure and activities as well as demographic and social characteristics. Among mentioned factors there are numerous mutual interdependences that influence on the possibilities for sustainable development of individual region and country as whole. We can conclude that Slovenia is on the way to sustainable development and there are many efforts to assure it but also many obstacles. Slovenian Accession to the EU contributes to the efforts for sustainable rural development.

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Map 1: Typology of Rural Areas in Slovenia