Successful governance and networking: contributions to a targeted and effective policy delivery

Presentation held at October 16th in Limassol, CY, during the European Conference on “Europe’s rural areas in action: facing the challenges of tomorrow.”

Workshop 5: “Improving delivery, successful governance and networking”

Robert Lukesch

Content

1 Preliminaries............................................................................................................................ 2
   1 1 The heart of rural policy governance ............................................................................... 2
   1 2 The various aspects of networking................................................................................... 3
2 Seven critical choices for successful policy delivery.............................................................. 5
   2 1 1 The logic of measures versus the logic of projects ................................................... 6
   2 1 2 Producing public goods versus generating private benefits ...................................... 6
   2 1 3 Top-down versus bottom-up ..................................................................................... 7
   2 1 4 Centralized versus decentralized delivery................................................................. 8
   2 1 5 Integrated versus specialized delivery....................................................................... 9
   2 1 6 Territorial versus sectoral governance .................................................................... 10
   2 1 7 Rural versus regional scope................................................................................... 11
3 Steps towards successful governance.................................................................................... 12
   3 1 Take the objective-led approach more serious............................................................... 12
   3 2 Support projects for territorial and farm/business development.................................... 13
   3 3 Strengthen the strategic capacity of local partnerships................................................... 13
   3 4 Interlace supportive top-down with local self-organization.......................................... 13
   3 5 Develop networking as a means for collective learning............................................... 14
   3 6 Let the Network be a network...................................................................................... 14
1 Preliminaries

1.1 The heart of rural policy governance

The Community strategic guidelines for Rural Development programming 2007 – 2013 set four "broad political priorities...:

- to make EU's rural areas more attractive places to invest, work and live, thus contributing to a balanced development between urban and rural areas;
- a strong focus on the human capital aspect to promote knowledge and innovation for sustainable growth;
- and on creating more and better jobs, in particular aiming at increasing the participation of groups such as women and young people in rural areas;
- improved governance to deliver that policy.¹

Whereas these broad political priorities are deemed to shape the programming as a whole, the Commission translates them "into specific priorities for each of the programme axes:

- Improving the competitiveness of the agriculture and forestry sectors;
- Improving the environment and countryside;
- Improving the quality of life in rural areas and encouraging diversification;
- Building local capacity for employment and diversification;
- Translating priorities into programmes.²

The first three specific priorities are clearly attributable to axes 1, 2 and 3 of the rural development programmes according to the EAFRD Regulation 1698/2005. The fifth item confirms the shift from a measure-led programming to a needs- and objective-led driven approach which should govern the programming and implementation processes of the overall 95 programmes³. As for the fourth item, it strongly, although not exclusively, relates to axis 4:

"The resources devoted to axis 4 (Leader) can contribute to the priorities of axis 1 and 2 and in particular of axis 3, but also play an important role in the priority of improving governance⁴ and mobilising the endogenous development potential of rural areas."⁵

Hence the focus of the European Strategic Guidelines clearly lies on the aspect of governance which is mainly addressed by the Leader approach (local partnerships, and local governance). However during this conference, we are called to address governance in the wider sense of the term:

- Multilevel governance, operated by the vertical partnership, and designed to translate broad rural policy goals into effective support systems to influence the behaviour of target groups in rural areas;

¹ Community Strategic Guidelines for Rural Development Programming 2007 – 2013, adopted at February 20th, 206 by the Agricultural Council. P.4
² Ibidem
³ Including national, regional programmes and national network programmes
⁴ Highlighted in the original Commission document
⁵ Community Strategic Guidelines, p. 6.
Regional governance, mainly operated by regional development stakeholders, and mainly coinciding with the first mentioned system in axis 4, but most relevant also in axis 3.

The heart-shaped diagram tries to visualise the intertwined aspects of rural policy governance.

1.2 The various aspects of networking

The second issue I focus upon in my presentation is networking. Networking appears as integral part of the regulatory system in Article 67 (European Network for Rural Development) and Article 68 (National rural network) of the Council Regulation (EC) No 1698/2005 (20 September 2005) on support for rural development by the European Agricultural Fund for Rural Development (EAFRD).

According to this document "the aims of the Network shall be to:
(a) collect, analyse and disseminate information on Community rural development measures;
(b) collect, disseminate and consolidate at Community level good rural development practice;
(c) provide information on developments in the Community's rural areas and in third countries;
(d) organise meetings and seminars at Community level for those actively involved in rural development;
(e) set up and run expert networks with a view to facilitating an exchange of expertise and supporting implementation and evaluation of the rural development policy;
(f) support the national networks and transnational cooperation initiatives."

The provisions for the national rural network are complementary: "Each Member State shall establish a national rural network, which groups the organizations and administrations involved in rural development" deemed to implement "an action plan containing at least the identification and analysis of good transferable practices and the provision of information about them, network management, the organization of exchanges of experience and know-how, the preparation of training programmes for local action

---

6 EU Reg. 1698/2005, Art. 67
groups in the process of formation and technical assistance for inter-territorial and transnational cooperation."

The European Network is complemented by a separate body called "European Evaluation Network" whose aim is "to increase the utility of evaluation as a tool for improving the formulation and implementation of Rural Development Policies by helping to establish good practice and capacity building in the evaluation of rural development programmes." 

Apart from these well-delimited institutional aspects, networking is, first and foremost, an activity, which
- takes place in a social space which we unsurprisingly call network;
- is targeted, but still indefinite and open-ended;
- is mainly, but not exclusively informal;
- constitutes a key competence for managing complex tasks in businesses, civic initiatives and public administrations.

The Wikipedia definition of social networks is "a social structure made of nodes (which are generally individuals or organizations) that are tied by one or more specific types of interdependency, such as values, visions, ideas, financial exchange, friendship, kinship, dislike, conflict or trade. The resulting structures are often very complex."

In the strict sense of the word, a network is a virtual space, which eventually materializes into communication, exchanges, cooperation and coordination, but in everyday language it gets mixed up with its epitomes. To get in depth of this discussion, would distract us from the actual topic, but it is important to note that what is called “network” in the regulatory documents should not be regarded as the network itself but rather as its coordination structure, which is of course an institution under the regulatory framework, but also a managing body facilitating the “materialization” of communications, exchanges and cooperations.

Networking is the central coordination mechanism for governance arrangements which are also shaped by hierarchical and market-type of relationships. Governance arrangements can be defined as polycentric organizational settings and as mechanisms by which stakeholders from different functional systems and levels are enabled to cooperate. Before setting out to act in common, the stakeholders have to negotiate with each other to come to binding agreements which satisfy the needs and interests of each partner.

Beyond its functional role for governance, networking is both loom and fabric of social capital, the medium of oral history and collective learning. Over the course of time, the selective character of networking generates, deconstructs and reconstructs habits, routines, standards and value systems.

---

7 EU Reg. 1698/2005, Art. 68
8 Based on indent (e) of Art. 67 of EU Reg. 1698/2005
9 As described in the network flyer (2008).
In contrast to lobbying (e.g. farmers and agribusiness), European networking between stakeholders of rural policies and rural stakeholders would not thrive spontaneously – in default of resources on one side and of a focused interest on the other. Therefore the provision of resources for European networking constitutes a remarkable feature of Community funding.

2 Seven critical choices for successful policy delivery

Rural Development Policy combines a Community approach with national and regional programming as well as bottom-up elements. The policy’s architecture and the delivery mechanisms applied shall ensure that policy priorities are taken into account at various levels and are translated into actions at the level of Member States and regions adapted to their specific requirements. The Community framework shall provide for common rules and a level playing field in policy implementation. Furthermore, it shall ensure a consistent strategic orientation towards Community objectives as laid down in the Community strategic guidelines for Rural Development. National and regional implementation shall ensure targeting towards needs that might differ by Member State and region.

This presentation aims at exploring some critical factors for improving policy delivery in rural development. The exploration leads us along a path through seven critical choices; choices which configure the specific governance arrangement and ultimately determine its success or failure:

- The logic of measures versus the logic of projects;
- The production of public goods versus the generation of private benefits;
- Top-down versus bottom-up;
- Centralized versus decentralized delivery;
- Integrated versus specialized policy delivery;
- Territorial versus sectoral governance,
- Rural versus regional scope.

We consider these critical choices as control parameters which use to be set by policy designers and policy makers. However, these are also bound to constraints, as they are acting within a wider governance context in which a great deal of institutional arrangements had already been pre-established. Nevertheless, good practice examples show that there is always some leeway for improvement, provided the responsible persons are decided to use it. I think one of the functions of networking is to enhance their sense of quality, their eagerness to try out new ways, briefly, their professional attitude.

Success in policy delivery and governance is a composite variable. It depends from the key actors’ problem solving capacity and congenialness in handling the core processes. Let us visualize these key processes as flows of activities shaped by “passages” and “stairways” with loopholes and barriers, with straits and hallways, straightforward or gyrating (see M.C. Eschers “Staircase”).
The path configuration always depends from the specific governance context of the respective member state – which means that there is no “European standard” for the “right” adjustment for (de)centralisation, policy integration versus specialisation, top-down versus bottom-up etc.

This means that there is no European panacea for successful governance arrangements; but if we can achieve a common view on the underlying problems, on a comprehensive model of critical factors, we will already have come very far.

So let us venture forward on the path through the thicket of critical choices.

2 1 1 The logic of measures versus the logic of projects

The second pillar of the Common Agricultural Policy is the offshoot of a sector policy with strong traditions dating back to the dawn of the European Community. To a growing extent, particularly the measures in Axes 3 and 4, also represent a specific branch of regional policy (see the “heart” diagram). Some regions\textsuperscript{10} dedicate up to nearly 50% of their budgets to measures under these Axes. This does not even include Axis 2 measures, which are by definition area-based, although focused on the individual holdings, and which account for the largest rural development budget proportion, with a number of programmes covering up to ¾ of their total budget.\textsuperscript{11}

The menu of up to 42 highly diverse measures, packed into one Operational Programme\textsuperscript{12}, balks at homogeneous delivery mechanisms. The most obvious reason for this is the polarity between “measure-like” and “project-like” funding support:

- The first ones are compensations for doing or abstaining from doing something, in a annual rhythm, some with a timely perspective\textsuperscript{13}, some just tied to the funding period\textsuperscript{14} (with the implicit promise of continuation). They contribute to the annual account of profit and loss. Their recurring character makes it relatively easy to standardize and scale up payment and control mechanisms.

- By contrast, “project-like” subsidies\textsuperscript{15} relate to investments. They are in principle nonrecurring and represent unique activities requiring customized handling, accompaniment and monitoring.

2 1 2 Producing public goods versus generating private benefits

Although the measures seem to be well organized under the four Axes, each one aiming at specific long-term impacts (competitiveness – environment – quality of life and diversification – local governance), a closer look to the menu exhibits inconsistencies: The categorization of some measures under the general orientation of an Axis reveals the fragility and – yes: arbitrariness, of the “Axis logic”. For instance, measure 126 of the first Axis, aiming at restoring agricultural potential after disastrous events, is subsumed under

\textsuperscript{10} Guyane: 48,5%; Mecklenburg-Vorpommern/DE: 48,4%; Saarland: 46,2%; Malta: 38,3%; Northern Ireland: 30,9% (Axis 4 only!); Liguria: 25,9%

\textsuperscript{11} Gouadeloupe: 75,3%; Vlaanderen: 68,2%; Navarra: 67,8%; Madeira: 54,1%, Latvia: 49,7%.

\textsuperscript{12} Some countries have a separate OP for the national networks.

\textsuperscript{13} Such as the early retirement scheme.

\textsuperscript{14} Such as less favoured area payments.

\textsuperscript{15} Such as subsidies for farm investments, marketing and processes, village renewal, investments for animal welfare etc.
the competitiveness goal\textsuperscript{16}. The identical measure for the forestry sector, measure 226, is subsumed under Axis 2, serving the goal "improvement of the environment and of the countryside".\textsuperscript{17} The reasons for these inconsistencies lie in the packaging of measures of past times (remember the nineties: objective 5b, "accompanying measures" etc.). Policies from yesterday still weigh a lot more than the objectives of today.

Therefore the measures also represent an elusive mixture concerning their main orientation: whether they support the production and maintenance of public goods (rural amenities, natural values health related benefits...), or the generation of private benefits (e.g. investment support for production, marketing and processing).

This elusiveness is accompanied by blurred communication: During the nineties, farmers in some countries were told that agri-environmental payments would serve to compensate income losses without changes in production patterns. At the same time the consumers were told that these payments would assure an environmentally sound agriculture and clean, healthy products. With the 2003 CAP reform, cross-compliance came into being. Some national Ministries did hard to explain to farmers that there had indeed to be a tangible environmental effect. Bargaining with the Commission went on for some time. Today, the system of monitoring cross-compliance is criticized as overly bureaucratic: the next repair service is due.

It should also be considered that the delivery mechanisms and the institutions responsible for delivery should match the diversity of the measures. Today, institutions from the agricultural sector still control the bulk of delivery services in many countries. It is questionable if they can address project promoters from outside the farming community in the same way, given the fact that in the Community Monitoring and Evaluation Framework, the target beneficiaries of a number of measures are not well defined\textsuperscript{18}. There seems to be a trend towards municipalities as second most common beneficiary of rural development programmes, mainly for Axis 3 measures. This seems somewhat understandable in view of improving the quality of life in rural areas, but less so in view of the second goal of Axis 3, the diversification of the rural economy.

2 1 3 Top-down versus bottom-up

The focus on target beneficiaries brings us to the question who should be actively involved in policy design and implementation, and where to strike the "right" balance between bottom-up and top-down:

- Concerning the sectoral/agricultural aspect, the farming lobby is involved from the early beginnings of agricultural policies, and it is well-known that it has always been quite successful in doing so – although the question if the whole range of agricultural interests are represented in a balanced way, will never lose its brisance.
- Concerning the territorial aspect, the Leader method has brought forth a successful local governance model which has spread ever since beyond the limits of rural policy. On the other hand, there is no such thing as a European rural lobby; at best we find a European community of rural development experts and stakeholders, who are periodically asked for advice by decision makers. But rural policy is rather influenced

\textsuperscript{16} Using the impact indicator “labour productivity” which is, in my view, completely out of scope for this kind of activity.

\textsuperscript{17} Using exclusively environmental indicators (maintaining water quality, high nature value farming and combating climate change) without reference to the economic value of this kind of activity.

\textsuperscript{18} For example: the rationale of measure 111 (vocational training) includes people working in the food sector as target audience, whereas the result indicator just refers to training activities relating to agriculture and forestry.
by the gentle ardor of reason than by the passion which can be unleashed if one’s own economic interests are at stake. This asymmetry makes that rural policy endowment is rather pushed aside in the ongoing bargaining between agricultural and structural policies and their respective defenders.

By all means, the Community Initiative Leader has left inextinguishable traces in rural development policies and has become a hallmark for good local governance in regional, not only rural policies. The method has, in a few member states, been transformed into mainstream delivery mechanisms of regional governance, including structural policies, human resource development, environmental policies and territorial cooperation.19

As a matter of fact, the lobbying type of involvement – which is favored by and favoring a centralized approach - and the multi-sectoral approach practised in local and regional governance are not in harmony with each other. Needless to say that, whereas I deem the first type punchier, I deem the latter as more educating, in an emancipatory sense. By taking on responsibilities at local level and getting involved into network of peers in other territories, within or beyond their national boundaries, the local actors adopt views, habits and routines which are required as attributes of responsible global citizenship, which we urgently need to solve the increasing problems and threats to be tackled at global level.

2 1 4 Centralized versus decentralized delivery

This brings us to the next critical choice: centralization versus decentralization. Across Europe, we see all kinds of delivery systems and one of the top influencing parameters is the degree of centrality at which certain decision and delivery mechanisms are located. The synthesis of ex-ante evaluations of RD programmes exhibits that the countries undergoing a process of deconcentration, decentralisation and devolution, tend to be more inventive in creating new, more decentralised mechanisms of rural policy delivery.20 Deconcentration is the least daring endeavour, as it just means the regionalisation of central hierarchical institutions. Decentralisation already conveys decision making power, some autonomy with concomitant responsibilities to regional and sub-regional entities. Finally, devolution includes non-public stakeholders, the economic sphere and parts of the civil society into governance arrangements in order to accomplish public tasks and to achieve public benefits. This is what Leader is essentially promoting. Being the “master feature” of the Leader method, decentralised management and financing can not be neglected without running the risk to wreck the whole approach. I mean you can neglect the innovative approach for a while. You can neglect the multi-sectoral approach for a while, you can even neglect the bottom-up approach at local level for some time (e.g. in the starting phase under conditions of time pressure). But you can never neglect the decentralised decision making and responsibility acceptance of the local partnership, without destroying the substantial meaning of Leader.

Many local action groups have evolved into partnership-based local agencies and delivery mechanisms for a wide array of programmes and customized support systems. Decentralised delivery systems encourage them in gaining competence, courage and professionalism. Particularly in not-so-decentralised governance contexts they constitute important fields of personal and collective experience. In these contexts they depend more strongly from the programme as such (Axis 4 of the RDP), and they will always be at risk

19 For example in Ireland, Northern Ireland/UK, in a number of Spanish and Italian regions, Sachsen/DE, Tirol/AT etc.
20 E.g. UK, specifically Northern Ireland and England, Denmark, Estonia
Good Practice:
Central coordination of funding programmes, local decision making and responsible implementation

Isolated execution of funding programmes by central (mostly sectoral) administrations

Local stakeholders as implementation partners of well-coordinated and centrally steered funding programmes

Lack of coordination between funding programmes, local stakeholders (partnerships, agencies) Take charge of local policy integration (customization)

Can strong decentralisation and successful policy coordination be achieved at the same time?

The challenge is to find examples which fit into the right upper quadrant in the matrix.

Fortunately, the authors stroke a bonanza. They identified good practice examples going beyond policy coordination borne from constraints (e.g. budget shortage, regulatory obligation). The two examples which are worth being mentioned in this respect – Sachsen/DE and Tirol/AT – show some common features which are related to the social capital: intra- and inter-administration networking, a climate of professional trust (or even mentorship) between administrations and local stakeholders, an objective-led orientation of public officials and a culture of local decision-making.

These advanced governance arrangements should enjoy the blessings from the top hierarchy level, and this is also contingent on professional trust. Why “professional” trust? It is not the trust we invest into family members, friends or lovers. It does not (have to) include personal feelings. It is just the precept that you are dealing with someone who is capable to keep in eye the strategic advantage from sticking to the agreements confirmed by handshake. Social networks can help to strengthen these ties through peer control. Governance arrangements of this kind require a certain continuity of staff in the departments concerned. Abrupt shifts of competencies and intensive fluctuation of staff prejudice the building up of social capital.

### 2.1.6 Territorial versus sectoral governance

Social capital is the hotbed for collective learning. Apart from individual learning, we can discern aggregate levels of competence acquisition (in the sense of rising complexity): team learning, organizational learning and systems learning. There is an evaluation question in the Common Monitoring and Evaluation Framework asking, if lessons from past experiences (past funding periods) have been taken into account while programming. This question obviously relates to systems learning, which is inter-organizational learning. In the same way as team learning is just possible if the individual team members are capable of learning, systems learning only occurs if the involved organizations are learning organizations. Hence each and every administration involved, from the Commission to managing authorities, implementing bodies and local partnerships have to ask themselves: are we a learning organization? What is the evidence for that? How can we prove it, how can we monitor ourselves as a learning organization?

A crucial component of systems learning is communication, within and between different strands and levels of decision-making. However, the “heart of rural policy governance” (see diagram in chapter 1.1) consists of two heart chambers: that of multilevel sectoral governance and that of multilevel territorial governance. They amalgamate at the level of policy implementation and delivery: the rural beneficiaries. How can the communication feedback cycle from the very bottom (measures and projects) to the very top (policy design) and vice versa be organized in a way that it leads to learning and improvement? The problem is that the two communication channels, the sectoral and the territorial one, are blurred. However, improving sectoral policy governance would require different
arrangements than improving territorial governance. Recent studies show that agricultural policy and territorial cohesion are not in harmony with each other. However in order to safeguard the approach to Rural Development Policy as the second pillar of the CAP, this evidence is not translated into a real debate on how to improve territorial policy governance, the “territorial strand” of rural policy.

I propose that the two rural policy strands – the sectoral/agricultural, and the territorial policy, should be clearly distinguished from each other. Territorial effects of sectoral policies should be made visible as well as the effects of territorial policies on the development of agriculture, forestry and related sectors. This can first and foremost be ensured by diversifying the institutions and broadening the scope of stakeholders involved in the design and delivery of the sectoral and the territorial policy strands respectively.

This does not mean that rural policy should entirely fall apart. We know well enough bad examples of insufficient policy integration. We are also aware that most measures of RDP show enormous potentials of synergies which can only be captured by playing four-handed on both pianos. But both strands of governance need their own and exclusive institutional home base, their research and information channels, their platforms for exchange and knowledge sharing. Still in many countries, rural policy is still, at best, a symbiotic dweller in the lavish bosom of agricultural policy.

217 Rural versus regional scope

The final field of probation concerns the (missing) twin of rural policy. Indeed, there is no European urban policy: urban policies are left to member states, apart from the Urbact network, whose precursor, the Community Initiative Urban had been largely inspired by the Leader method.

In any event, rural policy is increasingly confronted with regional policy strategies which are – particularly influenced by the Lisbon agenda – directed towards urban or metropolitan growth poles. The crucial roles of small and medium-sized towns in rural areas, the emergence of hybrid (rurban, peri-urban) landscapes, the conceptualization of Metropolitan Regions, City-Regions and Region-Cities, and last but not least the growing differences between rural areas make it obligatory to design territorial policies which take into account both the diversity of rural and urban(ized) areas and their interconnectivity.

The member states have delimitated their rural areas in respect to Axes 3 and 4 of their rural development programmes in most various ways. They had to choose between concentrating the funds on the peripheral parts of rural areas with its typical constraints (long distance and low density) on one side, and on responding to the diversity of rural areas, to consider the interconnectivity of rural areas and to include the rural-urban interrelationship at least in parts, on the other.

Ultimately the delimitations mainly result from negotiations between the Managing Authorities of EAFRD and Structural Funds, the available budget being the most powerful control parameter.

---

22 E.g. Shucksmith M. and partners: The territorial impact of CAP and Rural Development Policy. ESPON Project 2.1.3, Final Report. Arkleton Centre of the University of Aberdeen, Scotland/UK.
This situation points towards a political “no-man’s-land” in regional policies, that of rural-urban linkages.

This has to be stated not only for the sake of meeting the various needs of people living in “rural-urban” areas, but also to allow for new, territorial development strategies in view of overarching sustainable development goals and of the global commitments of the European Community (energy saving, safeguarding biodiversity, water and climate protection etc.). There is a host of thematic issues which can be better tackled through enhanced rural-urban relationships than by sectoral approaches or strictly delimited territorial approaches, e.g.

- creating regional high quality value added chains (organic food, wood/fuel, public purchasing, regional business and crafts clusters);
- establishing low-carbon cascades of energy and material use at regional level;
- inter-municipal and cooperative planning of landscape and settlement structures, preserving natural and cultural heritage, as well as maintaining sites for leisure, recreation and education close to the living space;
- optimizing mobility patterns and introducing environmentally sound public transport solutions particularly in critical zones like metropolitan areas and tourism destinations;
- creating free spaces and inspiring environments for the young generation;
- enhancing local civic and cultural life, people’s active involvement in community planning and integration of new citizens;
- overcoming demographic imbalances, providing social assistance and meeting the needs of elderly people in appropriate, diversified ways;
- dealing with particularly stressful situations requiring deep change, such as unemployment and environmental destruction in industrial wastelands, pauperization in squalid urban areas or in the extreme periphery (external borders or inaccessible areas), post-war societies (Balkans) etc.

3 Steps towards successful governance

Each journey starts with the first step. Looking at the present situation and the evidence provided by the ex-ante evaluations of Rural Development Programmes 2007 - 2013, I propose the following:

3.1 Take the objective-led approach more serious

The objective-led approach has been proclaimed in the European strategy, but there is still a long way to go. The intervention logic chain: diagnosis (SWOT) → needs → objectives → expected results → measures has one or two weak links, namely the first two arrows. Still, the setup of measures has more to do with the past generation of measures than with the actual needs to which they are supposed to respond. Consequently following the spirit of an objective-led approach in programming, would already make a radical difference in the quality of policy delivery.

---

23 Quotation from a representative of DG Regio during the annual conference of the “Zukunftsinitiative Eifel” in Vogelsang/DE (5th September 2008). The topic has also recently been taken up by the Territorial Agenda of the European Union (heading 2), approved by the Council of Ministers responsible for Territorial Development on the Informal Ministerial Meeting on Territorial Cohesion in Leipzig on 25 May 2007.

24 Outside Europe, this topic seems to be on the agenda since a longer time, arguably due to different policy traditions and boundaries. See for example: Tacoli C. (2006): The Earthscan Reader in Rural-Urban Linkages. Earthscan Reader. London, Sterling (VA).
3 2 Support projects for territorial and farm/business development

The quality of policy delivery and programme implementation would benefit from a clear distinction between sector-focused and area-focused measures or projects. Funding titles which combine the characteristics “territorial”/“project-type” should be seamlessly integrated into regional policy delivery in terms of mechanisms and communication channels, whereas funding titles aiming at agricultural and forestry sector would benefit from a smooth integration into other support schemes aimed at building up value-added chains and business clusters.

The distinction between sector-focused and area-focused measures/projects points towards a diversification of institutions and mechanisms involved in the respective policy delivery, but also towards local development platforms and coordinating agencies25 acting as clearing houses for achieving the best possible synergies from different funding streams not only from rural policy, but also from structural funds and others.

3 3 Strengthen the strategic capacity of local partnerships

In consequence, project-type funding should be integrated into a system of decentralised decision-making building on local partnerships as anchor points for local development strategies. I do not argue for decentralised decision-making just because of technical reasons or because they would automatically produce sustainable solutions to local problems. Partnership-based local development should be enhanced because of its educative effects. Local development partnerships are incubators for global citizenship, and herein lies their eminent – and far underestimated – European added value. This is no pretext for closing our eyes in the presence of their shortcomings: to the contrary, they should be much better monitored and coached, apart from their project generating capacity.

3 4 Interlace supportive top-down with local self-organization

There is no trade-off between top-down and bottom-up. We need both in a high intensity. But the top-down has to adopt an enabling, structuring, encouraging style instead of remote command-and-control. Modern administration is executive and supportive. In governance arrangements, it may appear in different roles, but ultimately it provides the “shadow of hierarchy” (by virtue of its law enforcement capacity) for nursing and establishing new modes of governance.

Rules are there to safeguard the aspired outcomes. If they become overly complex, rigid and intransigent, they will no longer be expedient. In many evaluations the authorities involved in implementation asked for appropriate solutions for small programmes, small projects etc., but this has not come true. For instance, the Common Monitoring and Evaluation Framework applies for Malta and France, for Romania and Asturias in the same way. I don’t think that this is tenable in the long run. If the bottom is small, the top should be trimmed down, otherwise the ceiling will collapse.26

25 Such as the “Regionalmanagement” in the mentioned good practice examples of Sachsen/DE and Tirol/AT.
26 sic!
3.5 Develop networking as a means for collective learning

Some people see networking as some socializing happening during the breaks of a conference. Many conferences are even designed in a way that they provide and explicit hour or two for this purpose. However this is only an anecdotic fragment of the truth:

- Networking is a craft\textsuperscript{27}: Past evaluations of the Leader initiative have brought forth that effective networking is only practiced by the “master class” of local action groups. Quite a few among them do not even provide the necessary resources for this activity, as they consider it as merely personal enjoyment (conference tourism, excursion travels, telephone chats). Skillful networking goes beyond the networking capacity of individual actors (who might get lost on the way): it has to do with the balanced shaping of relationships, the ability to feel comfortable in diverse cultural ambiances, and with – see above – professional trust;
- External and internal networking are communicating vessels; however external networking multiplies the feedback capacity of the local group, hence...
- Networking means accelerated learning: In chapter 1.2 we called it both the fabric \textit{and} the loom of social capital. It is also the system of highways by which global knowledge can be syringed into the local knowledge pool. Vice versa it generates interfaces for translating the particularities of local resources into indelocalisable marketing propositions.

Therefore networking activities, apart from the institutional arrangements prescribed in the Rural Development Regulation, should be endowed with appropriate resources by both programme administrations and local action groups.

3.6 Let the Network be a network

Nowadays the European Rural Development Network and the National networks are under construction. Their role will be immensely important and therefore merits specific attention:

- Following a cybernetic theorem\textsuperscript{28}, network steering should match the complexity of the network it wants to steer. This means that activity planning should happen “beyond budgeting”\textsuperscript{29}, based on the leadership principles: outcomes, autonomy, responsibility, transparency and governance;
- the European Rural Network should transform beneficiaries into users and users into contributors, the contact point being an inviting place for people to expand their ideas and to search for like-minded ones;
- the network should care about the processing and storage of knowledge; that may and will happen outside its direct area of activity; but couldn’t a European system of knowledge and knowledge exchange on rural development materialize among the excellent institutions already in place?
- The network should look at the diversity of the EU27 and enhance complementarities by encouraging cooperation projects, twinning, as well as other forms of learning

\textsuperscript{27} Craft, insists Richard Sennett, is as important in modern society as it ever was in the medieval guilds and it is not simply to be found in the work of such traditional craftspeople as silversmiths, carpenters and potters. It can also be seen in the scientific laboratory (the equivalent of the old workshops) or in the work of software developers (Interview with Laurie Taylor in: The New Humanist, volume 123, Issue 2, April 2008.

\textsuperscript{28} The Conant-Ashby theorem of requisite variety (1970): “Every good regulator of a system must be a model of that system.”

partnerships ("laboratory groups", "communities of practice"). These models can be extended, in a second phase, to partners beyond the EU boundaries.

The Leader contact point of the past period did neither have the capacity nor the authorization or resources to act in the described way. This mistake should not be repeated.

*If you go into the forest searching for mushrooms, you won’t find any.*
*If you become part of the forest, you will have your basket full of mushrooms in no time.*