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66

Gerry P. Sweeney et al.

The Mid West Region of Ireland
An INSURED Case Study on Sustainable
Regional Development

INSURED

Instruments for Sustainable Regional Development

EC Environment and Climate Research Programme

The Mid West Region of Ireland

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Available INSURED Reports and discussion papers:

Instruments for Sustainable Regional Development
The INSURED Project - Final Report
Ruggero Schleicher-Tappeser et al. (1998), EURES Report 9, Freiburg i.Br.

Instrumente für eine nachhaltige Regionalentwicklung
Das INSURED-Projekt – Schlußbericht (deutsch/englisch)
Ruggero Schleicher-Tappeser et al. (1998). EURES Report 10, Freiburg i.Br.

The Mid West Region of Ireland
An INSURED Case Study on Sustainable Regional Development
Gerry P. Sweeney et al. (1998), EURES discussion paper dp-66, ISSN 0938-1805 Freiburg i.Br.

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Regional Development: Overview on five European Regions
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Contents

Preface

The present case study has been carried out in the framework of the INSURED project. The general methodology has been the same for all five regional case studies. A summary of the INSURED project – which helps to understand the context of this study – is given in the Appendix

1 Policy fields

1.1 Agriculture and Rural Development Policy in Ireland

The context

Agriculture and rural development in Ireland is primarily influenced by two sets of policy instruments, the CAP and the Structural Funds both of which are analysed in the following sections. Agriculture accounts for approximately eight percent of GDP at factor cost and for some 12.6% of employment in Ireland. Food processing industries provide approximately another four percent of all employment and about seven percent of GDP. In the Midwest agriculture and forestry account for 14.4% of total employment.

The average farm size in Ireland is 26 hectares - it is slightly larger in the Midwest at 28 hectares. Approximately 80% of gross agricultural output (GAO) in Ireland is derived from grassland based enterprises with the remainder derived in almost equal proportions from crops and horticulture (11%) and farm yard enterprises (pigs and poultry) which account for 9.5%. The corresponding proportions in the early 1970s were 63.6%, 19.2% and 17.5%. The changes are associated with the demise of mixed farming production systems on small farms. The dominant livestock enterprises are dairying and cattle rearing for production of beef - these two sectors contribute 33% and 39% of GAO respectively. Sheep rearing is very widespread and particularly important in upland areas but it accounts for only five percent of GAO.

In the Midwest the dependence on grassland-based enterprises is even greater than in most other regions. Forty percent of all farms in the region are classified as specialist dairying (24% in the State) and forty five percent are specialising in beef production (42% in all of Ireland). By contrast a little under one percent of farms in the Midwest specialise in tillage and 1.7% in sheep rearing compared to 2.9% and 8.8 % in the State.

Agriculture and the environment

Agriculture both impacts on and is affected by the quality of the environment. As well as direct effects arising from agricultural activity, there are also indirect effects which are important to note. The areas of greatest concern in the Irish context are probably: the impact of agricultural activity on watercourses as a result of poor waste management practices and excessive use of fertilisers, overgrazing as a consequence of unsustainable sheep stocking levels in vulnerable upland areas and removal of hedgerows, loss of habitats, loss of flora and fauna and reduction in biodiversity.

Forestry is both an ancillary agricultural activity and a commercial activity in its own right. The environmental impacts arising from forestry relate almost exclusively to coniferous plantations, and especially those on poorly buffered soils. The visual impact on scenic views of large scale sitka spruce plantations is also an issue of considerable concern. Where planting has occurred on unsuitable soils negative impacts on watercourses have resulted. These problems have resulted in changed practices and new guidelines for new plantation. Rural communities have also suffered social disruption from large scale monoculture. Insufficient emphasis has been put on both the positive and negative impacts of forestry development.

1.1.1 The Common Agricultural Policy

The modernisation of agricultural production in Ireland commenced at a later date than in most other parts of north-west Europe. The single most important policy influence on agriculture and

rural development since the early 1970s has been the EU Common Agricultural Policy. The CAP system of price supports was viewed as a mechanism for sustaining the modernisation policies that had been introduced in a series of economic development plans after 1958. Throughout the 1960s significant increases in the volume of agricultural output were achieved through mechanisation, increased use of fertilisers, high levels of price supports especially for cereals and dairying, and through innovation and diffusion of efficiency oriented agricultural practices by the State-funded research and advisory bodies. Throughout the 1960s it became increasingly apparent that the impacts of the modernisation model were uneven between farms and across regions. Already, it had been necessary to introduce a means of direct income support called the Small-holders Assistance Scheme, and to introduce strategies to facilitate rural industrialisation so as to provide off-farm employment opportunities in rural areas.

Under the CAP the modernisation processes of intensification, specialisation and concentration were accelerated. There was a significant shift towards grassland-based enterprises in which Ireland has a distinct comparative advantage. There have been some major changes in the organisation of production. The number of farms growing cereals declined from 99,200 in 1975 to 23,200 in 1991. Pig rearing was widespread on small dairy farms up to the 1970s with some animals kept on 26,400 farms in 1975. By 1991 pig rearing occurred on only 2,900 farms with 97% of all production concentrated on 0.9% of all farms. The number of farms with dairy cows has declined by 61.5% to 49,100 in 1991 representing 29% of all farms. However, large herds are becoming more the norm so that 84% of all dairy cows are kept on 16.4% of all farms. Following the introduction of milk quotas in 1984 the total number of dairy herds has declined by about 25,000, of which 90% have fewer than twenty cows. The beef cattle sector has not been subject to the same degree of rationalisation. Over half of the suckler cow herd is on farms of less than eight hectares and these account for one-third of all farms. Unlike the pattern of concentration in most other sectors there has been an expansion in the proportion of farms with sheep from 23.5% in 1975 to 32.2% in 1991. Again large flocks tend to dominate so that just over half of all sheep are kept on about nine percent of all farms.

Only a minority of farms are managing to remain viable while the majority have become economically and socially marginalised. In 1994 only 29% of farms were judged to be viable. The bulk of these (70%) have dairying as their main enterprise and are mainy concentrated in the south and east. Elsewhere, the restructuring of agriculture has led to even more serious levels of disadvantage. Direct payments now account for over 70% of family farm income on the majority of farms.

1.1.1.1 SRD analysis of CAP in Ireland

Sectoral dimensions

Environment

Until the recent past agricultural policy has been formulated without explicit regard to environmental impacts. The agricultural modernisation model has resulted in serious environmental damage in many areas. The quality of water in rivers and lakes has deteriorated due to increased concentrations of phosphates and nitrates; sewage sludge and other farmyard wastes contain a range of chemicals which along with chemically based pesticides can contribute to soil pollution; the clearance of ditches and dykes in order to facilitate modern arable farming systems has increased soil susceptibility to erosion in low-lying areas while overgrazing by sheep on some upland areas has contributed to transfers of organic material to rivers and lakes which is thought to be a factor in the decline of fish stocks; overgrazing on uplands and on sand dune systems has resulted in a reduction in the range of species of

wildlife; clearance of hedgerows and field boundaries has altered the appearance of the landscape and contributed to the destruction or removal of habitats.

In the Midwest the complex nature of the environmental effects of modern farming practices fuelled by availability of grant aid from many sources has been carefully documented for environmentally sensitive areas such as the Burren in north Clare.

Following a limited and largely unsuccessful pilot ESA (Environmentally Sensitive Area) scheme, a new Rural Environment Protection Scheme (REPS) is was introduced in 1994. REPS is a voluntary scheme open to individual farmers and is therefore a non-area based measure. Farmers are paid a premium if they contract to follow an approved farm plan which has to incorporate specific measures to safeguard the environment. Additional premia are payable to farmers whose land is located in designated Special Areas of Conservation and Natural Heritage Areas.

The limited resources available for agri-environmental measures are a disincentive for the majority of farmers to become involved in such a scheme. A sustainable approach to agricultural policy requires acceptance of the principle of cross-compliance whereby receipt of commodity premia and compensatory payments is made conditional on full compliance with appropriate environmental practices at farm level.

Recent attempts to promote alternative land uses such as forestry have not given sufficient attention to environmental concerns.

Economy

For the majority of farmers their incomes have not kept pace with those in other sectors of the economy. A further problem is the high level of volatility from year-to-year in farm incomes as compared with those in other sectors. Family farm income on viable farms is on average eight times greater than on non-viable farms. The imposition of milk quota has impacted very seriously on small scale producers. In west Clare the number of milk suppliers declined by 29% between 1984 and 1992. The future for those remaining in dairying is bleak for the majority unless some policy adjustments occur.

In response to the decline in the viability of farms there has been an increase in the incidence of part-time farming and also increased reliance on direct income supports. The proportion of farm household income derived from farming declined from 70% in 1973 to 51.5% in 1994. Within these figures the contribution of EU and State transfers has increased from 16% to 47%.

Attempts to address welfare issues through direct payments in Less Favoured Areas have only been partially successful - they have also been accompanied by unintended adverse environmental impacts in some areas.

Socio-cultural dimension

The transition to modern production techniques has been accompanied by a breakdown of informal local community structures, and in many cases a disruption of the local social system through out-migration of adults for whom there was no future on small farms.

Off-farm employment opportunities have been mostly restricted to within the commuting hinterlands of towns. This in turn has led to increased differentiation between rural households based on relative location.

Systemic principles

Diversity

Intensive farming practices have led to a reduction in ecological diversity in many areas through the destruction of habitats.

Economic diversity has been encouraged through schemes to encourage farming households to become involved in alternative enterprises.

There has been an increase in social diversity through the expansion of pluriactivity households and the attraction into the countryside of non-farming households.

Subsidiarity

The decision making framework for agriculture policy has been for the most part devoid of subsidiarity. Decisions been made at EU level have frequently ignored local circumstances.

One of the outcomes from the absence of subsidiarity is a lack of co-ordination between policies and poor targeting.

Participation

There has been little direct participation by producers, consumers and environmentalists in agriculture policy decision-making.

Through intensive lobbying the national farming organisations have a significant influence at the policy making level in Ireland. This is only very slowly being complemented by consumer and environmental interests.

Partnership

It is only in recent years that models have been developed to facilitate partnership. Recent experiments under the LEADER Initiative (see below) and other programmes represent a beginning. However, much work is required in order to transform partnerships into dynamic, robust and sustainable social organisational models.

Equity dimensions

Social equity

Disparities between rich and poor farm households have widened, with much of the incidence of rural poverty remaining hidden.

Interregional equity

The system of price supports and the share of the EU budget allocated to the CAP have contributed to a further widening of regional disparities. The larger intensive farming regions in the east and south of Ireland have benefited most.

Intertemporal equity

Production practices have been guided by short term considerations, depleting the current stock of natural resources and therefore restricting the opportunities for future generations.

Relatively little resources have been directed towards structural reform of land distribution which has further disadvantaged small scale efficient farmers and reduced their temporal viability.

1.1.1.2 Consistency

The objectives of agricultural and rural development policy are multi-faceted. They include increasing output, providing farm households with adequate incomes, protecting the environment, and stabilising population. Frequently, the different objectives can be in conflict. - Efforts to increase output through intensification have led to environmental damage; measures to support incomes in LFAs have contributed to overstocking and overgrazing; measures to encourage alternative land uses such as forestry have in some areas been incompatible with objectives to maintain the rural population.

The difficulties that have arisen are due in part to the tendency for policies to be devised and implemented on a sectoral basis with little if any attention to integration. There has been inadequate co-ordination between agriculture policy and those for regional development, the environment and social progress.

1.1.1.3 Concreteness

The basic principles underlying agriculture policy in Ireland are gradually shifting in line with developments at EU level. The production focused modernisation model is being adjusted to take account of the principles to underpin sustainability that have been adopted in the *Cork declaration on a living countryside* (1996).

However, the reality is that the measures aimed at orienting policy in a more sustainable direction are poorly resourced and at times counteracted by other measures when there is inadequate co-ordination. Qualitative targets are only weakly defined and quantitative targets that will impact on sustainability are almost non-existent.

At a more fundamental level, a shift towards a perspective on strong sustainability must also overcome the attitudes and value systems that have come to underpin the behavioural objectives of farmers and others concerned with agriculture.

1.1.2 Community Support Framework (CSF) for Ireland

1.1.2.1 Description of programme

The CSF approved for Ireland under the Structural Funds programme of the EU, 1994-99, has had a very significant influence on agriculture and rural development. The main programmes within the CSF affecting this sector are the Operational Programme for Agriculture, Rural Development and Forestry (OPARDF) and the LEADER Community Initiative.

The OPARDF comprises structural measures to aid the reform of the sector in a peripheral economy. The most recent programme covers the period 1994 - 1999. The agriculture sector is characterised by a number of sectoral problems including decline in numbers, an ageing population, and a substantial number of farmers with persistently low income levels combined with a serious level of underemployment. The following objectives have been set for the OPARDF:

- improved efficiency of production

- promotion of farming in harmony with the environment

- diversification of on-farm production

- development of the non-farm rural sectors

- improved processing and marketing of agricultural produce

- development of the forestry sector

- income maintenance in less favoured areas

A key objective of the LEADER programme, launched in 1991 as a Community Initiative was to find innovative solutions to rural problems by encouraging and assisting rural communities to develop their own areas in accordance with their own priorities. During the pilot phase, 1991-1994, seventeen Local Action Groups in Ireland participated including three in the Midwest. Thirty four Groups representing the total rural population are participating in LEADER II over the period 1994-99. Under the programme which has a budget of approximately £110 million assistance is provided for the acquisition of skills and for technical support, and also for the implementation of local development programmes related to rural tourism; small firms, craft enterprises and local services; natural resources; and the preservation and improvement of the environment and living conditions.

The experience to date shows some variation between Groups in regard to their capacity to form effective partnerships, their ability to engage in strategic planning and their commitment to supporting the processes that underpin effective application of soft supports. There has been a very heavy reliance on rural tourism even though new SME projects have been found to have a stronger employment potential.

1.1.2.2 SRD analysis of CSF

Sectoral dimensions

Environment

Regulations governing the Structural Funds require integration of the environment into other sectors. This requirement stems from article 130 of the Maastricht Treaty which requires alignment of environmental and regional policy.

The "promotion of farming in harmony with the environment." is an objective of the CSF. The OPARDF strategy involves inter alia, "supporting the achievement of the highest environmental standards in all programmes which promote agriculture, food, rural development and forestry".

LEADER II includes a specific measure for the improvement of the environment and living conditions which is new to the current round of funding.

The Operating Rules for LEADER require all activities to be "environmentally friendly" and that projects selected for aid should be compatible with protection of the environment.

Economy

The priority of the CSF in general and the OPARDF in particular is to ensure the best long-term return for the economy by increasing output, economic potential and long-term jobs. - Policies for the agricultural and rural development sector have been framed within these overall objectives. Specific objectives include: improved efficiency of production, improved processing and marketing of agricultural produce, diversification of on-farm production,development of the forestry sector.

Under the LEADER I programme assistance was provided to support initiatives in rural diversification in the areas of rural tourism, small manufacturing and service enterprises, and small scale natural resource based industries. In total almost 3,000 projects were supported, of which almost two thirds were by private entrepreneurs.

The overall objective of the LEADER II initiative is "to stimulate innovative measures by those, whether public or private, engaged at local level in all sectors of rural activity, to make known

the results of these experiments throughout the Community and to assist rural operators in different Member States who wish to profit from the lessons learnt elsewhere and to work jointly on some projects". Thus the emphasis in LEADER II is on innovation, transnational co-operation, and exchange of experience and know-how through a European development network. The OP for the implementation of the EU LEADER II Initiative in Ireland was designed to complement the proposals contained in other Operational Programmes to bring about social and economic development in Ireland's rural areas.

Socio-cultural

A socio-cultural dimension is reflected in some of the objectives for the OPARDF and for LEADER. These include in the case of the former: development of the non-farm rural sectors and income maintenance in less-favoured areas.

Strategies to create or maintain structures to enable a rural population to survive despite the decline in agricultural activity include ensuring the availability of appropriate human resources, advice and support to meet the economic, social and developmental needs of farmers and rural communities in general.

Support for rural tourism and for some other alternative options to farming provided by the OPARDF and LEADER are a practical response to the need not only to provide an alternative source of income but also an acknowledgement of the importance of maintaining a rural way of life and retaining cultural continuity. Greater recognition of cultural projects has been provided for in LEADER II.

Systemic principles

Diversity

Economic diversity is encouraged and supported through the OPARDF and LEADER. The specific measures within the OPARDF do not explicitly support ecological diversity and will have a limited impact in maintaining social diversity.

LEADER encourages and facilitates diversification of the rural economy. Opportunities have been provided to assist small scale farmers to supplement their household incomes by supporting economic, social and cultural projects. Additionally, the availability of funds has assisted others to establish small enterprises in rural areas. Under LEADER II assistance is also available to support environmental projects that will help to maintain the diversity of rural landscapes.

Subsidiarity

The OPARDF along with the other mainstream Operational Programmes is a national programme consisting of sub-programmes delivered either by the Department of Agriculture, Food and Forestry or the appropriate national agencies. Therefore, there is little subsidiarity.

Within LEADER each participating Group is allocated a budget to implement its own strategic action plan which was prepared in accordance with Department guidelines. While there are some concerns about the rigidity of the Operating Rules responsibility for local implementation of the programme has been largely devolved to the Groups.

8

Participation

The opportunities for participation in the design and implementation of the mainstream Operational Programmes are limited. In the design stage a consultation process was undertaken. The implementation of each OP is subject to monitoring and review by broadly based committees at national and regional level. Within LEADER there is a strong emphasis on facilitating participation of a wide range of interests in the delivery of the programme and also on ensuring through the animation activities that as many individuals and groups as possible are encouraged to participate.

Partnership

The concept of partnership gained prominence in national macroeconomic and social planning in the late 1980s. The partnership model involving coalitions of representatives of public/statutory bodies, private business interests, and local communities is not well developed in relation to individual Operational Programmes with the exception of LEADER. The local Groups with responsibility for implementing LEADER are structured as partnerships - this has been identified as a major strength of the programme. However, many Groups have yet to develop the partnership process to the point where there is genuine equality, trust and co-operation between the partners.

Equity dimensions

Social equity

The CSF includes social equity as a goal. As currently structured the OPARDF policy instruments are unlikely to contribute towards achievement of this goal. Compensatory payments in Less Favoured Areas are structured on the basis of headage payments. Thus greater income support goes to those already capable of making a higher return on their enterprise. None of the measures directly address equity issues. Problems of social exclusion in rural areas in Ireland have only been recently documented.

The LEADER programme requires participation and partnership among a broad-based group of community interests. In some areas LEADER groups have responsibility for administering a programme (managed by Area Development Management) specifically targeted towards the disadvantaged. This programme does not however operate in all areas and is insufficiently resourced to tackle many of the issues.

Interregional equity

Parts of the less favoured regions are targeted by the compensatory payments scheme already mentioned. Other areas classified as disadvantaged according to a different set of criteria are targeted by the ADM companies referred to above. The overriding emphasis of the CSF on increasing the productive capacity of the economy as a whole however means that the policy framework is inadequate to address the considerable problems of regional disparity which remain.

Intertemporal equity

The current policy framework will do little to achieve sustainable development and thus ensure that current quality of life does not compromise the ability of future generations to obtain wealth and resources unless priority is given to integration of the environment into other sectors and conservation of natural resources.

1.1.2.3 Consistency of policies

There is insufficient coordination of the objectives within the OPARDF. Income maintenance measures have been in conflict with environmental objectives in many areas, especially at ecologically sensitive sites. Indicators are required to monitor and evaluate the impact of current schemes so as to ensure that environmental degradation does not continue to occur.

In order to achieve the objective of sustaining rural communities and thus conserving the countryside it may be necessary to separate payment of a supplementary income to farmers in such areas from the production of livestock either through direct payments or through payment for alternative enterprises appropriate to the particular local environment.

Other targets for agriculture and rural development are structured independently thus missing the opportunity for synergistic impact from the programmes. The major shortcoming of the current policy instrument is the lack of integration. The programme should include a matrix showing economic/ social/ environmental benefits from each aspect of the current programmes thereby coming up with a sustainable rural system model.

There is an underlying assumption throughout the OPARDF that REPS will take care of most environmental issues leaving the rest of the sector to continue on its current path of intensification and increased production. Good environmental management must be encouraged right across the sector rather than focused on specific areas or on REPS alone.

1.1.2.4 Concreteness

Sustainable development requires a shift in the way in which economies and societies work. Current policies puts too much emphasis on existing systems and trying to fit them into a sustainable systems model rather than acknowledging that some of our traditional production systems may fall outside the scope of sustainable agriculture. There is a need therefore to experiment with more innovative forms of agricultural / rural development.

The range of indicators to measure or evaluate environmental performance vis-à-vis objectives for environmental quality/improvement stated in the OPARDF is inadequate.

The importance of attitudinal and behavioural change as the first steps towards care of the environmental resource must be emphasised.

1.1.2.5 Summary

The OPARDF set out broad objectives for environmental performance. Certain measures within the programme will ameliorate some of these impacts while others may intensify adverse impacts. There is evidence that excessive use of fertilisers is contributing to pollution of watercourses and also that currently practised levels are higher than necessary for efficient production. Part of the solution lies in linking economic benefit and environmental protection. Optimum production as currently defined is a less than useful indicator - given both the problems of over production in the market as a whole and the hidden costs to environmental quality, resulting in expenditure of resources to rectify problems which have been caused by over-production in the first instance.

The LEADER programme has provided an opportunity to devise an organisational model based on partnership that is capable of delivering local action plans. The emphasis in the programme on innovative projects in the economic, social and environmental fields provides a useful basis for devising more sustainable models of regional development.

1.1.2.6 Overall conclusion

The current CSF has moved towards a broader development model than earlier national policy frameworks. However the overriding influence of the CAP combined with other external factors has provided an inherently unsustainable policy framework for Irish agriculture. At a local level the LEADER programme provides a basis for participation and partnership and thus potential for a more sustainable model but cannot influence the operation of agricultural practices. The further reform of the CAP in line with the Cork Declaration could point the way forward to a more sustainable approach to rural development and agriculture. There appears, however, to be some retreat from this approach in the more recent Agenda 2000 report.

1.2 Active Labour Market Policy

The context

The context to Active Labour Market programmes contains several elements. Long term unemployment has been a serious structural, social and economic problem since 1980. The focus of policy attention was, however, taken up, through most of the 1980s, by the young unemployed, a decade when there was a dramatic out migration of young people from Ireland. This focus on young people was reinforced by the ESF funding requirement, in place until the early 1990s, that participants on the training which it supported had to be aged under 25. The policy focus shift towards the long-term unemployed in the early 1990s can be attributed, in part, to a very belated awareness of the severity of their labour market disadvantages.

This awareness is due largely to the the National Economic and Social Forum. Appointed by the Government in 1993 to develop economic and social policy initiatives, particularly initiatives to combat unemployment and to contribute to the formation of a national consensus on social and economic matters, the Forum has become a critical force in creating awareness and in policy definition. The representation on the Forum includes members of the Government and the Oireachtas (upper and lower houses of parliament), the traditional social partners and also groups which have hitherto been outside the consultative process, including women, the unemployed, the disadvantaged, people with a disability, youth, older people and environmental interests.

The 1994 report of the Forum, *Ending long term unemployment*, was the first State study which specifically addressed the long-term unemployment problem. Its analysis and recommendations, combined with those contained in its later studies, have set the policy agenda which currently applies in relation to the long-term unemployed in Ireland. Certain of their characteristics were identified as primary reasons for their lack of success in accessing employment in the Irish labour market. These include:

- Low skill levels

- Low educational qualification profiles

- Motivational deficits.

- Information/communication deficits, impeding access to recruitment networks

The lack of skills is a central factor not only in the unemployment rate but in its underlying cause, the lack of economic development as distinct from economic growth.

Unemployment is concentrated among persons with only a primary or lower secondary school education. This group, which accounts for about half the labour force, had an unemployment rate of 18% in 1995 compared to only 4% for those with a university education. There is a high degree of illiteracy, calculated to be 25% of the post-school population due largely to a low level

of formal education of middle aged and older members of the population but young people in disadvantaged areas also have often left the school system early. The existence of distinctly disadvantaged areas, both urban and rural which exhibit high ratios of unemployment, poverty and, in the case of rural areas, depopulation, has begun to be openly recognised only relatively recently.

Unemployment rates have been much reduced by the high level of emigration in the 1980s and have been reduced further since 1993 as a result of the rapid economic growth, increased inward investment and a reverse in the decline of indigenous industry. Increased participation in further education has also reduced unemployment.

At the centre is the decline in indigenous industry which is not due to a lack of entrepreneurial potential. The entrepreneurial potential is in fact high as has been demonstrated in one of the few areas where skills can be acquired, software. Generally, there have been and are few with the skills with which to set up a new manufacturing firm and to generate the dynamic entrepreneurial and innovative mass of small firms which lead economic development and employment creation. Neither industry nor the formal education system offer effective and pervasive vocational training which reaches a significant proportion of the population. Education has traditionally been defined as being apart from labour market considerations. There is continuing criticism of the education system as being academic and elitist. The elitism has produced a widespread attitude that manual craft skills are inferior to those acquired in the academic system and that vocational training is suitable only for those who cannot reach set academic standards. The vocational school system has thus been consistently under resourced. Training, a responsibility first of the Department of Labour and more recently of the Department of Enterprise and Employment, has long been focused on provision of semi-skilled rather than highly skilled personnel. Neither education nor training have responded to the needs of the economy and citizens other than in supply of labour to the MNCs.

The picture is made yet more complex by the fact that job creation has been stated by ministers to be the primary function of the Industrial Development Authority. Inward investment is in essence an employment policy mechanism rather than an industrial policy one. Thus, access to employment for the less skilled is restricted, not only by the low level of indigenous employment creation but also by the substitution factor - where there are many with higher educational qualifications, the educational requirements for recruitment increase even though the job specification remains one of lower skills. Hence, they are excluded from much of the MNC employment, and furthermore many who do obtain employment in branch plants do not find job satisfaction. Many of the emigrants in the 1980s had employment but emigrated in search of higher pay and less routine and more satisfying work.

Programmes

There is a large variety of some 30 Active Labour Market programmes administered by the Department of Social Welfare (DSW), FAS which is an agency of the Department of Enterprise and Employment, CERT (tourism training) and Teagasc (agriculture training). Furthermore the Department of Education has involved itself in programmes which are in effect ALMPs, addressing problems related to employability of school leavers and the unemployed. There is a consequent overlap and lack of coordination.

Many of the current measures, developed with the aid of European Social Fund, are either focused on training or contain a training element, but do so largely within the context of the existing system, with its low technical vocational skill content. FAS Development Courses target persons in work without up to date qualifications and unemployed persons, both young and old, the (re-)integration of persons into the workforce through the provision of skills ranging from

basic literacy skills to basic manufacturing related skills (toolmaking, machine tool operating) to enterprise skills (finance, marketing, business planning) and retraining of older workers whose skills have become outmoded through technological change and a consistent move to decentralise direct, but not overall, control of ALMPs.

Many ALM initiatives are directed to marginalised areas and groups, and have been important in providing support to local community groups. They have relieved their current situation but are not directed to the core deficiencies causing marginalisation. The NESF has consistently sought the decentralisation of direct, but not overall, control of ALMPs.

The main programmes and the administrative agency are indicated below:

Labour market training, that is training for adult unemployed and those at risk:

-   Vocational Training Opportunities Scheme: Dept. of Education: intended to give long term unemployed and other disadvantaged labour market participants, such as lone parents and disabled persons, a second opportunity to obtain a secondary school leaving certificate. The course focuses on the development of employment related skills, including technological and business skills, and includes modules on socio-personal development. Areas of vocational focus include commerce/business, craft/design, electronics, science, services, tourism, leisure and catering;

-   Specific Skills Training: FAS: helps to meet specific skills demands of the local labour market by training unemployed who have certain minimum levels of competency, e.g. half of participants have completed secondary school.

-   Local Training Initiative: FAS: funds activities organised by local communities;

-   Third Level Education Allowance: DSW: pays unemployment benefit to persons over 23 admitted to third level courses after being unemployed for six months;

-   Return to Work: FAS: training primarily for women over 25 wishing to re-enter the labour force;

-   the Adult Literacy and Community Education Scheme: Department of Education through the Vocational Education Committees.

-   there are also seven schemes to support training in firms for employed adults including in new foreign branch plants and there are training courses organised in tourism and agriculture by the respective sectoral training agencies.

Youth measures: measures for unemployed and disadvantaged youth:

-   Youthreach: FAS and Dept. of Education: aimed at providing early school-leavers with skills needed for employment and further training, leading to the Linked Work Experience option, allowing participants to work for a firm whilst receiving an allowance;

-   other measures include the FAS Skills Foundation Programme, apprenticeships and initial training in agriculture and tourism.

Subsidised employment: subsidies to regular employment in the private sector

-   Back to Work Allowance: DSW: allows long term unemployed to accept jobs while retaining the financial security of their social welfare benefits, in other words encourages people to accept low paid jobs or to enter on self-employment;

-   Social Insurance Exemption Scheme: DSW: reduces employer SI payments for two years when employing unemployed persons;

- the DSW Area Based Enterprise Allowance and FAS Community Enterprise Programme provide support to unemployed starting their own enterprises;

- Community Employment: FAS: the largest programme descibed below together with Area Based Partneships with which the CE programme is strongly linked.

The outcomes in terms of unemployed being in full time employment eighteen months after participation in a scheme which offered training have not been high. The costs of administration are high, officially 15% in 1995, and there are other more local costs which further divert funds from the 'coal face'.

Other than the programmes mentioned above, the Department of Education's involvement in what are effectively ALMPs has grown steadily along three axes:

- Compensatory programmes at primary level aim, in the longer term, to avoid some of the chronic difficulties experienced by certain groups such as children from disadvantaged areas in gaining access to the work-force.

- Extension of courses in secondary education such as the more vocationally oriented Leaving Certificate Vocational Programme and Leaving Certificate Applied have been developed. These aim to equip certain groups of young people for more successful entry into the labour force and are described in more detail below.

- Post-Leaving Certificate courses provide a preparation for work and further vocational training in a broad spectrum of occupations and have developed rapidly due to funding available since the late 1980s under the two consecutive Community Structural Funds Programmes.

The programmes described in more detail below are partial responses to the problems and the criticisms.

1.2.2   Leaving certificate extensions

The Leaving Certificate Vocational Programme (LCVP) is the normal Leaving Certificate Programme with a concentration on technical subjects and some additions. Because of its high vocational content, it attracts funding from the European Social Fund. It was first introduced in 1989. In 1994, it was expanded to broaden the choice of subjects and to strengthen the vocational content of the programme. Pupils taking the LCVP in its redesigned form take: 1) five Leaving Certificate subjects, including two subjects to be chosen from a set of vocational subjects, 2) a recognised course in a modern European language, 3) the three mandatory Link Modules titled Enterprise Education, Preparation for Work and Work Experience

The Leaving Certificate Applied is a self-contained two year programme replacing and expanding on the existing programmes (Senior Certificate and Vocational Preparation and Training Programme). It is a person-centred programme involving a cross-curricular approach rather than a subject based structure. It has as its primary objective the preparation of participants for adult and working life through relevant learning experiences which develop the following areas of human endeavor; spiritual, intellectual, social, emotional, aesthetic and physical. The framework of the Leaving Certificate Applied consists of a number of modules grouped under three general headings: 1) General Education (at least 30% of the time), 2) Vocational Education (at least 30% of the time), 3) Vocational Preparation (at least 25% of the time). The Leaving Certificate Applied is intended to meet the needs of those students who either chose not to opt for other Leaving Certificate Programmes or who are not adequately catered for by them. While certification in the Leaving Certificate Applied will not be a qualification for direct entry to third-level courses, students who successfully complete the

programme will be able to proceed to many Post-Leaving Certificate courses. To support this process, the Leaving Certificate Applied will be fully integrated into the system for a certification of educational and training qualifications being developed by TEASTAS - the Irish National Certification Authority.

These vocational programmes currently developing in the second level education system seek, in time, to guarantee that all leaving the compulsory education system will have the opportunity to obtain an appropriate basic vocational qualification. It is argued that such shifts in areas of conventional education policy represent a move to improve coherence between traditional education and labour market policy. Adoption of these programmes is dependent on the initiative of the individual school and perhaps even more on the culture created by teachers within each class. Change can only begin in the classroom and must remove the perceptions of teachers and pupils that vocational training and apprenticeship are of inferior status.

1.2.3   The Community Employment Programme

A feature of more recent policy has been a move to decentralise direct, but not overall, control of ALM programmes, through the setting up of Area Based Partnerships, the Community Employment programme and other measures such as the Vocational Training Opportunities Scheme.

The Community Employment (CE) Programme, commenced in April 1994, is by far the largest and most important development in the area of ALMPs in Ireland in the last decade. The CE programme replaced three previously-existing temporary employment programmes and differs from them by including a training component as a central feature. Its entitlement conditions are more generous for participants. It incorporates, in designated areas of socio-economic disadvantage overseen by Area Based Partnerships, a local development element. Finally, in terms of scale, CE represents a significant development on previous provision, as the capacity of CE is more than double that of the combined capacity of the earlier programmes. In 1995, over 54,000 persons participated and the programme has a capacity, at any time, of nearly 40,000 places.

The programme is delivered by a large number of sponsors, over 3,000 in 1995, including voluntary and community organisations, local authorities and schools. FAS pays weekly grants to sponsors in respect of participants, funds CE supervisor posts, and provides a contribution to materials and staff development costs. The role of CE supervisors involves overseeing the administrative, technical and training/worker development component of the programme.

In 1995, over three quarters of CE participants were engaged on projects provided by sponsors in the voluntary/community sector. A further 11% were employed, respectively, by local authority and school sponsors. The main activity in which participants were engaged was the enhancement and provision of community amenities and services. Other work included supporting school caretaking and secretarial services and local arts and heritage projects.

The CE supervisors are responsible for developing and implementing a worker development plan for each CE participant. This encompasses the three elements of CE training/development - skills training related to the participants' CE employment, training related to participants' future vocational/labour market aspirations, and own time/personal development training. The training/development budget for each CE participant in 1995 amounted to £IR300. CE sponsors are free to purchase appropriate training/development inputs from State and private sector education/training providers.

Under arrangements implemented in April 1996, the programme comprises two components - part-time integration and part-time job options. The part-time integration option is targeted at the

long term unemployed with a primary focus on getting the CE worker back into the labour market. It is of 1 year's duration, including a training and development element. The part-time job option is reserved for the long term unemployed who have been more than three years on the Live Register and who are over 35 years of age. Under this option, CE workers have an annual contract of employment, which is renewable for up to three years, subject to the availability of places. Provided nationwide, the delivery and administration of the programme is undertaken at regional and local level, through the FAS Employment Services Office network of over 50 offices.

Local development was one of the priorities agreed in the (European) Community Support Frameworks for Ireland, 1994-99. This was based on the recognition that local initiatives can act as a catalyst for local economic and social development and that certain areas and communities are very specifically characterised by long-term unemployment and severe disadvantage and that they must be specifically targetted if they are to participate fully in future development. ADM Ltd. (Area Development Management) was set up in 1992, a response to pressure from the European Commission, as a major move towards the decentralisation of administration and operational control on activities aimed at combating long term unemployment and disadvantage. It is the Government support structure to the establishment of Local Area Based Partnerships. The Partnerships involve all relevant local actors including community development groups, FAS, the VECs and other State bodies with responsibility for training and development support. ADM now has direct responsibility for the management of EU CSF funds for local development in designated areas of disadvantage. Thus, ADM helps local Area Based Partnerships draw up local development plans, evaluates, allocates funding and monitors the funding and benefits from the Partnership's activities. In drawing up the local development plan, ALM activities such as CE and VTOS are integrated into the needs of the local community, thus giving a coherence to ALMPs in the locality. The Community Employment Programme is a major source of funding.

1.2.4 Impact

Community development groups and groups working with the disadvantaged have a high dependence on support from the Community Employment programme. Many projects are in the broad area of improvement and restoration of environmental features, predominantly man-made heritage. There has also been a focus on the recording of the cultural heritage. In these regards the programme has had a wide impact. Community groups have also been enabled to develop administrative support structures for other activities in animation of local communities and in activities such as tourism development.

There has been a low level of impact on acquisition of vocational skills of a high standard and therefore of the tacit skills essential to indigenous industrial development and innovation. The overall education framework and ethos have remained unchanged and the programmes of the Department of Education are not being taken up in any volume because of the culture and of the lack of substantive opportunity for vocational training. The status of vocational training has not been raised.

The creation of Area Partnership Boards continues and has been a mechanism to bring representatives of state agencies into direct contact and interaction with local community groups. Their effectiveness is constrained by the focus on the disadvantaged on the one hand and on the other by whether a community group, creating consensus and cohesion within its area had been active prior to the formation of the Partnership company. Impact has been greatest where a community had already reached a level of self-governance but there are not many areas with such boards.

1.2.5   SRD analysis

Sectoral dimensions

Environment.

This is not an explicit consideration in any documentation, but in 1995, 24% of CE participants were involved in projects which related to the development of the physical environment. Department of Education activities do not involve any direct environment related actions.

Economic

Economic welfare and associated calculations are core to the development of ALMPs in the sense that most recent technical changes to operational ALMP programmes have sought to lessen the 'poverty trap' effects of the interaction between Social Welfare rights, participation in the programmes and progression into (lower paid and often temporary) employment. ALM programmes have, however, not addressed the fundamental need to create a well-skilled vocationally trained workforce and thus to lay the foundation of a dynamic indigenous sector.

Socio-cultural

The traditional 'education' ethos - inimical to many socio-cultural groupings - is very evident in the structures employed for ALMPs (schools, integration into traditional exam structures, progression to third level education as 'the highest achievement', etc.). The status of apprenticeship training has not been raised, rather the contrary. Community Employment has some flexibility to be more responsive to socio-cultural groupings. Some groups, however, would see this flexibility as a weakness from a number of points of view, such as poor recognition by traditional employers, difficulties in progression into the mainstream institutions, etc.

Systemic principles

Diversity

Some diversity of approach in implementation is possible under the two main training / employment axes of ALMP. The CE, in particular, is expected to respond to and enhance such diversity. Policy diversity across political parties, or indeed pressure groups, has, if anything, lessened. There is a general consensus on the importance of ALMPs and the main approaches which are being taken. This is possibly explicable in the influence of the National Social and Economic Forum on policy. It has acted sequentially as a vigorous debating platform for policy and then as a political pressure for the policy implementation.

Subsidiarity

Within the overall national framework of control, subsidiarity is feasible. The CE, particularly when operating within Area Development programmes, has the potential to be put through a strong local formation process, but in practice the prescriptive nature of the programme is inhibiting of customisation and subsidiarity.

Partnership and networking

The concept of partnership between local representatives of national agencies and community groups is intrinsic to Area Partnership Boards and the Community Employment programme.

Weaknesses in policy networking across Government Departments have, however, been a major issue over the last decade. The Departments of Labour and Industry were fully integrated to become the Department of Enterprise & Employment. The integration of the policies of the Departments of Social Welfare and of Enterprise and Employment has been a priority and, indeed, has been increasingly effective in developing coherent 'technical annexes / fine print' to ALMPs. The axis of ALMPs between the Departments of Education and of Enterprise & Employment has shown moves aimed at demarcation rather than integration of efforts.

Participation

Participation has been aided at a national level over the 1990s by the setting up of the NESF with the express objective of including the voices of social / community / voluntary sectors as well as the traditional social partners -unions, employers and Government - who are represented in the long-standing National Economic and Social Council (NESC). The NESF has significantly enhanced the level of critical debate on unemployment and related issues.

Equity dimensions

Social Equity

Containing social disparities and combating exclusion is the central thrust of ALMPs. They have increasingly come to focus on those in the most difficult situation - long-term unemployed. They do not, however, address the causal factors. Equal Opportunities is now a central issue in all areas of public policy.

Inter-spatial equity

The explicit concentration of certain resources and the development of planning initiatives on very specific geographical basis - the Area-based Partnerships - is a very significant attempt to focus policy -in a spatial sense - on areas with particular characteristics and specific needs. These Partnerships probably show the most effective integration of "horizontal" relationships linking CE projects, Local Employment Services and Department of Education and European Commission activities.

Functional segregation is perhaps the main threat to area-based partnerships. The geographic focus of the partnerships (and indeed more generally the CE and VTOS) can ghettoise certain activities within areas of poor employment prospects. This need not be the case - some partnerships and programmes have successfully integrated mainstream, large scale employers into their activities.

Intra regional networks are a key component in development of much CE activity - again particularly so where the ADM had supported a local planning process. Inter regional networking has not received sufficient emphasis - EU ALMP related programmes have emphasised linking Irish regions to Europe more than Irish programmes have emphasised the linking together of the regions of Ireland.

Inter-temporal equity

The temporal element of equity is perhaps most obvious in some of the work within the Department of Education - most explicitly in the 'Breaking the Cycle' type programmes. Participants and organisers on VTOS particularly will often recognise that their efforts have a generational aspect, where the expectations of short term rewards may be relatively small but there is a hope for change in the prospects of the following generation.

Other dimensions

Learning

There have been some gains in personal learning such as in literacy, but personal acquisition of skills and especially of tacit skills with which to enter and create indigenous economic activity has been restricted. Where community groups have developed some form of self-governance a learning process of long term potential has been initiated. The formation of Area based Partnerships has brought state agencies into a learning situation, learning to work with community groups and to acquire knowledge of the reality of local needs.

Integration

Again where community groups have taken some degree of control of their destiny, they have been moving to a situation of integrating programmes into their own strategy, but within the constraints of the framework of the foci on disadvantage, social and not technical skills, and so on. The state agencies have through the Partnership structure been brought into a context where they have the potential to integrate their programmes and supports in local development strategies.

At the national level there is little integration of Department of Education and Department of Enterprise and Employment policies and programmes. The orientation of FAS has remained largely that of a social welfare rather than of a vocational training body even though it is integrated in the Department responsible for industrial development, innovation and science and technology policies. The result is a proliferation of programmes, each introduced for specific reasons, such as pressure from the European Commission, identification of a specific problem or political desire to be seen to be doing something. In 1998, a new agency is being established through the merger of the export aid agency, An Bord Tráchtála, the industrial training activities of FAS, and the services provided by Forbairt to indigenous industry.

1.3   Technology policy

The context

At the time of independence, Ireland was technologically weak, its industry having declined from its strength in the early Nineteeth Century and it was only in 1958 that there began development of the institutional technological infrastructure. Policy was left to the infrastructure institutions. That infrastructure has been radically changed and the current context is largely an outcome of policies which have been followed in the last two decades.

The main factors in technological development are:

- a weak technological orientation in the education and industry support infrastructure allied with a narrow focus on a high tech sector rather than on application of new tech in all sectors;

- a narrow focus of policy on inward investment and on providing support to MNC plants, allied with decreasing technological support to indigenous 'traditional' industries, which have been regarded as not being industries of the future and have declined severely in employment ;

- virtual absence of dynamic sectoral clusters, previously existing clusters having declined;

- weak technological capability and entrepreneurial and innovative dynamism in most of indigenous industry;

- reliance on grant aid as the major form of support to industry and

- increasingly strong orientation to support academic research; for example, academics have a higher proportion of participation in EU research programmes than any other member state;

- high dependence of funding of research and other technological activities on EU sources;

- increasing focus on commercialisation, i.e. on technology transfer activities being financially self-supporting from sales of services, with consequent restriction on access by small firms;

The technological infrastructure

Technology policy in Ireland originated with the *First programme for economic expansion, 1958-1963* and has seen much change. Research institutes for agriculture, An Foras Taluntais, and industry, The Institute for Industrial Research and Standards, were put on a more independent footing respectively in 1958 and 1961, and gradually expanded. An institute for physical planning and construction research, An Foras Forbartha was established in 1964 but subsequently closed in the 1980s. In 1967, the National Science Council, formed in 1967, later became the National Board for Science and Technology and was amalgamated with the Institue for Industrial Research and Standards under the name EOLAS in 1988. Support for academic research rather than technical services to all sectors of industry began to be dominant. The agricultural research institute was amalgamated with the agricultural training and advisory service as Teagasc.

The Industrial Development Authority was restructured in the late 1960s and industrial policy became increasingly focused on attracting branch plants in 'high tech' industries, mainly of US origin. A system of grant aids for indigenous industry was also put in place by the IDA. In 1994, the IDA was restructured as three organisations, Forfás, the industrial policy advisory authority, the IDA with responsibility for inward investment and Forbairt, into which EOLAS was absorbed, with responsibility for indigenous industry. The technical services of the former IIRS to industry have been gradually reduced. Regional Technical Colleges, set up from 1968, were intended to provide vocational training but have become increasingly academic. Two new universities with a more technological orientation were established in the 1970s in Dublin and Limerick. The latter was an outcome of local agitation and action. In the 1960s also, AnCO, the industrial training authority, began to reform the apprenticeship system and to provide for higher levels of vocational training and of training in industry. It eventually became FAS and was increasingly oriented to social welfare servicing of the unemployed and to community development. Apprenticeship training is not accorded a high status. Overall the trend has been one of an increasing orientation to high tech and academic research.

In 1996, following a report from the Science, Technology and Innovation Advisory Committee of the Department of Enterprise and Employment, a White Paper on Science and technology was published and the government took action on what were considered to be immediate priorities. These included additional funding for academic post-graduate and post-doctoral research, additional support for industrial R&D, and also for the Techstart and the National Technology Audit programmes. The Programmes in Advanced Technology, PATs, became a subsidiary company of Forbairt. Support for research, technology and related activities is heavily dependent on EU Structural Funds through the Operational Programmes.

1.3.1   Programmes in Advanced Technology

These were established as a national programme to develop research capability in third level colleges considered to have expertise, to deliver technologies considered to be of strategic

importance and to attract overseas investment in high technologies. There are seven PATs located in 36 separate centres, each with its own speciality within its particular PAT. The PAT programme is structured as a subsidiary company of Forbairt. In 1996, expenditure was almost £20m. of which over £11m. was earned from industry, EU contract research under the Framework Programme, and semi-state bodies. The balance of £8.26m. came from the state and 75% of this from EU Structural Funds.

Of the seven PATs, five have centres in the Mid West: Advanced Manufacturing Technology (AMT) Ireland, Materials Ireland, Software Ireland, Power Electronics Ireland and Teltec Ireland. These centres employ 30 staff with an additional 30 post-graduates. They represent a move away from provision of technical services to a university based source of expertise. The AMT Ireland centre in the Mid West specialises in electronics manufacturing and the Materials Ireland centre provides a broadly based consultancy and laboratory service in materials.

Each PAT and centre has a national focus, diluting any potential regional impact. In the Mid West, PATs have a limited impact on indigenous firms, 60% of AMT Ireland's clients are MNCs generating 80% of income from industry. AMT Ireland provides a training programme for small firms, the Competitive Manufacturing Programmme, which is one third funded by Shannon Development and one third by FAS. It plays an intermediary role between small firms and EU programmes. Materials Ireland has made effective use of the Applied Research Grant which supports 50% of university costs in research by universities for industry. Each PAT has a local director from its host university who acts as a link to many external contacts and in the Mid West the director of the PATs is the Dean of Research in the University of Limerick.

The PATs are all under pressure to become more commercially self-supporting and state funding is being incrementally cut back. Maintaining a regional focus and work with small indigenous companies is more difficult. AMT Ireland is totally commercially oriented, with the centre in Trinity College Dublin, for example, now an independent company, bought out by its staff, and clients are sought not only nationally but elsewhere. Whilst they have a large degree of freedom, administrative decisions must be approved by Forbairt, resulting in a rather bureaucratic process. Commercialisation affects not only work with small firms, but also is reducing the ability to carry out basic research, a factor creating unease amongst the academic staff. PATs will need to establish whether they are to focus on high tech through more basic research, the academic ambition, or on new tech, the application of technology in smaller indigenous firms. This question also highlights the difficulty in building centres of excellence when resources are spread between 36 centres and seven programmes. Only Materials Ireland has regular meetings of staff at which targets and objectives are set by consensus.

1.3.2   Techstart.

This programme assists smaller indigenous firms to recruit graduates and subsidises the employment for one year. It began in 1978 as a joint initiative of Shannon Development and the Institute for Industrial Research in the Mid West and was conceived in discussions of the IIRS Mid West Consultative Committee, which then existed. It continued in the Mid West only until 1982. In 1983, the programme became a national one, and acquired the name Techstart in 1986.

The objectives of the programme are to enable a small firm to employ a graduate on non-routine duties, to give the graduate industrial experience and to introduce the firms to the full range of Forbairt services. In 1996, the programme was expanded to allow an increase in placements from 210 to 300. Forbairt provides a subsidy of £5,000 for a graduate and £4,500 for a diploma holder, amounts which have remained unchanged since 1986. £2,000 for associated consultancy or technical training is also provided. 75% of the total cost is provided from EU

Structural funds. The graduates are brought together four times a year for seminars and whilst continuous monitoring is an intention of the programme the increase in numbers has made this more difficult. Small firms often need assistance in integrating the graduate into their structure and work but the regional support staff have remained the same, frustrating the wider objectives.

Since 1994 small foreign owned firms have been excluded from the programme and in 1997 it was restricted to small firms with more than five employees. The approval procedure has become more bureaucratic. When it was confined to the Mid West, the IIRS regional manager found the firms, matched the graduates and made the decision. From 1986, the approval of a manager in EOLAS HQ in Dublin was required and from 1994 decisions are made by a central committee.

46 graduates were placed in the Mid West in 1996 and 50 in 1997. The high awareness of the programme in the Mid West is due to close inter-relationships with Mid West industry of the Forbairt regional manager of the programme. 40-50 firms seek a Techstart graduate each year. About 50% of placements are repeat business, but graduates are not placed with companies which have dispensed with the graduate after one year and are attempting to employ another to benefit from the grant available. 77% of graduates have been retained by their company. A further 12% of graduates have been offered continuing employment but have decided to move on. Only 12% are not offered further employment. Four Techstart graduates have set up their own companies in the last eight years. Only two environmental graduates have been placed in the region.

Similar to the Techstart programme and administered in conjunction with it is Techman, the Technology Management Programme. This programme supports the placement of a technically qualified person, aged over 30 with a minimum of five years experience, at a management level in a firm for three years to carry out work in key areas of the company. There is a subsidy of 50% of salary or £10,000 whichever is the lesser in the first year, £5,000 in the second and £2,500 in the third. Additionally, £5,000 is available for consultancy or training support. The programme was created in 1987 by the National Board for Science and Technology and is now administered by Forbairt. 50% of those appointed do not complete the three year contract and there are some difficulties in recruiting suitable people since a three year contract in a small company is not inherently attractive. Some ten are appointed each year in the Mid West out of a national 60 places. Another programme overlaps to some extent. The Management Development Programme administered by Forbairt and Shannon Development, contains a Module 4, under which a 'management adviser or consultant' can be employed over a one or two year period to work in a functional area such as finance, production etc. The grant aid is 50% of costs or £17,500 per annum.

1.3.3 Impact

Techstart was an innovative action resulting from inter-action and cooperation between industry, Shannon Development and the then Institute for Industrial Research and Standards. It has achieved a particularly high level of success in the Mid West in raising the technical performance of small firms and the numbers of graduates employed. Techman has had individual successes.

The Techman programme is not as successful, largely because it is based on a fixed period contract which is too long for many potential participants. It has not generated the high profile of Techstart.

The PAT programme was conceived within the framework of a greater focus on academic research and of run-down of technical service provision. Although some have developed a

commercially valuable expertise, much is applicable only in high tech sectors and the pressure to commercialise inhibits work with small industries in other sectors.

1.3.4   SRD Analysis

Sectoral dimensions

Environment

There is no explicit environmental dimension in the PAT programme. It may occur through a project request of a client. Techstart also has no explicit environmental dimension but it has the potential as has been demonstrated by the appointment of environmental graduates in two companies.

Economic

Although this is a negative factor from other points of view, a few PAT centres have been commercially successful and they are a source of employment of graduates. Within the constraints there has also been some technology transfer to indigenous firms. Techstart has been more vigorous in diffusing a capability for technical progress to indigenous small firms and it has been a continuing programme for the employment of graduates. Increasing restrictions are, however, constraining accessibility and creating a further barrier to entrepreneurial survival.

Socio-cultural

Social impact is through the employment of graduates, of whom a majority would be from the region and in improving the performance of indigenous firms, by enhancing, in the case of Techstart, their technical culture.

Systemic principles

Diversity

The PAT has a diversity of expertise and centres distributed through all regions. This is a factor inhibiting the emergence of real centres of excellence. Techstart is available to all sectors but the increasing restrictions are excluding smallest firms and start-ups. The target group has been redefined for bureaucratic and inter-institutional reasons rather than for reasons of matching the needs of the target group - small firms.

Subsidiarity:

The PAT is a top-down action but the centres have considerable autonomy of management within the framework conditions within which the centres are required to operate. In Techstart regional autonomy is dependent on the willingness and motivation of the local officer of the agency, but the programme is centrally regulated and increasingly so.

Techman and Module 4 are also top-down actions created to meet the needs of the central agencies to be seen to be doing something. They are also designed to match their perceptions of what the target group should be doing.

Partnership and networking:

The PAT is conceptualised as a partnership between industry, universities and centres but

no mechanism exists to develop a partnership other than through specific client-centre contracts. There is a relatively weak regional focus and commercialisation is a further negative influence on the concept of partnership. Techstart has had some minimum influence on networking between firms but can be a further factor in strengthening existing relationships between the regional representative of the agency responsible for the programme and regional firms, which are close in the Mid West.

Participation

One PAT has autonomously developed good participation of the several centres in arriving at consensus of management. Techstart was a local concept which became a national programme notwithstanding some reluctance at national level. It led to Techman and then to Module 4 being created at the central institutional level.

Equity dimensions

Social equity

There is no gender differentiation in either programme. Techstart has more socio-economic content in that it is based on supporting people who embody knowledge to integrate with the team of people who form a firm.

Inter-spatial equity

Both programmes are operated in all regions with difference in regional performance being due to local actors.

Inter-temporal equity:

Both programmes are oriented to improved performance and therefore survival but within this PAT has more restrictive objectives and clientele.

Other dimensions

Learning

The PAT is designed to transfer specific technology mainly to a specific sector.

Techstart is designed to provide a continuing capability for a higher degree of learning and that on a person to person basis within the firm. Being largely restricted to high tech firms, transfer of tacit skills takes place only with high tech firms and only within the context of a specific contract. Techstart allows a greater transfer of tacit skills, the restriction on this transfer lying in the level of tacit skills acquired in an academically oriented system.

Integration

There is a lack of integration between policies and programmes in relation to design and implementation. Furthermore, policies and programmes are not integrated with the needs of entrepreneurs and companies.

2 Innovative Actions

2.1 Ballyhoura Development Ltd

The context

Ballyhoura Development Ltd (BDL) is a local development company serving a rural population of approximately 55,000 persons spread over about 500 sq. miles in a relatively inaccessible part of the Midwest of Ireland. Like several other rural communities in Ireland it has suffered from serious rural decline - a shrinking agricultural economy, restricted farm incomes, high out-migration leading to population decline, and a consequent loss of services such as shops, post offices and schools and an increasing level of village dereliction.

The problems in the area have been compounded by a lack of diversity in the rural economy where more than 40 percent of the population are directly dependent on agriculture. The largest industrial employers in the area are the central processing facilities of two of the largest dairy co-operatives in the State, Goldenvale and Dairygold. Until recently the other major manufacturing employers were three branch plants of multinational companies providing relatively low skilled employment. A diverse range of small indigenous firms are also dispersed throughout the area. These include an engineering company and a furniture manufacturer.

Unlike many other rural regions, the area catered for by BDL has had a long history of community and statutory bodies participating and co-operating in economic development. The institutional support framework in Ireland is highly centralised and hierarchical and not conducive to either vertical or horizontal co-ordination. Many communities do not have the capacity to access the range of supports that are available. BDL has developed a co-operative structure through which the local communities, representatives of private businesses and the statutory bodies can work together for the benefit of the entire local community, and has also initiated and resourced a range of capacity building activities. The BDL development model is the action that is analysed in the following sections.

2.1.1 The action

Ballyhoura Development Ltd was set up to administer the LEADER I programme. Its origins go back to the Kilfinane Development Association, founded in 1964 and funded by Shannon Development from 1969. Today the company runs LEADER II as well as a programme specifically set up to counter disadvantage funded through the Operational Programme for Local, Urban and Rural Development.

Supporters and partners include Shannon Development (since 1969), Co. Limerick VEC (Vocational Education Committee), Coillte, the semi-state forestry company (involved since the late 1980s); Teagasc, the state agricultural advisory body, Ballyhoura Failte (Ireland's first rural tourism co-operative), FAS (the Training and Employment Authority, CERT (The Tourism Training Agency), Goldenvale and Dairygold, Limerick and Cork County Councils. The Board also includes representatives of the Community Consultative Committee, which in turn represents 45 communities. The action is targeted at Community Groups.

The motivation behind Ballyhoura Development was the physical, social and economic decline of villages such as Kilfinane and the wider rural environment of Ballyhoura country. Ballyhoura's objectives are to diversify the economic base and to work with local communities in improving the quality of life for those living in the area. The evolution of BDL up to the advent of LEADER can be divided into two main phases:

2.1.1.1 Phase 1: 1964-1985

The origins of BDL go back to 1964 when a small group from the parish of Kilfinane in south-east county Limerick came together to form a Development Association. The Group was assisted by Limerick County Council and Shannon Development, the Midwest regional development agency. The first venture was into rural tourism and was very much product focused with very little local community involvement and very limited explicit environmental awareness.

In 1975 of a small engineering company, Falcon Engineering, was established in the village hall. In 1979 as Ireland entered into a prolonged economic recession it became apparent to the Association Chairman, a local priest, that there was a need to actively seek additional employment opportunities to counteract the social problems that frequently followed redundancy and unemployment. A link was formed with a multinational electronics company, Molex, based at Shannon which resulted in some employment opportunities for women.

By 1985 it had become apparent that there were a number of community problems which were impacting negatively on work practices in some firms. These were considered to pose a threat to future developments in the area. Shannon Development who had statutory responsibility for enterprise promotion in the area appointed local person, Mr. John Quinn, to work with the local community so that agreed procedures could be applied to conflict resolution.

A review in 1985 of the activities of Kilfinane Development Association revealed that indicators of decline were increasing and despite significant activity very little progress had been made since 1964. The Association relied on volunteers as very little practical support was forthcoming from the statutory agencies with the exception of Shannon Development.

2.1.1.2 Phase 2: 1986-1991

Following consultations with individuals from neighbouring parishes a tourism co-operative, Ballyhoura Failte Society Ltd, was established in 1986, modelled on community based agri-tourism initiatives in Austria, France and the UK. The founding members were drawn from the three parishes and also from Macra na Feirme (a national organisation for young farmers) and ICOS (the Irish Co-operative Organisations Society - the role of the ICOS representative was to advise on the legal structures for a tourism co-operative). Macra was actively seeking ways of diversifying the rural economy and had already set up a marketing company 'Community Tours Ltd'. Mr. John Quinn was appointed Chairman of Ballyhoura Failte, with resources for co-ordination supplied by county Limerick VEC and FAS.

At this stage rural tourism was in its infancy. Ballyhoura had no developed attractions apart from an Outdoor Education Centre located in a former second level vocational school which had developed independently of other initiatives. The Director of the Centre became a founding member of the tourism co-operative.

The first two years of modest activity was an important learning phase. A co-operative ethos was established across local tourists interests. But the project remained under capitalised and short of resources and expertise. By the of 1987 it had become apparent

- that the area was too small to grow a commercial tourism industry,

- that tourism development could not take place without substantial investment in infrastructure,

- that tourism development on its own would not regenerate a declining rural region.

In 1988 Ballyhoura Failte Society was reorganised and an integrated rural development plan for the area was prepared by a sub-committee which had been given the title Ballyhoura

Development Board. The stimulus for the Board came from three public sector officials: the late Mr Jim Beary of Shannon Development, Mr Sean Burke (County Limerick VEC) and Mrs Carmel Fox (Teagasc). The Board was convened by Carmel Fox who already had a keen interest in rural tourism. The Board included representatives from community groups and all the statutory bodies with an interest in the development of the area.

The Board quickly agreed a vision that was based on concepts such as distinction, high quality, integrated and multi-sectoral approach in order to provide

- a unique identity, high quality tourism with viable agricultural and industrial enterprises,

- a distinctive image in terms of the environment, its physical and social characteristics, and

- a regenerated rural region.

A five year development plan to cover the period 1988-93 was drawn up with objectives to create additional wealth, increase employment, maintain the rural population and improve the quality of life through tourism and other sectoral initiatives. Tourism development was identified as the main strategy with the focus on the particular niche of agri-educational training so that it could avail of the facilities in the Educational Resource Centre and also complement plans for agriculture, forestry, rural enterprise, education, industry and infrastructure.

Towards the end of 1988 funding was secured from FAS which facilitated the appointment of Carmel Fox as a full-time manager, and office space was provided in Kilfinane Education Centre. Work commenced with a resource audit which provided essential information of amenities, access facilities, accommodation, activities and available services within the area.

In 1988-89 Ballyhoura Failte participated in an agri-tourism pilot project to market Irish Country Holidays in Germany. This initiative brought Ballyhoura Failte into close partnership with key State agencies: Teagasc, Bord Failte and CERT . The concept of partnership was being gradually put into practice, though at this stage the extent of local community involvement in the decision making process was limited.

Further research in 1989 revealed a need to diversify the range of tourism activities in the area and also to enlarge the area catered for by Ballyhoura Failte Society. The area was initially expanded from three to sixteen communities, now there are over fifty. The tourism product range was broadened to include:

- agricultural study tours of local farms

- educational tours for school groups, and historical societies centred around the attractions of Ballyhoura,

- a range of cycling tours in the region,

- activity holidays including canoeing, hill walking ,etc.,

- language training courses teaching English as a foreign language.

In 1990 a Community Consultative Committee (CCC) was established to facilitate greater participation by the local community. The CCC membership is drawn from those community groups who are shareholders in Ballyhoura Failte Society. It meets monthly and has responsibility for electing four members to two-year terms of office on the Board of Ballyhoura Development Ltd. which was formed in 1992 to administer the first major tranche of public funding that became available under the EU LEADER 1 Programme.

By 1991 Ballyhoura Failte Society had gained considerable experience in the strategic aspects of local development. Already it had identified the essential ingredients of a successful local development model, i.e one that is:

- market led,

- focused on high quality,

- driven by a partnership and

- locally co-ordinated.

BDL's achievements up this point were due in no small measure to its method of working based on consensus, identified by the company as its most innovative feature. Working closely with statutory bodies was achieving not only some tangible results but more importantly it was gradually altering the culture of risk aversion that characterises such agencies.

The preparation of the Ballyhoura development plan had commenced after the publication of the EU document on *The future of rural society*. There was a strong emphasis on diversification, planning, integration and mobilising the local population to become more self reliant. By the time the Ballyhoura plan had been prepared much of the new paradigm favoured by the EU had been taken on board locally. When the LEADER 1 Initiative was launched in March 1991 Ballyhoura was ready to participate and thus enter a third phase of development.

2.1.1.3   Phase 3: 1991-97

LEADER 1

The objective of the LEADER 1 Initiative was to find innovative solutions which would serve as a model for all rural areas and ensure maximum integration between sectoral measures. LEADER provided assistance for animation and capacity building activities, sectoral measures (e.g. rural tourism, small enterprises and crafts, use of natural resources) and also for trans-national co-operation. The Ballyhoura LEADER Plan was largely based on the Integrated Development Plan already prepared for the area. Agreement was reached with the Department of Agriculture, Food and Forestry in March 1992 on a revised Business Plan with a proposed budget of IR£3.1m. Ballyhoura Development Board was reconstituted as Ballyhoura Development Ltd (BDL) and given responsibility for the implementation of the LEADER programme.

The Ballyhoura LEADER 1 Plan had the following multi-sectoral objectives:

- to establish Ballyhoura Country as a recognised rural holiday destination,

- to create an attitudinal climate and the expertise base to stimulate rural development in the Ballyhoura area the media of enterprise, human resource development and application of new technology,

- to improve structures and so create an environment in which the development of a diversified rural economic base can take place,

- to encourage the establishment and development of small firms, craft enterprises and local services, and

- to exploit the development of local agricultural and forestry products.

While the strategy sought to promote a multi-sectoral approach to rural development its main strength was in relation to rural tourism. It was particularly weak on supports for small and medium enterprises in manufacturing.

The Board of BDL was expanded to include additional partners. CERT and two local co-operatives, Golden Vale and Dairygold, became formal partners before the end of 1992. The Community Consultative Committee elected four board members. As part of the catchment area extends into County Cork the community representatives from that area requested that Cork

County Council should be represented on the Board. This happened in 1993. The representation of local authority interests on a local development board which was almost unique to Ballyhoura was a good example of the strategic approach that distinguishes much of the Ballyhoura experiment.

An important feature of the Ballyhoura approach to community participation in local development is a recognition that groups vary in their capacity to be effective partners in the local development process. Different support strategies are devised to meet the requirements of groups that reflect their level of experience.

The impact of the LEADER 1 programme which was implemented in the area between May 1992 and December 1994 can be summarised as follows:

- Ballyhoura tourism revenue increased by 100 percent to IR£1.8 million.

- 181 new full-time jobs, 39 part-time jobs and 9 seasonal jobs were created.

- A source of supplementary income was provided for 244 families.

- Three new industries based on local sources of comparative advantage and targeted at niche markets were established.

- Ten quality partnerships were established to undertake specific tasks.

- 77 community/co-operative projects were assisted.

- 28 local community plans were prepared.

- 21,700 voluntary hours of planning and administration were provided by local activists for the local communities.

- Completion of a comprehensive resources and skills audit.

- Ballyhoura Country was established as a recognised rural holiday destination based on the development of tourism infrastructure linked to local natural resources, including over 1,000 miles of marked walks, maps, sign -posting and information brochures.

Despite the shortcomings of the initial business plan, BDL was able to directly address some of the factors inhibiting the development and growth of SMEs in the area. The company facilitated the formation of Ballyhoura Enterprise Support Team (BEST) which included partners from indigenous SMEs, branch plants of multinationals located in the area, and local community representatives. BDL through BEST has piloted a number of initiatives including an integrated action plan - the Taste of Ballyhoura Initiative (1993) - to promote the concept of dining out in the area and to encourage the provision of quality facilities, a Small Enterprise Entrepreneurship Development (SEED) Programme (1994), and more recently QUEST (Quality, Uniqueness, Enhancement, Strategic Planning and Training) which seeks through training modules and individual mentoring to encourage complementary business planning among 20 of the top tourism businesses in the region. An initiative to exploit a local source of comparative advantage in the production of seed potatoes was facilitated in 1992 and launched on a pilot basis in 1993. BDL provided the co-ordination that was necessary in order to launch this potentially innovative source of additional income for farmers in the area.

These and other initiatives to support SMEs are having a positive impact in the area. In 1995-97, 23 new businesses were started and 81 new jobs (measured in full-time job equivalents) were assisted. These are mainly in three sectors: food processing (30), furniture (24) and retail/distribution (13). Just over one quarter of the new businesses were started by women. The share of new employment taken up by females is higher at about 37%. Another positive feature of recent SME development is that the enterprises are widely dispersed throughout the area -

only one-third of the new businesses and less than one-quarter of the employment has been located in the two largest towns in the region. The BDL enterprise support programme has been effective in animating new enterprises which in most cases were subsequently approved for financial assistance by the appropriate County Enterprise Boards. Thus BDL has complemented the activities of the other local development programmes.

The following examples provide some indication of the diversity of SME activity supported by BDL. New enterprises include a designer clothing business, a saw milling firm, a designer furniture maker, manufacture of machinery for recycling wood waste, a diamond tooling business in partnership with a Spanish company, and a glassblowing business. Expansions have been facilitated in speciality food processing and furniture firms.

In addition to its community animation, tourism and SME support activities BDL has also initiated actions to overcome the physical dereliction of Kilfinane. BDL in association with Shannon Development and Limerick County Council commissioned German consultants to prepare a physical development plan in consultation with the local community. The plan has proved to be invaluable in guiding the redevelopment of Kilfinane, much of which has already occurred. Drawing on the experience of a community based partnership in south Wales a landscape architect was employed to assist communities in preparing village physical development plans for which resources have been provided by the Local Authorities and FAS.

The lessons which Ballyhoura learned from its LEADER I experience have been summarised by the Group in terms of the following maxims:

- sustainable initiatives must be market led, quality focused and partner driven,

- key development objectives can be achieved by following a continuous process of evaluation, strategic planning, programme adaptation and action,

- the best results (in terms of employment, revenue, investment, participation) came from integrated programmes rather than from sectoral projects.

- soft supports (community animation, enterprise animation, training, technical support, marketing support) can work extraordinarily well in local development programmes, especially when the programmes consist of integrated components.

- the model is transferable.

LEADER II

While the LEADER I plan was being implemented there was an on-going programme of research, review and planning so that by June 1994 a new integrated plan for the period 1994-99 was agreed, in anticipation of a second LEADER Programme. By this time the BDL directors were convinced that the single most important element in its LEADER II plan was to resource the animation function through the entire LEADER II period.

Ten rural innovation programmes involving both soft and hard supports have been launched with support from LEADER II covering activities in the following areas:

- Co-ordination/facilitation

- Animation

- Marketing

- Quality

- Rural Renewal

- Industry/Services

- Natural Resources

- Food

- Rural Tourism

- Town/village renewal

The programmes are not static and are subject to adaptation through the ongoing evaluation/strategic planning process. Three phases have been identified in the design and implementation of each programme:

- the catalyst phase (co-ordination of partners, strategic planning to define pilot actions, pilot programmes, soft infrastructure). Soft supports have a substantial role at this stage while hard supports are limited and specific.

- the mainstream phase (mainstreaming pilot initiatives which have proved successful, marketing support is the main focus and this has to be complemented by an emphasis on quality product supply). Soft supports are of a strategic nature while there is also a strong emphasis on hard infrastructure to enable the successful pilot project move onto a commercial phase.

- the commercial phase where the market is of a sufficient size to sustain further development activity and very little intervention is required other than to address very specific needs such as access to loan and equity finance, improved distribution system or a co-operative approach to marketing.

The activities supported under the LEADER II programme to date have been strongly

focused on community and enterprise animation. New community groups have been animated and a range of social, cultural and environmental projects have been assisted as the Group expands its understanding of the development challenge. There is already evidence that targeted enterprise animation is resulting in the emergence of an enterprise culture. The factors that have been identified as contributing to successful enterprise promotion include carefully selected soft supports, facilitation of a co-operative culture, and the supportive role of BDL in establishing and sustaining appropriate partnerships while complementing rather than compete with the activities of other support agencies and that through its activities it should facilitate initiatives that otherwise might not happen. In this respect BDL has now progressed to a stage where an embryonic 'learning region' is being nurtured by the Group.

2.1.2 Tackling social exclusion

While considerable success has been achieved in facilitating the participation of local community groups in the development process there are still many individuals and groups in society who experience social exclusion. In 1995 Ballyhoura Development Ltd. in association with new partners prepared a separate strategy to assist those who are long-term unemployed or at risk of becoming so, individuals and households on low incomes, disadvantaged women, disadvantaged elderly, travellers and other minority groups, young people at risk and those with special needs.

An innovative approach was adopted in the preparation of the strategy which included constructing a typology of rural areas on the basis of the population size and the scale of disadvantage. Among the needs identified in the consultation process were improvements in accessibility to services, measures to overcome deficiencies in formal education and skills,

better and more accessible information on supports, and more targeted employment opportunities.

The strategy contains proposals to improve the quality of life of the target groups by

- developing their personal capacities,

- linking individuals to employment, enterprise, community business and supplementary income opportunities,

- creating special interest and community structures,

- solving infrastructural gaps,

- co-ordinating public, private and community resources to achieve optimal benefits for the local partners in the area.

Developing the strategy to tackle social and economic exclusion was a major challenge for Ballyhoura Development Ltd. It involved extending its geographical area and taking in new communities, and more importantly devising strategies to reach individuals and groups who had not been reached in previous animation initiatives organised by BDL. It required BDL to identify new partners, to develop an effective and accountable structure for delivering the programme, and to identify measures that would complement those of others in a manner that would yield enhanced outcomes based on synergy. The strategy prepared was approved in 1996 for almost IR£1million public funding under the Operational Programme for Local Urban and Rural Development.

2.1.3   Prospects for BDL

As BDL has grown and matured as an organisation with a much wider remit than it had even six years ago it has become more aware of the need for ongoing monitoring and evaluation of both its external activities (e.g., those targeted at its clients) and its internal functions (e.g., how it deploys its own personnel resources) so as to enhance its effectiveness. The organisation operates on a lean management basis with a strong commitment to ongoing staff development and review of the relationships it has formed with its partners. Nevertheless, the Group suffers from the uncertainty that arises from the manner in which some of its staff have been funded and the high level of voluntary commitment required of board members. Uncertainty in regard to continuity of funding has resulted in some loss of expertise and undoubtedly impacts on the ability of the organisation to adhere rigidly to its corporate strategy which is larger than any of the individual programmes which it supports.

Future viability of Ballyhoura is dependent partly on the continuity of external sources of funding to remove uncertainties in respect of investment in staff resources in particular. More critically the objectives underlying the action cannot be fully achieved by BDL acting in isolation. The degree of success in arresting rural depopulation, providing a viable alternative economic base and maintaining and enhancing quality of life is dependent on policy formulation in the wider regional, national and European context.

2.1.4   Communication patterns

Much has been written already in this analysis of the critical role played by interpersonal interactions both within the group itself and between BDL and other agencies. It is clear from the account of the evolution of the action that a locally based initiative with top-down support and direction has evolved into a partnership forum for development with full representation and participation by the target groups as well as co-ordinating the activities of other development agencies in the wider area.

Much of the success of the Ballyhoura approach can be attributed to four principles:

1. Partnership and participation was maintained as Ballyhoura grew in size to accommodate additional local communities and as the Group broadened the scope of its activities from being solely focused on tourism to a more integrated multi-sector approach.

2. Creating partnership structures which had the capacity to achieve particular development objectives through a process of consensus.

3. Planning at all levels - Ballyhoura District Level, sectoral level, local community area level, development programme level, project level.

4. Training and investing resources in quality promoters; training of promoters has the capacity to shorten the learning time in regard to quality production and marketing standards.

2.1.5   Assessment of BDL against sustainability criteria

Sectoral dimensions

Environment

BDL has sought to take advantage of local environmental resources but without, at least in the earlier years, an explicit environmental policy. Some of the activities associated with the development of the Mountain Park had damaging environmental impacts. The ecological impacts of an afforestation programme based almost exclusively on sitka spruce, an imported species, were not fully appreciated.

More recently the emphasis has shifted to softer supports for tourism and recognition and appreciation of the cultural and natural heritage of the area.

Some attempt has been made to encourage as many farmers as possible to join REPS (the Rural Environment Protection Scheme funded under the CAP).

With increasing knowledge and awareness of sustainability principles it is likely that the working methods and experience to date of BDL will stimulate and encourage future action to achieve these goals.

Economy

BDL has attempted to diversify the economic base of the area by promoting tourism, small scale manufacturing and alternative farming practices.

BDL have placed a strong emphasis on soft supports and sought to foster co-operation between enterprises, and to encourage targeting of niche opportunities.

The recently launched strategy to tackle economic and social exclusion includes an enterprise component which will seek to directly address the needs of those who are economically excluded.

Socio-cultural dimension

The development initiative in Ballyhoura has been greatly assisted by the co-operative tradition which has prevailed in the area for over a century.

The range and quality of services available to the local population has been increased while support has also been provided to a number of projects aimed especially at sustaining the distinctiveness of the local culture.

Much of the activity undertaken by BDL is aimed at strengthening local social cohesion and seeking to counteract processes that lead to social disintegration.

The continuing decline of the local population and increased levels of personal mobility pose an ongoing threat to the economic viability of some public and private services.

The strategy for tackling social exclusion seeks to improve the opportunities for those who are suffering from either social or cultural marginalisation.

Systemic principles

Diversity

BDL's objectives from its beginnings have been to diversify the local economy and improve the quality of life.

The need to maintain biological diversity has not been fully appreciated: forestry development has concentrated almost exclusively on mono-culture of sitka spruce.

Subsidiarity

Ballyhoura Development Ltd. has evolved as an organisation that seeks to empower the local population. The need for such empowerment derives from the highly centralised administrative system in Ireland.

BDL has pioneered a model of local action based on partnership which not only provides a mechanism for local empowerment but which also has served to allay the concerns and distrust of central level administrators so that now there is a more favourable disposition towards subsidiarity.

Further effort is required to ensure that the reform of local government does not constrain the application of subsidiarity to the level of Local Authorities - devolution of some responsibilities to sub-county representative organisations is also necessary.

Participation

BDL through its Community Consultative Committee has provided a strategy for local community participation in the design and delivery of local development initiatives. It has also recognised the need for others to be participants. These include statutory bodies, local authorities and representatives of the private enterprise sector.

Partnership

Central to the success of BDL has been the development of quality partnerships with a commitment to establishing trust, sharing expertise and working towards consensus.

The success of the model is contingent on the commitment of the partners and the nature of the interpersonal interactions between key actors.

Effective use has been made of sub-committees comprising quality partnerships established for specific tasks.

The vitality of the partnership model has placed great demands on some members, especially those representing the local communities. The voluntary contribution of time and expertise is enormous, to such an extent that it may threaten the long term sustainability of a dynamic and innovative local structure.

Equity Dimensions

Social Equity

BDL has sought to promote social equity through its animation activities and more recently by introducing measures that are specifically targeted at those who are excluded or at risk of being excluded.

Interregional equity

BDL has been instrumental in ameliorating the severity of the problems encountered in the south-east periphery of the Midwest region.

Within its own area BDL has been aware from an early stage of the need extend its expertise to places and communities on the geographical margins. This was especially the case when preparing the strategy to tackle social exclusion.

Intertemporal equity

While priority has been given to addressing contemporary problems the Group has had a commitment to long term strategic planning which has identified objectives for social and economic development. To date the environmental dimension has been less fully acknowledged.

2.2   Scarrif Community Council

Concern at the environmental decline of a small parish in the west of Ireland has led to the community taking its destiny in its own hands by creating a Community Council.

The context

Scarriff is a small rural area in east Co Clare of almost 30sq.kms and a population of 1233 in 1996 of whom 763 live in the village. It has suffered decline in population over many years but has also had in-migration of people, working in Limerick city but chosing to live in Scarriff and of New Age travellers from Britain and elsewhere. The general infrastructure - roads, buildings, parks, etc. - had been neglected or forgotten about over a period of 20-25 years. There had been a local acceptance that these problems would be taken care of by the powers that be, i.e. the County Council and other relevant Government Agencies. Another cause of local concern was the slow but relentless sale of public buildings, some of notable historic interest, and in particular the sale of the old town hall and the old National School for commercial purposes caused a feeling of loss and despair. Local pride in the Parish was at an all-time low.

2.2.1   The creation of a Community Council

Motivated to halt the environmental decline of the Parish of Scariff and more visibly the village itself, in early 1993 an ad-hoc group of local people collectively decided that urgent action was necessary. The possibility of a community council was suggested, as there were many in

existence within County Clare, but a broader role than usual was envisaged. Originally it was hoped that Scarriff and Tuamgraney would have a joint Community Council, as only a bridge separates the two villages. However agreement could not be reached. Scarriff proceeded alone. The Parish was divided into three constituencies - one small with 3 representatives and two large with six representatives each. The 15-member council was to be elected for successive three year terms. The idea was publicised and elections took place in March 1993. Those involved had no idea what the likely response would be.

The 70% poll demonstrated the community's will for change. Some of the original group who initiated the action ran for election, others did not. In the second election in 1996, the turnout was higher at 74% and 12 members continued in membership. All of the initial council members had practical administrative skills from either their own working background or their involvement in voluntary organisations. These skills were critical to the start-up phase of SCC. Essentially, all those who ran for election had previous 'leadership' experience in one form or another.

The Parish of Tuamgraney has subsequently formed its own non-elected Development Group and there is a frequent exchange of ideas between the four local groups of Scarriff, Feakle, Tuamgraney and Mountshannon. To date there have been no joint projects between the Parishes although this is expected to happen in the future.

In hindsight, the decision to stay within the Parish was a good one for a number of reasons:

- a clearly defined geographical area

- local people identify with their Parish Area very easily

- people from the Parish would be anxious that the Parish did well, reinforcing the bond with the Parish

2.2.2   Modes of working

In broad terms the aim of SCC is the 'betterment of the Parish of Scarriff'. More specifically its functions have developed along three lines:

- environmental/infrastructural improvement of the Parish: the long-term neglect, resulting largely from the lack of a unified voice representing the Parish and of a political representative at co council or higher level, had created a long list of necessary work. Initially, environmental improvements were the main aims of SCC.

- improvement of communication and social interaction within the Parish: socially, there was a poor level of interaction and communication in the Parish. People were simply not aware of what was happening. A monthly Parish newsletter is now distributed, detailing all future local events, events affecting the Parish, such as details of any projects the council is to undertake and stories of local/historical interest. There is wide consultation. SCC has also organised a number of Parish Social Events and has made presentations to individuals for notable achievements.

- representative body for the people of Scarriff Parish: finally, SCC provides a focus for people with a problem. Individual representations to Statutory Bodies often had little effect, further compounding the feeling of neglect and isolation. SCC has become very active in making representations and the fact that it is an elected body representing the whole Parish has enabled it to achieve considerable success.

The small size of the geographical area and the distribution of elected representatives allows the SCC to be very much in touch with its members and to identify problems at an early stage. The Council attempts to satisfy as many people as is practicable for it to perform its duties in an efficient manner. It has no links with other organisations. As a non-statutory body, its power is

derived from the acceptance of the people of Scarriff and accordingly its actions are publicly accountable, its actions being visible and accordingly open to public scrutiny. Its biggest threat is disinterest.

Members of the first council, and particularly the chairman, used and developed contacts of their own to benefit SCC's work, but the council also developed a policy of forging direct relationships with key people in the external organisations with which it had to work. Each member of the SCC has designated areas of responsibility and within this area is responsible for the direct key personal contacts in the external organisations. This structured communication pattern functions effectively and efficiently. It gives a greater level of control over their work and has gained SCC a good reputation.

2.2.3 The action

The new SCC realised that credibility was dependent on achieving early success. Unnecessary problems had to be avoided and this could only be achieved by putting the proper procedures in place. The first six months was a very trying time as the newly formed council set out procedures to deal with all potential eventualities and develop a plan of action. There were many sceptics during this period who suggested that this was going to be all that SCC would do.

Environmental improvements were the primary concern since these are very visible and successful achievements would boost support and silence the critics. SCC was all too aware of the work of other groups who came up with very impressive ideas for their areas which were never realistically achievable. Such ideas were to be avoided at all costs when formulating an action plan for Scarriff. Furthermore, all proposals would have to be of practical benefit to local people.

A procedure put in place was that at the start of each three-year term the council would draw up a plan, detailing its objectives for the term, but a plan with the flexibility to cater for the unforeseen and to allow potential opportunities and new issues to be assessed as they arose. To date there have been two development plans.

First Development Plan 1993-1996:

SCC initially met every fortnight to draw up a detailed development plan for the Parish. The plan listed forty four actions to be carried out in two phases. All the objectives are of a very practical nature and include the following areas of work:

Phase 1 included:

- Acquisition & development of historic local buildings

- Clean up, maintenance and improvement of specific areas and infrastructure, both man-made and natural environment

- Secure employment, for betterment of area, under various Government schemes

- A number of specific minor eyesores to be amended

- Encourage residents and others to improve the physical appearance of their properties

- Address the issue of litter by providing an adequate number of litter bins and by a litter awareness campaign

- Restoration of derelict and unsightly buildings

- Development of specific open areas in particular the Market Square

- Improve and develop access to local amenities

- Honour outstanding achievements

Phase 2:
- Development of access to water amenities
- Development of scenic walks/drives
- Improvement and upgrading of road and pedestrian infrastructure
- Development of roadside attractions
- Restoration of historic monuments
- Improve awareness of all local amenities by signposting etc.

The plan stated that these objectives were to be achieved from community subscriptions and through co-operation with the County Council and FAS. Each household was asked to make a minimum contribution of £1.00 per week, collectable monthly. A team of collectors was appointed to make a monthly door-to-door collection to ensure a constant income stream for the Council. The subscriptions provide an annual budget of £10,000 to £11,000. This has been significant in enabling SCC to reach its objectives by giving it an independence of decision making and enabling it to negotiate as an equal partner with the various external bodies with whom it deals. The contribution also serves as a commitment by the local community to the work of the council and is a gauge of local support.

The Current Development Plan 1996-1999:

The current development plan is a list of 25 unprioritised items. A number of projects/actions have been carried over from the initial plan but it is clear that the SCC has broadened its role from mainly environmental improvements to include social and economic development objectives. The new undertakings include:

- Attempt to encourage a reduction in pollution by businesses particularly the largest manufacturer in the district
- Improve social and educational infrastructure
- Develop new amenities close to the town
- Develop an informative scheme of local signposting
- Consult on regular basis with Gardai about local issues
- Facilitate County Council actions
- Act as a facilitator for the development of agriculture in the Parish
- Facilitate efforts to encourage employment creation - liaise with relevant organisations
- Assist groups involved in promotion of tourism
- Co-operate with other groups in the Parish in furthering community development

Examples of projects undertaken

Scarriff square and town centre

The Square was redeveloped and the village centre wathe Department of the Environment. This project cost £60,000, £10,000 of which was contributed by SCC to cover the cost of the stonewalling. Prior to development the Square was used for open parking, with no main feature

38

or pedestrian areas. The development required much local consultation and was amended in some instances to take account of individual views. The net result was a project which met with widescale approval within the Parish.

River amenity area

SCC hired a narrow strip of land fronting the river from the local Mart. This was reclaimed with Leader assistance and developed as an amenity area, i.e. planted and seating put in place. More recently, SCC purchased a six-acre field adjacent to this amenity with 6-700 metres of frontage onto the river. It will develop this as a town park/picnic area. SCC has no definite plans as yet but the development will involve the whole community - the Council has invited all families to plant a tree in designated areas in the park.

A Parish walk

SCC along with the assistance of the County Council (Community Grant) reopened an old link road as an amenity walk . This old road links two roads, Mountain Road and Lower Road, to Mountshannon. From this road an old pathway to a graveyard was opened and a viewing point at the top of a hill was developed. Again this was developed for the local community as an amenity and not as a tourist attraction. The link road is also used by cars with barriers preventing larger vehicles. This is one example of a joint venture between SCC and the County Council. The Community Grant is the main grant provided by the Local Authority and is specifically for community based development.

Waste transfer station

This project, a temporary waste storage facility which accepts all types of waste both recyclable (segregated) and non-recyclable had met with particular objections in the past at other locations. However, because of the good working relationship between SCC and Clare County Council, it was suggested by the Co. Council as a project for the Scarriff area. The community council had previously been trying to get the main Feakle Road improved as it had fallen into a poor state of repair. The County Council suggested this road as a suitable location, near the Mart and a few hundred yards from the town centre. The project would ensure that the road would be upgraded. Without any rash decisions, the project was discussed at length, including a field trip to Waterford where a similar facility is in place. Compromises to the planned proposal were agreed, e.g. cameras at the entrance gates to ensure no illegal dumping when the facility is closed and an agreement for continual monitoring when the facility is in full operation. The open relationship which exists between the SCC and the Co. Council will ensure that should problems arise in the future, they can be successfully negotiated and a solution found. In the interim SCC has worked on the project at a local level while the County Council has been putting the plans together. The Mart has sold land for the development at a reasonable rate and SCC will do some wall building as their direct contribution to the project.

2.2.4   Communication and partnership

In the community

The greatest problem that the Parish faced prior to the formation of the Council was that of poor local communication patterns. Now after only four years, the SCC has gained the trust and confidence of the local community in its work through its open mode of information dissemination and consultation, especially with individuals who might be directly affected by a project. This open process has meant that projects usually proceed without difficulty, a factor in

building the confidence of the Co. Council in SCC . SCC is also very much aware that it is not possible to satisfy everyone: 'if you ask enough people then eventually someone will say no!' It proceeds on the basis of a general consensus, thus ensuring that progress is continuous.

One of the principal functions of SCC is to make representations on behalf of local people - whatever the type or scale of the problem or issue. It was these blockages in communication patterns that was largely responsible for the environmental neglect within the Parish. Now small and large problems can be communicated with ease to SCC and from there, with one respected voice, be requested from County Council or other relevant body. More and more people now approach the community council rather than ignoring the problems.

The County Council

Initially, the Co. Council was very cautious but the effectivenes of the structured communication system established by the SCC and its independence have won the confidence of the Co. Council. The SCC is informed of developments which may affect it. For example, a planning application was lodged for six two hundred-foot wind turbines half a mile from Scarriff. SCC heard about this development from the County Council as it was proceeding without their knowledge. SCC informed the public and organised a public meeting. There was a large turnout in protest of the proposal. SCC organised a campaign, hired professionals and lodged a formal objection to the development.

Prior to the formation of the SCC the County Council would carry out works without local consultation.Its priorities were not in line with the local view. The current situation is of benefit to both sides. The County Council now has a link to what is happening on the ground and can prioritise its work to meet with local requirements and accordingly local approval. Nothing is done without first consulting the SCC and when the County's programme of work is being decided, those areas where there is an optimum level of cooperation, such as SCC, are accorded a high priority. It is a two-way process. SCC is also aware of the procedural requirements of external bodies, in the case of the County Council, the closing date for budget submissions. This ensures that Scarriff receives its fair share of the annual budget. Thus, under the current budget, £10,000 has been set aside for new footpaths in the village and in consultation with the SCC those footpaths in most urgent need of repair or renewal will be dealt with first rather than the County Council proceeding without consultation with local people.

FAS

As with the Co. Council, a good working relationship has developed between SCC and FAS, whose Community Employment programme is the main source of project support. Under the CE programme, there are 17-18 local people employed on various projects designed to improve the local environment. The people employed under this scheme vary in age considerably (20's - 60's) and a good camaraderie developed among those working on community projects. Workers/participants are, however, only permitted to participate for a year after which they must be 6 months unemployed before they can re-apply. The duration of projects can vary considerably, but the FAS schemes may end before projects are completed. There is no guarantee that another scheme can be negotiated. This can seriously hinder progress.

Since the SCC workers were familiar with the projects and wished to complete the work, when another one-year scheme was successfully negotiated with FAS, SCC decided to suspend the work for 6 months over the winter so that the workers could pick up where they left off. The main focus for SCC is on community work, and concern for the welfare of individuals but FAS is constrained by the procedures established for the programme.

Leader I and II

Leader I was aother useful source of funding for projects. Voluntary labour makes a significant input especially in planning and this input was recognised in Leader I but not in Leader II. Currently, 50% of the cost of the project must be incurred with available receipts before the matching finance can be drawn down. In the transition period from Leader I to Leader II, a three-year plan agreed between SCC and the Leader Group was put on hold for 18 months. This resulted in SCC incurring significant debts. The 'partnership' element is absent in its work with the local Leader Group, largely because of a number of inconsistencies in its work with Leader and the political dimension of the Leader Programme. There is only one community representative on the Clare Leader Board. Despite these difficulties a lot of very good work has been achieved through the Leader Programme which would otherwise have been impossible.

Immigrants

A major threat to the Parish has been depopulation but now considerable numbers of people are moving into the Parish area. These new inhabitants, predominantly from overseas, are largely practising alternative lifestyles (New Age Travellers etc.) and typically buy an old dilapidated house, usually in an isolated area, and refurbish it. They live almost as a separate community within the existing community. While there is no great hostility by locals, there is suspicion. Usually these new residents play little or no role within the community. There is potentially a growing conflict unless ties can be formed to remove the suspicion. SCC is considering potential solutions to the problem. A recent initiative, for example, was to invite these people to a primary school to do artistic work with the children. This was a successful initial step, but a more integrated plan is required.

CLAN

This group was formed to represent all the community councils/development groups in County Clare. The objective of CLAN is to promote and lobby at political level common issues to all community organisations. For example the lack of flexibility of FAS training schemes is being pushed and an effort is being made to persuade politicians of the potential benefit of this scheme to community areas. It is felt by many community organisations that politicians are all too willing to praise community groups but not to assist them. "They have to structure their rules and regulations to focus in on and allow community groups to function better".

2.2.5   Impacts of the action

Located mid-way between Mountshannon and Kilaloe, two premier tourist destinations in East Clare, Scarriffwas not previously a natural halting point for tourists, but a lot of tourists pass through the village.The environmental improvements, carried out for the benefit of the local community have in fact led to a visible increase in tourism in the past 3-4 years particularly in the village. SCC now recognises a need for a more focused action on developing tourism in the area. The improvements made have re-awakened a dormant pride in the local area. Neglect is now a thing of the past and the SCC can begin to think of moving forward to consider economic development as an area of need. There is greater social cohesion. Communication patterns within the community and with outside bodies are much improved. The Community Council has become an institnctive focus point when action is seen to be necessary.

The primary frustration expressed by SCC is that they have no definite and consistent arrangements with the various agencies and bodies with which they work. Ideally, if SCC knew that it would receive a certain amount of funding and would have a fixed number of workers at its disposal each year, more satisfactory progress could be made. The reality is one of

increasing bureaucracy and uncertainty. Clearly, Government and EU Programmes have a very important role to play in community betterment/development, but if they are to be effective there must be greater flexibility to take account of each particular situation.

2.2.6   SRD analysis

Sectoral dimensions

Environment

The SCC has focused on environmental improvement as the priority area. The Village Square has been restored and there have been other actions to improve and maintain the local infrastructure of roads and physical amenities, including through ownership of environmental amenities. There is improved waste management and attempts were made to reduce industrial pollution.

Economy

The much improved environment has increased tourism spend in the town. The maintenance, improvement and development of man-made amenities and environment is more cost-effective. People have been employed and trained through the work on environmental improvement and plans for wider economic activities and employment creation are now being developed.

Socio-cultural dimension

More intensive, formal and informal, communication patterns have been established and these have played their role in the improved community cohesion, and increased attachment to and pride in place. Steps are being taken to bring about the inclusion of immigrants of a different culture.

Systemic principles

Diversity

There has been an initial diversity of objectives, environmental, social and participative, and they are to be extended to include economic development and employment creation. Projects undertaken are broad ranging

Subsidiarity

The initiative came from within community, and has been exclusive of individualism and capturing by elite and has generated a mode of self-governance based in extensive participation. The self-governance has been reinforced by the establishment of a core fund enabling independent action to be undertaken and the SCC to engage in joint activities as an equal partner.

Partnership and networking

SCC has a policy of deliberate building of direct interaction and partnership with key personnel in agencies with which it must work in order to achieve its objectives. It has a close partnership with the County Council as a respected and representative voice, having own funds and capable of project management. It has optimised interaction with FAS, the main funding agency, in spite of procedural difficulties in FAS. It is engaged in networking and consultation with

neighbouring community councils with possibility of future joint action and is networking with other community councils in County Clare

Participation

Each member of the Parish is a member, and participates formally through voting and subscribing and informally through communication patterns and membership of other groups and associations. The Community Council supports the activities of other local committees, groups and associations and stimulates action by business owners and residents in maintenance of man-made and cultural environment. Its projects are based on consensus within the community.

Equity dimensions

Social and gender equity

There is no differentiation on gender, social or cultural basis and it is acting to include immigrants of other cultures. There is equality of participation and input.

Inter-spatial equity

There is a deliberately structured equity between the different areas of the Parish. A waste management facility for the larger area has been provided in cooperation with the Co. Council.

Inter-temporal equity

By maintaining and developing the man-made capital stock and natural capital, preserving and developing the cultural heritage and commencing to improve the human capital the Council is deeply engaged in sustaining the Parish's resources for future generations.

2.3   Limerick Youth Services

Limerick Youth Services is an action to address some of the problems faced by young people in Limerick City and County and particularly the problems of the more disadvantaged young people of the City.

The context

Limerick City has a population of 75,436 and the County 165,042. The County is predominantly rural and has been suffering depopulation for a long time. Growth has been concentrated in the area adjacent to the City. Limerick city has three quarters of the county unemployed and two-thirds of the Mid West's. There was a significant level of poverty in the inner city area since at least the mid-19th century which was ameliorated by large scale housing provision on the peripheries from the 1960s. Unemployment and low paid employment, however, remained high and the decline of indigenous industry, such as food and clothing, resulted in unemployment trebling from 1980 to 1993. Long term unemployment, i.e. unemployment for more than one year, is particularly serious, at 40% of the unemployed. The figure has been reduced by redefinition of welfare supports, under which many of the long term unemployed have been retired from the live register. Public housing areas have, on average, twice the levels of unemployment, lone parenthood and early school leaving as the city norm and up to four times the rates pertaining in the suburbs. They exhibit many other inter-related problems such as poverty, indebtedness, educational disadvantage, inferior standards of health and housing, drugs, and family break-up

Under the current economic boom and corresponding growth in employment, unskilled and poorly educated young people from disadvantaged backgrounds are becoming even further marginalised from the jobs market. Leaving school early, many not only have no skills to offer but usually lack the most basic - reading and writing. Furthermore, many are being brought up in an environment where their fathers and grandfathers and all their family around them have not worked or are not working, essentially a welfare dependent society. There is a certainty in the welfare system, making it difficult to break out into the uncertainty of employment or something new. There is a large void in the education system into which these young people are falling.

2.3.1 The action

Limerick has a tradition of leadersip in work with young people. In 1962, the National Boys Club Council was formed there and developed into the National Youth Federation and Limerick Youth Services had its origin in the Limerick Youth Clubs Council. The initiator of Limerick Youth Services is a nun, Sr. Joan, teaching in a city school but involved as a voluntary worker with youth clubs and groups. She became alarmed at the increasing numbers of young people dropping out of the school system. To gain a better understanding of the problem she undertook a post-graduate course in adolescent development.

In the early 1970s, she assembled a group from people already involved and from friends, largely professional middle class, who were genuinely interested in the welfare of Limerick's youth. Most were involved in other organisations in some management or administrative capacity. Intentionally, there were in the beginning no representatives from the poorer communities. It was agreed that there was an urgent need to address the growing problems facing disadvantaged youths but that this should be supported by developing the existing base of youth work.

About 1971, the idea for 'Limerick Youth Service' based on the developing youth work network was first suggested and discussed with the Catholic Bishop. In 1973, the Department of Education gave a grant towards the appointment of a full-time youth officer, Sr Joan. In 1974, a committee was formed to raise finance and has continued to raise significant funding to develop the expanding physical resources and to initiate activities. In the same year, a full-time secretary volunteered to work for a nominal salary, a key event, and a Youth Office and Drop-In Centre was opened. In 1976, a delapidated building was purchased in the city centre. Money was borrowed, backed by a contribution from the Convent. Further monies were raised to refurbish the building. Training commenced but was piecemeal - some crafts, cooking, budgeting, etc. Eventually LYS could not cope with the sheer numbers of young people seeking its aid.

In 1975, LYS was formally established as an Incorporated Scheme under the Charities Act, with a board of 15-16 people, the Youth Service Board, under the joint patronage of the two Bishops of Limerick. Board meetings are held bi-monthly and there is a rotation system in operation from a pool of suitable Board members. The pool consists of individuals from various backgrounds but all sharing an interest and motivation in the welfare of young people in Limerick. Members are not representative but solely volunteers with no hidden agenda. They do not work directly with young people but facilitate this work, using whatever contacts they have or have developed to the benefit of LYS and applying their specific skills when appropriate.

In 1981, an old garage was purchased, demolished and a purpose built training centre was opened. The convent, the Department of Justice and a variety of events and activities in which the young people themselves were involved, raised the substantial funds needed. This housed the Community Training Workshop, the outcome of a pilot project supported by funds from the European Social Fund, Shannon Development and LYS. The concept was developed with the

assistance of FAS and was to train 25 youths over a two-year period. The feasibility of the concept was demonstrated. LYS approached FAS and gained financial backing for a permanent programme, a significant but local change in the approach of FAS. From an initial 50-60 young people, there are now 100 in full time training with others who come and go on a weekly basis.

LYS has introduced further programmes, often taking the initiative, using its own funds for a pilot programme before gaining state support, or, taking advantage of EU and other programmes to carry out activities which support, and are integrated with, the overall strategy.

The work has evolved into four main areas of activity: main line youth work, work with disadvantaged young people, a Youth Information Service and residential and outdoor programmes.

Main line youth work:

The main line youth work is supported by grant from the Department of Education through the National Youth Federation.

The first step in the evolution of LYS was to recruit a number of 'leaders' from city and county communities to establish and work in youth clubs/groups in the various Parishes throughout the county and in communities in the city. Intensive evening training courses were organised for these volunteers. There are now upwards of 50 Youth Clubs and Groups throughout Limerick City and County, serviced and affiliated to the Limerick Youth Service. A team of local volunteers, trained and supported by full-time Youth Work Staff from LYS, are in charge of each Youth Club/Group but the young people participate as much as is practicable in the running of the clubs so that they learn to take on responsibility and gain organisational skills. The activities of the youth clubs vary but generally in addition to outdoor and recreational programmes they provide personal development and educational programmes such as creative arts, alcohol awareness and justice programmes.

The training provided to volunteers/leaders has been revised, 1995, under the Youth Work 2000 programme, designed and initiated jointly by LYS and the Clare Youth Service and funded by the Department of Education through the National Youth Federation. Accreditation opportunities are offered to Voluntary Leaders through links with University College Cork, the National College for Vocational Awards and other bodies. The Outreach project, grant-aided by the Dept. of Education, aims to complement the training at the Youth Service Workshop and encourage young people to become active in youth work initiatives in their own areas.

LYS has participated in a number of youth exchanges programmes through the Youth Exchange Bureau in Dublin.

Work with disadvantaged youths:

There were no services in Limerick in 1970 for the growing numbers of disadvantaged young people. It was felt that there had to be better opportunities and aspirations for them and there was a need to create a greater awareness of their plight. There was also the realisation that such young people require 'hand holding' over a number of years to make-up for what was absent from the earlier stages of their development. While the plan for action was initially unclear the motivation was there.

The Community Training Workshop is the central activity. The objective is to provide training in various specific skills but with a strong emphasis on educational attainment. There is a major focus through the mode of training on integrating the trainees in society. The workshops are located in the city centre and are thus easy of access by the purchasing public. The skills training takes place through the following business activities:

Restaurant	Soft furnishing
Shoe repair/leathercraft	Machine Knitting/Sewing
Bakery	Catering
Delicatessen	Horticulture (in the garden of a convent)

Certification on completion of a course is essential, but was difficult given the lack of formal educational qualifications of participants. Initially certification was provided by the Royal Society of Arts (RSA), London, but more recently a certification programme has been developed with FAS, based on integrated assessment. FAS has forged links with CERT to provide certification for the catering training and with Teagasc for the horticultural training. CERT is the national organisation for training in the tourism industry and Teagasc for the agricutural industry. The educational element of this programme requires the trainees to undertake two core modules, (Communication & English and Mathematics) and five electives. Computer training is part of the certification requirements. The equipment was donated by a bank and FAS. Recently, links have been forged with The National College for Vocational Awards (NCVA). This provides foundation certification for young people and LYS currently operates under level 1 of this system.

The focus on social integration is unique to LYS training workshops. The organisation of the training is such that the workshop activities deliberately bring the young people into direct contact with the public as customers, causing them to interact and learn skills in communication and in providing a service. This interaction is of critical importance to their integration in society and, therefore, to their future job prospects.

Currently, a course is being established to enable those who would have the potential, given a proper environment and a well designed programme, to undertake the Leaving Certificate Applied. Those who undertake it may be able to enrol for further training in mainstream education. Initially this programme will cater for 20 young people. The project has not been approved for funding by the Department of Education, since the capitation grant is available only to schools at the secondary level within the formal education system. LYS will attempt to demonstrate that this programme can achieve worthwhile objectives and can be run successfully. This initiative is being organised jointly by Limerick Youth Services and Clare Youth Services and has the support of Shannon Development.

In 1992, LYS developed a hand-made chocolate making enterprise. The objective was to retain young people who had the potential to benefit from a further training period beyond that provided by the Commuity Training Workshop scheme. Since no funding was available for further training, LYS decided to develop a business as a vehicle for such training. A local businessman offered the premises at no cost. The business failed after four years, but the experience and training gained 47 young people full-time employment elsewhere. The property is now the location of the Youth Information Bureau.

A number of other initiatives have been introduced, at the initiative of LYS or at the request of a a state agency, to assist the marginalised and disadvantaged. One programme, funded by the Mid-West Health Board, is to re-integrate young people, aged between 10-17 years and deemed at risk, into normal school/training and to equip them with a range of social skills through after school support, family visits and recreational and personal development programmes. The programme operates outside school hours. There are 2-3 staff allocated to each area and volunteers provide additional support. The project has strong links with the local schools to ensure that those who come to the various centres have attended school on that day. The children have responded very positively to this initiative and attend school to ensure they can participate.

46

The Special Social and Education Initiative, grant aided by the Dept. of Education caters for young single parents and young offenders. It aims to develop a sense of self-worth in participants and offers a variety of experiences in practical skills training together with budgeting, communication and parenting skills. Evening and weekend leisure activities as well as residential experiences are offered to both groups.

The VEC Long-term Disadvantaged Youth Project, grant-aided through the Limerick City Vocational Education Committee, is operated in a number of city Parishes which have a high concentration of young people, limited resources and a need for close support work in developing structures. The objectives of this initiative are to generate coping and life skills, to encourage involvement in challenging and constructive leisure activities and to assist young people to develop to their full potential.

A two year pilot project under the EU Youthstart initiative, run jointly with Clare Youth Services, provides a range of support services to early school leavers.

Parents, the majority of whom support the work of LYS, are involved in the programmes as much as possible. For example, an evening event is held to celebrate the award of certificates to develop pride amongst family and young people in their achievements. When training is completed, LYS tries to keep in touch and monitor progress and will bring them back if necessary for further assistance. Counselling is a necessity in dealing with young people who can be highly volatile and LYS employs a full-time counsellor.

Limerick Youth Information Bureau:

This service was established in 1987 to meet the needs of young people and their parents in Limerick City and County and is provided free of charge and in complete confidence. The range of information is comprehensive and includes:

Careers	Legal and financial matters
Accommodation	Travel at home & abroad
Employment matters	Migration
Coping with unemployment	Entertainment/Recreation
Sport & Leisure	Youth Work
Rights & Entitlements	Family/Personal Problems
Local Services & Facilities	Organisations & Clubs
Consumer Affairs	Health & Social Services
Education & Training	Voluntary Work

In addition to the 'one stop shop' in the city centre, there is an outreach service to schools and all youth groups. It is one of a number of Youth Information Services networked throughout Ireland through the National Youth Information Monitoring Committee. This organisation is in turn networked to the European Youth Information and Counselling Agency.

Residential & Outdoor Programmes:

In 1969, an old delapidated farmhouse was bought with the aid of a grant from the Department of Education to use as an outdoor centre for youth clubs and groups. The facility has been extensively developed, with a consequent high debt, and is maintained financially by being used also as a members club and by renting of the swimming pool to local schools. Residential and outdoor programmes are an essential element of the Youth Service provision, both for those in

youth clubs and those participating in the programmes for the disadvantaged. It provides a more relaxed environment for working with disadvantaged youths. The Centre is managed by full-time local staff and qualified instructors are available for all activities. The facilities include accommodation for 60, conference room, indoor and outdoor sports and leisure complexes, and facilities for adventure activities.

Other Programmes/Initiatives:

LYS promotes participation in Gaisce (The President's Awards) awards scheme. Young people are encouraged to become involved in their community, to take part in new activities and to raise their level of participation in activities. Programmes are run in Art and Art Therapy. These have a threefold focus - exploring personal and social issues and offering a means of self-expression. Also every young person in full-time training is invited to participate in a religious formation module which forms a part of the programme on offer. Finally a Counsellor is available for one-to-one counselling. Where appropriate parents and extended families are involved.

Staffing

Much of the above work with young people is conducted in the evenings and at weekends and is carried out by outreach workers. It is a key to the success of these programmes that these workers are local volunteers who work within their own communities. LYS provides them with the necessary training and support. There are 47 full-time staff with LYS as follows:

- 5 staff with Youth Groups in the City and County

- 5 staff working on projects funded by the Health Board

- parish youth workers in the City working in disadvantaged/very marginalised areas: this is funded in part by the Dept. of Education

- 6 staff for the Information service & secretariat

- 10 staff in Ballyloughran Residential Centre

- 18 staff in the Community Training Workshop in Limerick City

A lot of businesses will not engage young people from the black spot areas. Good contacts with hoteliers for example are helping to overcome this problem. There is need to build on these relationships and extend them. There is thus an urgent need to have a full time person for full-time and temporary job placements and for monitoring of young people on job placements. These young people are usually fearful of starting a new job as they lack self-confidence in moving from the caring shelter of LYS to such a new environment. They require support through this move. Funding for this position is currently being sought.

Motivation

Despite initial lack of resources and uncertainty as to the future, the enthusiasm and commitment to the welfare of young people of voluntary and full time workers and especially of the initial Board members have been the driving force. LYS has never been afraid to try out new ideas, prove them worthwhile with its own resources and then raise funding from state services for a continuing programme. The lack of funding for the initial stages of a project has not been a drawback. In many cases the projects were successful because of the sheer determination of staff, volunteers and community people. Its independence and demonstration of its abilities to pilot and manage projects have given it a strong negotiating position with state services and the local agents of state services. It has been able to mobilise resources and commitment from all

sections of the Limerick community and it must continue to maintain a high profile in the community. It has been said that LYS is a viable organisation as long as it is supported by people power.

Communication patterns

LYS has been developed on the basis of mobilising people to contribute to opening opportunity to the young people of Limerick and particularly the young disadvantaged people through a breadth of education and training programmes. Sr. Joan initiated the idea for a Limerick Youth Service, but the final decision to go ahead was made by the initial Board, who were instrumental in its set-up and development. All were willing to use any contact they had to further the LYS. This was primarily in the area of fund-raising. For the most part, contact with external agencies was not through existing relationships but had to be developed over time. Sr Joan has continuously been engaged in extending her own range of contacts and in mobilising others to use and extend their contacts, whether Board and committee members, voluntary and fulltime workers. LYS success in piloting and managing innovative projects has gained it a leading role in youth work and FAS use LYS as a high profile example of what can be achieved. Other agencies such as the Health Board and Department of Education have not only made commitments of support but use LYS as a means to address specific local problems or deliver programmes. Communication linkages are, therefore, being continually strengthened by the achievements of LYS.

At the same time there is an environment of sharing in the Mid West. Shannon Development has given continuing support and a cooperative relationship has been built up with Clare Youth Services. LYS has strong links to regional, national and European agencies of relevance to work with young people.

Given the shared commitment to the welfare of young people, internal communication is efficient and effective and because functions are clearly allocated to different groups of staff, there are no conflicts. Similarly, the Board carries out its defined role and does not become involved in the day to day management of LYS. Communication by LYS with its target group was initially by word of mouth and brought large numbers to its first centre. Today, its range of activities gives it a depth of penetration in the disadvantaged communities which brings about direct contact with those in need of assistance.

Supporting measures

In general, LYS has always been very well supported by the various programmes and initiatives of Government and the EU. LYS has in most cases had to initiate projects, prove their worth and then seek support, indicative of a lack of flexibility to match needs and circumstances in programmes and supports. Given its success and increasingly high profile, local agents have gradually adapted programmes to meet the needs of LYS, and on the other hand, LYS has utilised the opportunity of various programmes or initiatives to achieve its own objectives, adapting and integrating them into its own strategy.

The main source of external funding has been programmes administered by FAS, particularly what is now the Community Employment programme. FAS schemes have been found to be especially inflexible in matching needs but the inflexibilites have been gradually overcome. Initially, support for trainees was for one year but through close relationships locally this was increased to two years and then to two years six months, a recognition that these disadvantaged young people needed a longer period of training if they were to catch up.

The most consistent problem is the overburdening and time-consuming paper work involved in all Government and European initiatives. LYS acknowledges the need for accountability but

feels that at present the red tape involved goes beyond what is required. In many programmes it is felt that this overburdening can be reduced significantly.

2.3.2   SRD analysis

Sectoral dimensions

Environment

LYS has engendered a new regard for environmental resources through the training in service to others and through the outdoor activities.

Economic

LYS is providing practical skills for disadvantaged young people and creating routes to formal educational qualifications, thus enabling them to gain employment and participate in society to a greater degree. Substantial own core funding has been generated through a variety of events, enabling LYS to maintain independence and to take initiatives.

Economic activities, manufacturing goods and providing services, have been created as a mechanism of training. These also generate further income. A commercial enterprise in the form of a company making and retailing hand made chocolate was established as a means of extending training but this was closed recently.

Employment is provided for 47 full-time staff

Socio-cultural

Opportunity is provided to young people and to disadvantaged young people to develop their potential and the action brings disadvantaged youths on the margins back into the mainstream of society. There is a strong emphasis on improving social skills in all its training programmes and this is a major element in restoring to young people their self-esteem. The restoration of self-esteem contributes to the maintainance of local identity and culture.

The interaction between the general public and the participants which is a unique feature of its training also creates a positive attitude in the public through receiving a service rather than a negative one of suspicion and exclusion.

A significant component of the work has been the creation of an extensive voluntary and full-time workforce, intensively trained to work with young people.

Systemic principles

Diversity

The programmes for young people provide a range of very different skills, including social skills, through the diversity of programmes and projects undertaken in a systemic and cohesive fashion

Subsidiarity

LYS is a self-governing organisation working on equal terms with local and national agencies and able to interact directly with them. Responsibility is devolved to various committees and to appropriate staff in the various projects. Its independence of decision making and the core funding raised independently have enabled it to undertake programmes at its own initiative.

Partnership and networking

Its activities are based on partnership and inter-linkages in all sectors of Limerick society and it has links with all bodies relevant to youth affairs in the Mid West, nationally and at a EU level. It is affiliated to National and International Youth Organisations.In taking the initiative to demonstrate programmes which work, it has induced state agencies to work in close partnership, responding more flexibly to needs and depending on it to provide services to young people

Participation

LYS is an on organisation based on voluntary participation by a wide range of people interested in and committed to assisting disadvantaged young people in the Limerick area. Winning participation by different interest groups in projects is a conscious strategy.

Equity dimensions

Social and gender equity

It caters at different levels for all young people but is particularly concerned to cater for disadvantaged young people and to integrate them into mainstream society. It is directed to creating an opportunity for them to find a route out of their potential situation of becoming long term unemployed and to break out of the cycle of family and community disadvantage. Its major objective could be stated to be the promotion of social equity.

Inter-spatial equity

Intra- and inter-spatial equity are an explicit aim in the sense of enabling young people from disadvantaged areas to begin to enter the mainstream and attain a quality of life and work nearer to that of the young people of other areas and thus to raise the quality of life of their own areas. It is a force in returning pride in place and community.

Inter-temporal equity

In its programmes for disadvantaged young people LYS aims to break the intergenerational cycle of unemployment and disadvantage by providing technical and social skills. The emphasis on skills and social training is an investment in human resources which otherwise would be wasted, these young people having fallen into a void, created by the education and industrial development policies pursued.

Other dimensions

Learning

LYS is an active learning system and therefore an innovative one. It is open to new ideas and best practices developed elsewhere and through its strategy of undertaking pilot projects, it is engaged in an active learning process, exploring the feasibility and efficacy of a new approach, or not, and in demonstrating relevance to the needs of young people. Through its partnerships and the personal relationships of staff and board members and the pilot projects, it activates learning in state agencies and other support institutions and encourages change and adoption of new ways to fulfill objectives.

Through its extensive network of outreach workers, counselling and information services, it has in-depth contact with young people and their families from which it is continuously learning of their needs in general and of the needs of specific young people in particular.

Two major streams of strategy are the training of full time and voluntary workers and the training of the disadvantaged, both carried out in a way which integrates them in a continuous learning process. Although vocational skills are restricted in range and standard, the young people in training do acquire tacit skills in dealing with customers and in carrying out production and service activities.

Integration

LYS has been vigorous in integrating a wide variety of national and EU programmes into its strategy, and in taking advantage of the opportunity which they provide to reinforce and extend its own programmes. It has adapted and adopted in order to obtain funding and to enter on new activities which reinforced its operational efficiency and effectiveness.

Volunteers, professional staff, board members and state employees are integrated in collaborative and cohesive activity whilst each has a clear remit to fulfill their function.

Families of young people are integrated in the process of assisting young people to break out of disadvantage and marginalisation.

The ease of public access from the main city street to the production and service activities integrates the public in the training process.

2.4   The Vitalograph virtual business centre

This action was initiated by a manufacturing company and has the objective of creating a virtual business centre or cluster of collaborating but independent companies.

The context

The regional context within which this innovative action has been initiated is one of very weak indigenous development stemming principally from a weak vocational training system and a high degree of centralisation in government and in infrastructural support to industry. The majority of the industrial work force are employed in the branch plants of Multi-National Corporations, chiefly US. There are a very few foreign owned plants which have significant autonomy of decision making. Vitalograph originated as such a plant. In programmes of support to industry there is a strong focus on high tech such as in the Programmes of Advanced Technology, on job creation and on grant giving. The Techstart Programme is an exception, which albeit through grant support, aims to enhance the technological capabilities of manufacturing SMEs in all sectors.

Vitalograph Ltd., the world leader in pulmonary function test equipment, was set up in England in 1963 by a German post-war emigré to manufacture and market office spirometers. Quickly earning a reputation for quality and reliability, it expanded in product range and markets. It now manufactures four lines of products: spirometry, respiratory monitoring, emergency resuscitation and disposable pulmonary function test equipment, with sales in over 100 countries. Vitalograph designed products are also manufactured for OEM distribution. In 1976, the owner/manager was persuaded by an Irish motor dealer who had become a personal friend to establish a small sub-assembly operation behind his friend's garage in Ennis, Co Clare. The operation expanded and was transferred to the present site on Ennis Industrial Estate. Factory size was more than

doubled in 1986 and production located entirely in Ireland with further expansion in 1992. The company received substantial grant aid from Shannon Development to locate on the Ennis Industrial Estate. Successful growth in the key markets of Germany and the USA led to the formation of subsidiaries for distribution in 1980 and 1986 respectively. World wide distribution is assured through a network of independent dealers and subsidiaries in 62 countries. In 1991, a manager was recruited with the aid of the Techman programme to manage the R&D activity which was being transferred from England in order to be more closely integrated with manufacturing.

The management culture is more that of a German Mittelstand than of an Anglo-Saxon cost/profit culture. The company has three senior Directors - production, quality and R&D - who work as a team and have individual responsibility for the budget and output performance of their areas. The managing director divides his time between Ireland and England and other sites. There are about 100 employees, a figure which fluctuates according to production demand.

Quality assurance extends through all in-house functions of design, production and distribution, to suppliers of goods and services. The company produces to EN 46001, medical equipment, and also to EN29001, ISO 90001 and BS5750, being certified by BSI, DOH and TÜF. It has FDA (US Food and Drugs Administration) approval as an Authorised Medical Device Manufacturing Facility. In 1996, it won the Irish Section of the European Design Prize for new product design and innovation. Close relationhip with customers is maintained through field sales representatives and managers, and reinforced by customer training courses and by provision of service and repairs by Vitalograph staff in the four 'home' markets and by distributors elsewhere. Whilst the company does not have any significant environmental impact, environmental quality is integrated into all procedures as an aspect of overall quality management, for example PVC is not used in any product or process.

Some ten years ago, the painting shop became an independent operation, carrying out work for Vitalograph and other customers but continuing to be located in the Vitalograph premises.

Research projects are carried out in conjunction with teaching hospitals, universities and clinics in several countries. There are close links with standards-making organisations and major pharmaceutical companies, especially the major players in respiratory and asthma medicines. The company develops advanced equipment for testing of proto-types and products. It has received a number of R&D grants from Shannon Development and recently a three year plan containing a number of projects was approved for rolling grant support. Active use has been made of the Cooperative programme of the University of Limerick, under which students spend part of the second year working in a company or other organisation. There are seven such in the company currently, working on development projects.

The R&D activity is managed as a flat structure, with each professional working as a project manager, and as such offers no career path to staff. They gain experience and leave in three to four years, often being poached by MNCs. Their experience and knowledge of the company's operations and needs is thus lost. Within a situation where there is a general shortage of hardware and software engineers, experienced people are not recruitable because they want senior positions. Consultants were not successful, high cost added to R&D overhead, and freelance consultants found the job isolated.

2.4.1   The action

The vision is of a growing cluster of companies closely collaborating and interacting, each maintaining its own innovativeness by working on different but related projects for clients of whom Vitalograph would be a significant one. This vision is to be achieved by spawning new businesses out of Vitalograph and thus creating a virtual business centre. Believing that people

setting up need resources and collaborators rather than competitors, the plan is to provide in a systematic and caring way time, space and security in which staff can work on developing their own business. Space is provided in the offices of Vitalograph. Time is provided by allowing those opting to participate to spend approximately a year developing their business whilst continuing and completing the project which they are managing, and then to be guaranteed approximately 60% of their previous salary in contract work for Vitalograph during a first period of independence, which may vary up to two years. The concept is characterised by a flexibility designed to cater for the individual needs of the entrepreneurs. Thereafter contract work for Vitalograph is on a need basis. Assistance is provided in setting up a pension fund. The company's equipment and offices are available at all times, day or night, for development of the business and advice on business and financial matters is readily accessible. On the other hand, the view of Vitalograph is that if one or another cannot make up his mind after two years it is better that he seeks full time employment.

The concept was initiated by the R&D Director in January 1995, agreed with his peers, the Directors of production and quality, and gained the enthusiastic agreement of the managing director, a major shareholder. The seed was sown by presenting the vision in informal discussion in the canteen to professional staff and to co-op students. For those who might participate the idea was the opportunity of a new kind of career but to participate they must earn the respect of everyone. There can be no compromise on the ethos of trust, sharing and collaborating. It was not easy to enable people to grasp the bigger vision. Reaction was cautious. There was concern regarding security of commercially valuable know-how at senior levels. The concept was regarded with suspicion by some as being, for example, a means of getting rid of staff without redundancy payment.

The concept has been transformed into action and there are now three people, including the original paint contractor, who are independent entrepreneurs. One is a toolmaker and tool and PCB designer working for Vitalograph and other clients on a freelance fee basis, and the other, a CAD systems engineer, commenced as a Techstart supported employee. Four others are in the transition phase, three of whom are software engineers who work as a team and advertise jointly, e.g. through Internet, as willing to undertake small projects on a one to one basis or create a project team to work with a client's team. The scheme has been extended to include a husband and wife team. The wife is employed on a part time basis, assisting her to re-enter employment by up-grading her skills, and the husband, learning of the scheme, is now developing his own business within Vitalograph, having given up his previous employment. One employee of the CAD system company is now being similarly assisted to start-up his own company.

The CAD systems engineer founded a company engaged in CAD and in installing tailored CAD systems, for which he has exclusive distribution rights in all Ireland. There are now four employees. He is a graduate of UL (University of Limerick), spent his co-op work at a large medical equipment engineering (prostheses) company in Limerick. He was identified by the Forbairt representative and employed by Vitalograph under the Techstart scheme. Whilst a Techstart supported employee, he undertook four courses and the Techstart supporting budget was used for a project management course. He managed a number of projects whilst in Vitalograph and 50% of work in the first year of being independent was for Vitalograph. The Techstart programme introduced him to the area manager of Shannon Development for Co Clare, who has proved supportive and enabled the company to be located in Clare Business Centre, an initiative of Shannon Development. The scale of operation required larger premises than were available in Vitalograph. The bank manager, located in Shannon Town, has also proved to be very supportive, in providing significant start-up finance. He is attempting to develop a virtual company by employing several sub-contractors. One Techstart graduate is

currently employed by him and he would hope to employ one each year. Good links with Electronic Engineering in UL has led to employment of a Co-op student and he intends to commission a final year project in UL. With the assistance of the Forbairt representative, he is hoping to link into the EU software support programme. Initially unable to win support from Measure 1 (R&D Grants programme) through Shannon Development, since there was no category under which he qualified, reform of the Measure has more recently enabled him to receive support for the employment of a researcher. An ABT (Irish Trade Board) marketing grant proposal was not feasible, the company is too young and the proposal would have been too costly for the company. He would like to avail of Shannon's mentor scheme. Introduced by the Forbairt representaive he is seeking assistance from the County Enterprise Board. The next stage is to have his own hi-tech building.

The toolmaker is now in process of establishing an injection moulding company which will initially employ three injection moulding staff, ideally located in the proposed extension to Vitalograph. He is sharing a toolmaker with Vitalograph. The County Enterprise Board, to which he was directed by Shannon Development, has been helpful but is limited in what can be done. The CEB awarded a start-up grant. Otherwise he is finding difficulty in locating support being below the five employee floor for Techstart and the ten employee one for other Forbairt and Shannon Development programmes. He is thus excluded also from the Techman programme. In his view, the business park concept gives gains to Vitalograph in risk taking ideas.

The joint venture with the paint systems company is now ten years old, employs six, is working a second shift to meet a demand of which 10-15% is from Vitalograph. A good responsive and quality service is provided.

Vitalograph has an option to expand on an additional portion of its site until June 1998. The intention is to use the site to build a 'wrap-around factory' which will house some activities of the Business Centre. Space would be provided for the injection moulding business and for the toolmaker who also has support from a company producing high tech equipment. Additional office space for software etc activities and additional space for the painting operation would also be provided.

2.4.2   Supporting measures

The Techmstart programme has proved to be the most used and beneficial technical support system. Of the four professional staff establishing their own company, three were recruited at the Techstart Fair, although only one under the Techstart programme, and one directly through the Forbairt representative. Jonathan has also availed of the scheme for his company. The scheme has been restricted recently to companies employing five or more and thus Fergal has been excluded.

The *Techman programme* had in fact a significant impact on Vitalograph but this has been due to the particular culture of Vitalograph management and of the R&D manager appointed with the assistance of Vitalograph. Other firms have not benefitted due to the terms on which the scheme is offered.

The Advanced Manufacturing Technology PAT at UL gave good assistance in the surface mount line but otherwise would not be used on a development project. Vitalograph is working closely with the Power Electronics Ireland PAT at UL.

Other policy/programme support:

The University of Limerick Cooperative student scheme: Vitalograph has made extensive use of this scheme. The students are used on development activities, but have not sufficient expertise

since the work placement is too early in their course. Vitalograph devotes considerable effort to their training, engaging them in courses supported under the Techstart programme and a software development course. They are integrated into the project teams and the professional staff and budding entrepreneurs get to know them well. Unfortunately, it appears that the programme for electronics and software students is oriented to large companies which have first choice. It is not filtering to small companies. It has proved difficult to enter into a close relationship with those managing the scheme in UL. Concern regarding lack of quality control in courses at UL was also expressed. All the graduates participating in the Business Centre concept are graduates of UL, which seems to reinforce attachment to place.

CEB

The County Enterprise Board is helpful but slow and limited in what it can do. CEBs were created to give a more direct role to local authorities in economic development through grant giving to start-ups from specific EU funding. Shannon Development cannot now assist start-ups.

R&D support

Research and Development projects in Ireland are funded, usually at 50% of cost, but in some cases, especially when the company is highly profitable and has previously been the recipient of many R&D grants, the level of support is reduced usually to 35% but in a few cases even lower. Up to the late 1980s, this support was administered by the state agencies (IDA and Shannon Development) and was simply known as the R&D Grant Programme. The government was anxious to increase the level of R&D being undertaken by companies and hired outside consultants to promote and administer the programme. This temporary arrangement was known as Measure 6, but was identical in every respect to the old R&D programme. After twelve months, the programme again reverted to the Agencies and became the R&D programme once again. Subsequently, the funding of the programme came from the EU Structural Funds rather than the Exchequer and became Measure 1. Provision of R&D support from Shannon Development has been good and Vitalograph has benfitted from good relations with the R&D officials. The approval system has become potentially more remote in that final approval must be given by Forbairt, Dublin. The various changes which have been made cause confusion, being carried out for reasons internal to the agencies including the EU.

Other sources of funding for R&D are available, such as the Applied Research Programme which funds all costs of the research done for companies under contract by a Third Level college, and the various EU Framework Programmes. Irish industry has formed an Industry Reseach and Development Group, in order to assist in identifying the correct programmes to which an R&D application should be sent. Vitalograph is a member of this group.

Mentor programme

Through the Forbairt representative Shannon were asked to put in a mentor for each of those setting up their own company but at the moment a suitable mentor is not available on the panel.

General comment

Unfortunately, the state agencies do not recognise employment creation through this concept of the business centre, each of the entrepreneurs is regarded as an individual business start-up. In one instance, the officer concerned, considered the process to be simply a method of cutting jobs and overheads. Generally, the supports offered to industry are considered in essence to be

56

satisfactory but need adjustment to reality, with greater flexibility in meeting the specific circimstances and needs of firms and start-ups.

2.4.3   Communication patterns

Vitalograph is attempting to build an informal type of organisational structure embracing a number of autonomous units which for its effectiveness depends on close communication within the company and with and between the start-up entrepreneurs. The coop students are embedded in this inter-action. The inter-action is enhanced in the canteen and in sports activites, such as soccer. In effect the objective is to build a self-governing horizontal structure.

Close personal collaboration is maintained with the representative of Forbairt, who was responsible for the Techman and Techstart support. The Clare area officer of Shannon Development has also proved responsive. The key external figure during the last six years has been the Forbairt representative who has acted as an intermediary in a variety of ways, ensuring provision of support or introducing to sources of inputs and support and generally being a provider and source of information. He has gained trust and confidence. He is embedded in the social context of the region and and has built personal relationships with personnel in the institutional infrastructure. The success of the Techman and Techstart programmes have been due to his ability to ensure that these were accessible. His freedom of manoevre has been gradually restricted due to centralisation of the administration of the programmes and restrictions on access to them.

The staff of the Research Department played a significant role in enabling the town of Ennis to win the 'Information Age Town' competition conducted by Telecom Eireann. The research manager was a member of the committee which was responsible for the submission. Under the award, each house is to be given a free computer and be provided with on-line connection to Internet by Telecom Eireann. In a current EU funded study of the Regional Innovation System (RIS) of the Mid West, Vitalograph has been identified by the foreign consultant as a significant development. Its profile is being heightened. It may therefore eventually cause some adjustment in policy through the outcome of the RIS study.

2.4.4   SRD analysis

Sectoral dimensions

Environment

Environmental quality is integrated in total quality management

Economy

A new form of productive economic organisation, the virtual business centre, is being created in order to ensure the long term survival of the core firm as an innovative and leading edge firm. In the process of creating the virtual business centre, the core firm is actively stimulating the creation of new firms and the adoption of this role may lead to its adoption by spin-off firms, thus causing long term chain reactions in creation of yet further firms. The framework created is such as to give freedom to innovative and entrepreneurial trajectories to emerge. The process is directed to the productive generation of new economic wealth and employment.

The socio-cultural dimension

The process as it is nurtured within the core firm is fundamentally a cultural one. It is directed to generating a culture of trust and collaboration and sharing. Furthermore, the training of coop students, graduate recruits and others and the close personal inter-actions within the firm are building an entrepreneurial culture together with technical and inter-personal skills and the ability to manage and have responsibility for one's own work. The company is providing a role model, which might eventually be replicated by other firms.

Systemic principles

Diversity

The action is opening opportunity for, and supporting, a wide range of entrepreneurial actions which are increasing the diversity of the local/regional technological and production capacity and firm structure. A diversity of skills in students and in its own workforce is being developed and at the same time the company is enhancing its own potential for creation of a diverse range of products and services

Subsidiarity

From a company with a devolved managerial and operational structure, development and production functions are being devolved to independent but closely inter-connected companies. Subsidiarity to a third level is now emerging as one of the new companies continues the process.

Partnership and networking

The informal structure being created is based on cooperation and networking and is stimulating further cooperation between the emerging entrepreneurs. There is deliberate enhancement of a cooperative and networking culture within the initiating organisation and through the concept of the wrap-around factory.

Active networking by the representative of one agency has ensured a more optimum use of programmes within constraints of increased centralisation and centralised structuring of programmes.

The company is embedded in local development partnerships, e.g. Ennis Information Age town.

Participation

Participation in programme and policy formulation by users and actors does not occur in technology policy formulation. It is supply side and top down driven and increasingly based in third level institutions.

Equity dimensions

Social equity

Stimulation and support to potential entrepreneurs are made and given regardless of gender or professional background. The action is increasing opportunity for employment creation in the home region.

58

Inter-spatial equity

Implicitly the action strives to raise a region characterised by weak indigenous development to a level of economic and social prosperity more equal to that in the more advanced regions of the EU.

Minimisation of waste and other environmental impact through total quality management is an outcome which minimises impact on other places.

Inter-temporal equity

Through training, enhancement of technical, social and entrepreneurial skills of all employed within the firm, the human capital stock is increased. Similarly, through investments being made by Vitalograph, the entrepreneurs, supporting agencies and others, the man-made capital stock is increased.

By creating entrepreneurial opportunity, the company enhances attachment to place and thus the local/regional culture is strengthened.

Other dimensions

Learning

The major objective is to create a learning system with a high degree of efficiency, which is open to best practice and innovative developments elsewhere and has the capacity to integrate these, thus continuing to produce innovative products and services and to meet change rapidly and responsively.

Integration

The action is directed to the integration by each partner in the virtual organisation and by the virtual organisation as a collective of a wide range of cultural, technological and market inputs. Integration of programmes must however be done by each individually. The initiating company is successfully using and integrating programmes into its own strategy but must be dynamic in its search for opportunity with the assistance of the key local representative. For the emerging entrepreneurs, it is not easy, given the difficulties in access to some programmes.

3 Interrelationships Ireland Mid West

3.1 Ballyhoura

3.1.1 How have Policies Supported this Innovative Action?

The policies impacting on rural areas have not until recently been supportive of the type of innovative action represented by BDL. However, the EU LEADER Programme has provided opportunities and resources to experiment with new models that may contribute to more sustainable approaches to rural development. The emphasis in LEADER on local participative structures, animation and capacity building, and strategic planning coincided with the model that was evolving in Ballyhoura. LEADER provided the financial resources that made it possible for the BDL aspirations to become a reality. The pervasive emphasis on innovation throughout LEADER 11 has helped BDL to define its niche in the network of support organisations/agencies for rural development.

3.1.2 Has the action influenced policies?

Innovative actions such as BDL have demonstrated that there is a strong need for an integrated area-based approach to rural development, which has been acknowledged in recent policy reports prepared in Ireland and for the EU. BDL has developed a model which contains many elements that are transferable. However, the BDL experience also shows that the adoption and effective implementation of new strategies is a very gradual process. This fact along with the serious imbalance in the allocation of resources between top-down and bottom-up approaches suggests that the move towards a more sustainable rural development paradigm will be a protracted one. BDL has been able to influence new policies because it has acquired a high level of credibility based on a very firm commitment to strategic planning guided by a small number of principles and through the extensive network of personal contacts built up over many years by key personnel in BDL.

3.1.3 Has there been a wider influence on the public?

Innovative actions such as BDL have to overcome major attitudinal difficulties in order to gain acceptance among the broad public and also among representatives of the existing institutional framework. BDL has gained public acceptance after intensive efforts by staff and some board members. A proactive approach to animation and capacity building as well as a focus on innovative actions have been central to the efforts to influence the broad public.

3.1.4 How do policies interact?

The agricultural and rural development policies that have been described are intended to complement each other. However, in practice there are contradictions. Agricultural policy is becoming increasingly influenced by deregulation tendencies which enable market forces to operate more freely. This tendency is likely to lead to greater divisions between rural dwellers both within and across regions. An economically sustainable agriculture may not be compatible with a sustainable approach to the social and environmental dimensions of rural development.

3.2 Scarriff Community Council

3.2.1 How have Policies Supported this Innovative Action?

Without the support obtained from the LEADER programmes and the FAS Community Employment programme, SCC would not have achieved many of its objectives. However, the many inconsistencies and the inflexibility of these programmes have inhibited the extent of this success. Unlike the FAS and 61LEADER initiatives, SCC's work with Clare County Council has been much less strewn with such frustrations. This is because the County Council, a Local Authority can negotiate on its own behalf with communities and accordingly is not bound by the same level of centralised prescription of programmes.

3.2.2 Has the Action Influenced Policies?

Due to the inflexible procedural requirements of the Leader and FAS programmes and their origin as a very top-down initiative, SCC has no influence over their policies. However, the initiation of a community council in Scarriff has influenced to some degree the Local Authority by drawing attention to the needs of the Parish area. Over time a strong working relationship has developed. This has led to the situation whereby the County Council will consult and negotiate with SCC when it is undertaking work in the area. These negotiations have led to compromise and to some developments that may not otherwise have taken place.

3.2.3 Has there been a wider influence on the General Public?

As a democratically elected community council, SCC undertakes to ensure the environmental, economic and social well being of the Parish area and has achieved a high degree of credibility. This is achieved by undertaking specific actions within these areas.

3.2.4 How do policies interact?

There is no interaction between policies themselves but the Community Council ensures that there is integration within particular projects and within its overall strategy.

3.3 Limerick Youth Service

3.3.1 How have the policies supported this action?

The LYS has reached out to avail of all opportunities which could be used and integrated in its work for young and disadvantaged young people. It has thus made policies and programmes work to its own benefit, virtually in spite of themselves. By demonstrating through self-funded pilot projects and by building a high profile throughout the community it has been able to exert influence and pressure on the programme administrators. Its status has also led it to become the means selected by public bodies to deliver specific programmes and to be used as an example of effective and innovative delivery of programmes. It is thus increasingly well supported by agencies and policies. There has been a dependence on the degree to which the local administrators of programmes were able to circumvent or otherwise overcome the inherent inflexibilities.

3.3.2 Has the action influenced policies?

LYS has undoubtedly had some influence on the the period for which support can be given under FAS administered programmes and especially the Community Employment programme.

No overt acknowledgement is made but it is probable that LYS has exerted influence through its demonstration of best practice and its network of informal contact and relationships. There is an identified problem that specific actions of LYS may be replicated by others elsewhere and not the more effective multifacetted and integrated strategy within which specific actions operate.

3.3.3   Has there been a wider influence on the public?

LYS is dependent for its success on the support of all sections of the Limerick public, volunteers, staff, trainees, funding, job placements and its high profile commands both respect and support of extraordinary depth.

3.3.4   How do policies interact?

Policies interact only to the extent that they can be adapted and integrated into a coherent strategy by LYS.

3.4   Vitalograph Ltd.

3.4.1   How have policies supported this innovative action?

Vitalograph is a company actively reaching out to optimise its use of sources of government funded aids, a characteristic of innovative and technically progressive firms. It has made use of the various financial aids of Shannon Development from the beginning. It has made use of two of the PATs located in the University of Limerick. They were appropriate because of the strong orientation of the company to utilise information technology in its products. It has benefitted from the Techstart and Techman programmes in building its human resources. The appointment of the Research manager, a man with a particular culture as well as technical expertise, has resulted in an innovative development beyond what could have been anticipated. Techstart and Techman have been actively promoted by the regional representative of Forbairt, the agency responsible. The new firms being founded are finding some difficulty in gaining support other than through the limited scope of the County Enterprise Board.

Confusion is created not so much by the number of agencies as by the creation of new agencies and by the ensuing division of responsibilities where a restructuring would be more appropriate. The   scope of mechanisms established and the top-down definition of responsibilities, programmes and procedures add frustration to the confusion. They do not match the realities of a company or of emergent companies.

In general, and specifically in the case of Techstart and Techman, the level of support which is provided under a programme is highly dependent on the officer responsible within the specific agency, the degree to which he/she is embedded in the social context and the degree to which he/she ensures that programmes are subtly matched to actual needs.

3.4.2   Has the action influenced policies?

Policies and programmes tend to be generated to match the perceptions and needs of the central political and administrative system or of the agencies themselves. Innovative actions must fit within the preordained programme and its prescribed procedures which are inherently inflexible. The action has not yet influenced policies but it is gaining an increasingly visible profile in the region.

3.4.3   Has there been a wider influence on the general public?

The action is known to a relatively restricted public and its influence on the public is of a longer term nature in providing a role model and in developing an entrepreneurial and innovative culture.

3.4.4   How do policies interact?

There is little interaction between policies and programmes other than in this instance at the level of implementation through the networking of the representative of one agency. There are changes being proposed which would restrict this networking. The real integration takes place at the level of the firm, as a self-governing community.

Appendix: Summary of the INSURED project

Organisational framework

The INSURED project was funded by the European Commission – DG XII – within the Programme 'Environment and Climate 1994 – 1998'. Co-funding came from the Federal Government of Austria, the Government of Hessen / Germany and several local governments in Central Hessen, the Federal Government of Switzerland and the Region of Tuscany. The project began in April 1996 and ended in April 1998.

The project partners were: EURES, Freiburg, Germany (Ruggero Schleicher- Tappeser), co-ordinator of the European research team; ÖAR, Vienna, Austria (Robert Lukesch); SIASR, St. Gallen, Switzerland (Alain Thierstein); SICA, Dublin, Ireland (Gerry Sweeney); SRS, Florence, Italy (Filippo Strati). Associated with SICA was the Dublin Institute of Technology (Consultancy and Research Unit for the Built Environment) and St. Patrick's College Maynooth (Centre for Local and Regional Development, CLRD, Co. Kildare). Associated with SRS was the Department of Chemistry of the University of Siena (professors Enzo Tiezzi, Riccardo Basosi and Claudio Rossi).

The project was largely based on case studies in five European regions: Central Hessen – Germany; Lower Styria – Austria; Midwest – Ireland; Tuscany – Italy; St. Gallen /Appenzell – Switzerland. In each of these regions an advisory regional group was created with local experts and representatives of public and private agencies in order to support the research group through discussions and suggestions on the basic aims, orientations, methodologies and findings of the INSURED project.

INSURED objectives and main results

The original objectives of the INSURED project were:

- To develop a common evaluation framework for regional development policies and strategies in terms of sustainability using a set of qualitative indicators

- To draw on the experience gained from successful approaches to sustainable regional development in a variety of European countries

- To identify some "key factors of sustainability" including legal, institutional, cultural, financial and management aspects

- To work out a set of suitable policy tools for the promotion of sustainable regional development policies

- To make Recommendations for the different policy levels with regard to policy tools including improved instruments, appropriate institutions and effective implementation procedures.

The main results of the project include:

- a conceptual framework for sustainable regional development which has proven useful for the regions themselves and in developing a European wide dialogue

- case studies from five European regions which aid in the understanding of the dynamics of SRD and which contain interesting examples of best practice

- a differentiated framework for the evaluation and monitoring of situations, actions and programmes as well as for the development of strategies, called a framework for quality management of SRD

- a series of examples of instruments, *i.e.* of options for action and support which comprise the most interesting lessons from the case studies

- a set of recommendations.

Comparing the results with the original objectives, most objectives have been met. A management framework has been developed which allows the assessment and the development of suitable policy tools adapted to specific situations. The results of this project are not easy-to-use checklists and simple recipes. The results form a conceptual framework for a challenging issue, the description of interesting experiences using a common 'language', and a management framework which should facilitate the work of actors, politicians and administrators at all levels.

These results will be explained in more detail in the following sections.

The course of research

The research basically proceeded in the following steps:

- elaboration of a provisional theoretical framework

- comparative description of the five European regions

- empirical analysis of experiences in the five European regions

- comparison of the experiences, revision of the framework, elaboration of a common practical integrated approach and formulation of recommendations.

The overall methodology was explorative and sufficiently flexible to discover new perspectives and to find new paths through uncharted territory, rather than being strictly oriented towards the verification or falsification of well-defined hypotheses.

Confronting different disciplines and cultures, experimenting with slightly differing approaches, feeding back results to local actors with very different backgrounds, were essential but not always easy elements of the approach.

Elaboration of a provisional theoretical framework

To develop a conceptual framework for this difficult issue, which would be practical and useful in a European context, was a task which needed intuitive creativity combined with a systematic approach. The elaboration of a provisional theoretical framework proved to be more difficult than was expected by most partners. The discussions of the last decades concerning sustainable development (SD) and regional development (RD) have been reviewed and brought together in a first outline of a common concept of sustainable regional development (SRD).

The original hope of agreeing on a rather short list of rather concrete criteria and indicators was not fulfilled. Instead, sustainability proved to be a very broad and fundamental concept which can be structured in several components which in turn must be interpreted in relation to the specific circumstances.

Confronted with different approaches, different interpretations and different emphases and perceptions across Europe, an effort was made to develop a broad framework - a common language that would facilitate mutual understanding and discussion. The formal result was a set of ten components of sustainability designed for a qualitative evaluation of programmes and

actions in regional development (see table below). Most helpful in the later stages of the work was the inclusion of four "systemic principles": diversity, subsidiarity, networking and partnership, participation.

Comparative description of the five European regions

The first approach to the regions was a general description using a common framework which allowed for comparison. The ten components of sustainability were not yet used in this context. The description was quite extensive, following a structural model and combining sectoral with territorial approaches as well as analytical with holistic views. The 'snapshot' of the region was made more dynamic by considering the recent past and future trends as well as the relationships with the outside world. Each partner developed

- an appraisal of the state of the human, the man-made and the natural capital

- a collection of interesting innovative actions (bottom up) and supporting missions (top down)

- a regional SWOT analysis.

Empirical analysis of experiences in five European regions

The empirical analysis of regional experiences regarding Sustainable Development was designed as a twofold investigation: a top-down analysis examining selected policies, institutions and instruments provided by European, national and regional levels, and a bottom-up view looking at individual projects and development schemes in the regions analysed.

This two-fold approach was seen to be necessary in order to understand the interactions between policies, instruments and local actions.

The top-down analysis of the supporting missions was based on quite a broad methodological framework. The policy fields to be covered were

- structural and labour market policy

- agricultural and rural development policy

- one supplementary field where appropriate.

The individual policy programmes to be analysed were chosen by the individual research teams, often in collaboration with their regional advisory groups.

The top-down analysis showed very strong differences between the regions and presented difficulties in the direct comparison of policies. Therefore, the methodology was revised following this phase, shifting more towards an analysis of the interrelationships between supporting missions and innovative actions and an investigation of patterns of communication and cooperation. It was only in these areas that meaningful generalisations seemed possible.

The selection of innovative actions was also made by the individual research teams in cooperation with their regional advisory groups. The selection therefore reflects cultural backgrounds, the composition of the regional advisory groups and personal preferences of the researchers. This approach has the advantage of including different interpretations of what is most important and innovative, and corresponds to the explorative character of the INSURED project. On the other hand systematic comparisons of details will be difficult since the samples were not chosen on the basis of well-defined criteria. Similarly, the methodology used for the case studies has been only broadly defined in repeated and intensive discussions. Considerable leeway has been given in detail for exploring new approaches that eventually led

66

to a further refinement of the original framework. The result of the analysis of the local projects confirmed that programmes and actions are highly dependent upon the specific context.

Comparison of the experiences and enlargement of the framework

The common analysis framework for the empirical case studies was based on the ten sustainability components developed in the provisional theoretical framework complemented by some further categories and questions. This framework has proved to be useful for assessing the orientation towards sustainability and for raising the main issues about the key factors for success and the dynamics of change. However, a series of tentative additional concepts have been necessary for describing in detail the social dynamics that increasingly attracted our interest. It seemed desirable to systematically expand the framework.

Having concluded the empirical case studies, the project partners identified approximately 60 key factors for successful sustainable development in a joint 'brainstorming' session. Later, these were reworked, regrouped and systematised into 16 factors capable of expressing the „regional social potential". The 16 "key regional factors" represent qualities of a regional context which favour sustainable regional development; they are simultaneously *common*, *diverse* and *original. Common*, because they are relevant in each local context examined; *diverse*, because they act in different ways depending on the specific context; *original*, because they are combined in different ways by the local actors.

This means that there is no standardised way or model for using them, but that a creative mix of them is dependent upon the capacity for innovation expressed by the social capital of local and regional communities. Therefore, any actor planning a support programme or a local action would have to consider to which extent these potentials are present, on which elements he can rely and which ones would most urgently need to be developed. Behind the concept of "regional potential" lies the idea that some degree of "self-governance" in a territory is necessary in order to move towards sustainable regional development. Many of the key regional factors point in this direction.

Good strategies start off from a broad view but concentrate on a few key issues. During the case studies it emerged that it was not only necessary to look at static "preconditions" for successful SRD but also to consider the dynamics of transformation which often occurred in several phases. Looking at the basic strategies which can be adopted (and combined) in this context one is left with a quite small number. After long discussions the research partners identified six basic "transformation levers".

The INSURED framework for quality management of SRD

The original theoretical framework of ten components of sustainability which essentially represented the ORIENTATION towards sustainability was expanded by adding 16 factors expressing the regional social POTENTIAL and 6 levers (basic strategy elements) which bring about transformation DYNAMICS.

Altogether these three main elements of the INSURED framework contain 32 quite different aspects of Sustainable Regional Development. Within this integrated framework it seems to be possible to structure all kinds of discussions and actions related to SRD.

Instead of developing a specific set of instruments for sustainable development, the INSURED project has thus developed a framework for the Quality Management of Sustainable Regional Development.

Quality is something that is difficult to grasp. It should improve, but for every product different aspects are important in differing combinations, different companies and different customers

would not share the same interpretation and even minimum standards will change over time. The approach of quality management therefore starts at a meta-level and does not prescribe fixed standards. It only deals with the methods and procedures with which set quality targets can bet met or exceeded. The task is to ensure optimal and transparent management in the fulfilment of very complex objectives. Setting the objectives is something that can be supported and structured with the help of a differentiated management tool. The decisions themselves, however, are political or strategic ones.

This framework can be used for assessing and developing an endless series of instruments which are adequate to specific situations. Some interesting instruments emerged from the case studies, using this framework, but they are not a complete set for all circumstances. They can only be considered as interesting examples.

Detailed objectives for Sustainable Regional Development will have to be set in a political process based on the sustainability principle. At the European level consensus may grow on some minimum requirements. Nations, regions and local communities will need to specify their own more specific goals. The INSURED framework may be helpful in this context. The INSURED framework is not limited to the perspective of one kind of actor, it can be interpreted from very different points of view. Moreover, the fact that the framework allows for different interpretations is not only useful in the sense that it can be applied in different situations. It also encourages the viewing of an issue from different angles. It offers the opportunity of understanding the different roles and positions of different actors in one situation – an essential condition for good negotiations and "sustainable" solutions. Furthermore the INSURED framework should help different kinds and levels of actors in performance of the following tasks:

1. to assess situations

2. to develop strategies

3. to assess programmes, measures and actions *ex ante*

4. to monitor and to support programmes and actions

5. to evaluate programmes and actions *ex post*

6. to transfer experiences from one context to another

The ORIENTATION and the POTENTIAL part can be used for analysing a situation and for monitoring and evaluating the impact of actions or programmes. The TRANSFORMATION levers in conjunction with a preceding analysis can be used for designing strategies. And the whole combination can be used for assessing the most varied instruments. Local actors involved in a specific project should be able to make use of this tool as well as administrators at the EU level planning a support programme.

The INSURED framework for the quality management of SRD

Sustainable Development ORIENTATION SD Components	Regional Social POTENTIAL Key Regional Factors	Transformation DYNAMICS Transformation Levers
development O1. Environmental O2. Economic O3. Socio-cultural *equity* O4. Inter-personal equity O5. Spatial equity O6. Inter-temporal equity *systemic* O7. Diversity O8. Subsidiarity O9. Networking and partnership O10. Participation	*linked to diversity* [1] P1. Perception of a variety of development approaches P2. Creativity and innovation in an entrepreneurial culture which emphasises responsibility towards the community P3. Capacity to cope with complexity and ambiguity and to anticipate change P4. Openness to enrich the own culture and enhance multicultural cohesion P5. Discovery and re-encoding of territorial specificities & local knowledge *linked to subsidiarity* [1] P6. Ability of each to reach their optimum level of attainment and fulfilment P7. Fractal distribution of competence using the counterflow principle P8. Autonomy of strategic decision making within a facilitating infrastructure P9. Primary reliance on own resources without compromising the ones of the others *linked to networking / partnership* [1] P10. Shared value system taking into account environmental, socio-cultural and economic interdependencies P11. Social cohesion P12. Opportunities and room for equitable interaction P13. Capacity of creating shared visions P14. Integration of social & technical skills into the innovation process *linked to participation* [1] P15. Access to information and to the arena of dialogue and debate P16. Multiplicity of interactions, enhanced by local animators	D1. Enhancing problem understanding D2. Open collective learning D3. Negotiation and co-decision D4. Creation of a shared vision D5. Service orientation D6. Self-governance [1]The links indicated by these headings are not the only possible ones