THE PARTNERSHIP GROUP AS NEW SOCIAL INFRASTRUCTURAL INSTITUTION FOR SUSTAINABLE RURAL LIVELIHOODS

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Analysis of rural social infrastructure, institutional partnership concept, reasons of the application of local partnership groups model, management and development functions of area-based partnership group, and identification of the partnership role in the development for sustainable rural livelihoods have been based on the experience of the EU member states, United States of America and Lithuania. Theoretical analysis of economic (exogenous, endogenous and mixed exogenous/endogenous) development strategies implemented in rural areas has been made and the need of co-operation of different rural development actors has been identified. Such analysis provides the possibility to form favourable conditions for establishment of partnership groups in Lithuanian rural areas, for strengthening the abilities of governmental institutions, farmers, rural business people and rural population to solve social-economical problems, to master the EU funds.

There are three main results from this research: identification of the relationship between development of rural social infrastructure and economic development strategies; identification of the profile of the area-based partnership group in Lithuania; summary of the experience of existing partnerships.

Key words: partnership group, rural social infrastructure, rural development strategies.

JEL Classification System: H54 - Infrastructures • Other Public Investment and Capital Stock, O21 - Planning Models • Planning Policy, Z13 - Social Norms and Social Capital.

Introduction

A number of EU initiatives and programmes are promoting the establishment of local partnerships and transnational networks of local partnerships (e.g. LEADER, URBAN, INTERREG). Thus, besides being an important measure in the effort to generate dynamic development strategies the partnership approach has indirectly become the way of promoting European integration. The area-based partnership group, as organization, is institution of social infrastructure for sustainable rural livelihoods and a consciously designed and structured instrument of policy.

Local development and the application of the partnership is a new phenomenon in Lithuania. Experience of the efforts to use partnerships in planning and development is so far limited; the functioning, the effectiveness and the shortcomings of partnerships have only been partially investigated. The partnership approach is still largely based on unproven assumptions and therefore there is a need for empirical and comparative investigations.

Object of the research – area based partnership groups. Aim of the research – to identify the role of partnerships on the local development.

To reach the set aim the following tasks had to be accomplished: to analyse and ascertain the kind of economic development strategies used in rural areas; to analyse the functions of partnerships groups in the development process; to identify the profile of the area based partnership groups in Lithuania.

The methods of logical thinking, comparison, case study, expertise, analysis and synthesis, and graphic representation were used in the research. Local area partnership group empiric data is obtained by the methods of case study and expertise. Six members experts with three-year experience of work in partnership group were recommended from Švenčionys, Šalčininkai and Ukmergė regions (2000-2003) of Lithuania. Open group discussion was held to describe the object of research, to raise the problem of the role of local area partnership group, as rural social infrastructure institution, in the development of rural areas. Detailed and reasoned opinion of experts about functions of partnership group, importance of technical assistance and consultants, role of organization in rural areas development was presented. The method of case study was used to observe the participants during the work of partnership group board, to observe members of work group, to analyse minutes of board meetings and documents, to discuss the received feedback with representatives of partnership group boards.

The theoretical background

Rural social infrastructure is one of social infrastructure subsystems. It is a territorial system of interrelated relations and types of economical activity, which provide conditions
for the creation of human, physical capital and values that are used by the society and individuals to satisfy their individual and social requirements, of prime necessity, daily and periodical needs in rural regions (Atkočiūnienė, 2001). The workings of the rural social system and the benefits it confers on its participants is, like economic activity, fundamentally dependent on the social infrastructure (Besser, 1998). This is complex of elements, from the assumptions and attitudes of people, to the institutions and frameworks within which they conduct their daily lives to the physical facilities, which support their activities (Murray, Dunn, 1995). The existence and nature of these, in turn, depend on the type of people who make up the community, their incomes, education and background, assumptions and interests. An issue of concern to many commentators is the change taking place in the type of people living in rural areas, and within it the social infrastructure they create and support – and hence in the nature of rural society itself (McInerney, 1996).

Louis Swanson conceptualises social infrastructure as having three parts: (1) social institutions in a community such as local government, social service institutions and voluntary organizations (churches, civic, recreational and political associations, etc.); (2) human resources, which include attributes of inhabitants such as their technical expertise, organizational skills, educational levels, and the social structure - ethnicity, race and cultural qualities, gender and so on.; (3) characteristics of social networks in the community, including innovativeness, ability to mobilize resources within the community, ability to link up with outside expertise and information, and so on. (Swanson, 1992). One of the objects of rural social infrastructure in new conditions of rural Europe is a partnership group, which fulfils the functions of rural social infrastructure. Local partnership group, as social infrastructure object, creates conditions for the high level of investments by creating the environment, which maintains activity and stimulates formation of local capital, skill development, community labour efficiency increase and the introduction of new social technologies.

There is no common definition and the partnership concept is used in various contexts with different understanding. It implies consensus and openness and it represents an invitation to participate. Therefore, it is frequently used by organizations in order to lend luster to different kinds of co-operations (Atkočiūnienė, Statkevičienė, 2003; Babravičienė, 2003).

In the OECD report ‘Partnerships for Rural Development’ it is stated that partnership is a system of formalized co-operation, grounded in legally binding arrangements or in formal undertakings, co-operative working relationships and mutually adopted plans among a number of institutions (OECD, 1990). They involve agreements on policy and programmer objectives and the sharing of responsibility, resources, risks and benefits over a specified period of time.

The expectations on partnerships have been intensified by Geddes M. (1998). In the different EU programmes and initiatives a number of advantages have been raised. Partnerships are expected to be: consensus building; promoting the building of local strategies; facilitating coordinated actions; giving access to different skills; promoting innovation; strengthening local identity and competitiveness.

The role of any partnership group will change over time according to external circumstances, changing development needs, stage in the development cycle or stage of implementation of its strategy (Moseley, 2003). The partnership can be involved in any mix of the following:

- research, local audit and consultation – identification of development needs and challenges;
- preparation of strategic plans to address these needs and challenges;
- delivery of programmes based on these strategies;
- resource allocation to local projects, which fit with the planned development programmes;
- monitoring programme and project progress and impact;
- evaluating programme impact;
- provision of development support;
- lobbying and advocacy – influencing policy change and formulation;
- coordination of existing and planned services (Picchi, 1994; McAlinden, 2002, ).

This research is primarily interested in the partnerships concerned with integrated rural development. The working definition assumes that partnerships constitute a voluntary alliance including organizations from three sectors: public-private - associate. They have a clear structure in terms of defined roles, meetings etc. They must deal with permanent or long – term activities and have an integrated approach (not dealing with only one project or issue).

**Economic development strategies**

The research examines the relationship between features of community social organization and the existence of two contrasting types of economic development: self-development and industrial recruitment in rural places.

Industrial recruitment is an exogenous form of development that seeks outside investors and firms to locate in the community (Eisinger, 1988 ). The main elements of exogenous development models are that rural development is considered as being transplanted into particular regions and externally determined, that benefits of development tend to be exported from the region, and that local values tend to be trampled on (Slee, 1994). This development strategy has received substantial critical attention over the years (Eisinger, 1988; Loveridge, 1996; Shaffer and Summers, 1997).

Self-development is an endogenous form of development produced mainly by local impulses (Picchi, 1994) and
relying primarily on entrepreneurship and local resources (Sharp, Agnitsch, 2002). In contrast to the exogenous model, the benefits of development tend to be retained in the local economy and local values are respected (Slee, 1994). This approach is closely related to the local milieu models such as the endogenous growth and industrial district models, in which the institutional context of economic activities plays an important role. Where rural policies are concerned, the emphasis is shifted towards rural diversification, bottom-up approach, support for local business, encouragement of local initiatives and local enterprises, an provision of suitable training (Lowe, 1995). There specific rural theories within this approach have been put forward: the community-led rural development theory, Bryden’s theory on the potentials of immobile resources for creating competitive advantages in rural area.

The community-led rural development theory (Murray and Dunn, 1995) focuses on the strengthening of the self-help capacity of local actors, which is considered to be a precondition for establishing and sustaining local economic development. Self-help capacity refers, for example, to organizational expertise of rural communities with regard to group processes, conflict resolution, mediation, leadership, understanding the business of government, and achievement of a shared vision. Partnerships and adjustments of the institutional structures are seen as the main tools in the process of capacity building. Adjustment of the institutional structure is especially needed with respect to the linkages between the local, regional and national authorities, as the community-led development theory requires an institutional structure that encourages and responds to bottom-up initiatives. Apart from the label community-led rural development, labels like community development (Keane and O’Cinneide, 1986) and bottom-up partnership approach (Mannion, 1996) are also used to indicate this theory.

In the Bryden (1998) theory on the potentials of immobile resources for creating competitive advantages in rural areas, it is argued that given the increased mobility of capital, skilled labour, information, and other goods and services in the current globalisation process, these resources are an unstable basis to build a development strategy for rural areas. According to Bryden’s theory, economic development of rural regions depends on the combination of tangible and less tangible immobile resources and the way these interact with each other in the local context.

The data collected in a state-wide sample 45 Lithuanian municipalities (Atkočiūnienė, 2003), shows that social infrastructure measured by the existence of active community organisations, businesses that support local community projects, community-wide fund-raising capacity, and external linkages to peer communities and state government, is positively associated with the existence of self-development. The relationship between social infrastructure and industrial recruitment is also significant but more modest. Findings indicate, that social organization of community can be resources for development, but may be more appropriate for endogenous development efforts than exogenous ones.

Mixed exogenous/endogenous development approach rejects the polarization of exogenous and endogenous development models and proposes an approach of the analysis of rural development that instead stresses the interplay between local and external forces in the control of development processes (Lowe, 1995). The effectiveness of local action is significantly affected by the nature and quality of the strategic framework and support structures within which it operates (Geddes, 1998).

The local area strategy provides the framework for linking needs and remedies through analysis and action (Bryden, 1998). The area based partnership is the vehicle for bringing the different stakeholders’ perspectives and interests together in a single decision making body.

Theories of rural development have only recently come to embrace the importance of the voluntary sector in partnerships. These theories have developed from emphasizing the macro-economy and globalisation to a focus on the significance of the endogenous potential of regions.

In many rural areas the existing opportunities are too limited to even secure sustainable livelihoods. Local development strategies have to assist in identifying and creating new opportunities for generating income and for gaining access to basic commodities and services. Each rural area needs institutional capacities, which can do the necessary analysis of resources, markets and technological options for the regional perspective. Much of the literature, and guidelines for various local development initiatives (Bryden, 1998; Geddes, 1998), set the standard for the local area strategy as being comprehensive, integrated, holistic, strategic and participative. It is very important to follow the principle “from the bottom to the top”, involving communities, target groups and rural people in the work of the project from the initial stages of its implementation. This is based on the development principle of working with people not working for people. It has very strong links with cooperation and involvement (Babravičienė, 2003). Participation has generally been structured around partnerships representing diverse local, regional and national stakeholders – community, Local government, state agencies (local and national) and the business sector. In some cases, new institutional arrangements have been put in place based around inclusive partnerships.

**The context of partnerships in Lithuania**

Local development and the application of the partnership is a new phenomenon in the Central and East European countries. The traditional political representation at a municipal level fails to balance sufficiently the vital needs of different social groups. Decisions are often adopted on the basis of the narrow interests of the representatives of politi-
cal parties that do not always take account of the interconnection between causes and consequences of the problems (Babravičienė, 2003).

However, it is interesting to highlight the success of community development practices which are emerging with a special strength in some regions (for example, Molestai, Ukmergė, Švenčionys, Biržai) and the scope that this may allow for the practice of partnerships. In fact, many different forms of associations and foundations have been created under these community development processes. These bodies may not be partnerships in essence but they may provide all the necessary conditions for different actors to come together into common structures dealing with common interests. Especially if community development processes were considered to be relatively new in Lithuania, its importance in the context of local participation should not be undervalued.

In the Lithuanian context, it is easier to speak of institutional partnerships rather than local partnerships since experience on the latter is limited and difficult to identify, especially because there is no bibliography dealing with these kinds of experience.

The case studies of practice proved to be a rich source of information on the functioning of the partnerships in the Lithuania. The Rural Partnerships Programme (for Sustainable Rural Livelihoods) was a three-year programme (from September 2000 to December 2003) for Estonia, Latvia and Lithuania. The goal of the project was to reduce poverty and social exclusion in the most disadvantaged areas of the three Baltic States. Its purpose was to support the creation of a new rural development policy framework, to identify local needs, prioritise actions and manage strategies. The target areas were Ukmergė, Švenčionys and Šalčininkai rural municipalities of Vilnius county in Lithuania. The Rural Partnerships Programme (RPP) worked simultaneously at a number of different levels – community, local, regional, national and European Union. Local development was associated with mobilisation of local communities and target groups in the definition of needs, formulation of agreed priorities and shared management of area-based strategies.

Diagram 1 below sets out graphically the stages of the work programme of the RPP partnerships.

In Lithuania, the Partnerships cover the same area as the municipalities, the basic unit of local government, but they are not dependent or subordinate to local authorities. The structure of the partnership involves several considerations: formal inter-institutional structure of the Partnership Board and internal working structures for efficient partnership operation. Local government representatives (member and officials) make up approximately 25 percent of each Partnership Board and constitute an important link with the local democratic mandate.

The other three stakeholder groups (state agencies responsible for delivering public services in the strategy area, private sector economic actors, voluntary and community development organizations) make up the remaining 75 percent. Partnerships have 20 members, spread evenly across the four stake holding groups, age and gender balance, a reasonable geographical distribution across the target area and, as far as possible, include key abilities such as strategic planning. The partnership group structure allows for a more integrated and collaborative approach combining the strengths and variety of perspectives of the different stakeholders.

The local area partnership is designed to occupy the (vacant) development space between national (and sometimes local/regional) government and grass-roots rural communities (Atkočiūnienė, Statkevičienė, 2003). The partnerships by implementing this mission create those linkages, develop standards, norms and practices in local development, and build development capacity at rural community, local and national levels. As part of its development and capacity-building approach, RPP includes a dedicated capital fund to be managed by the Partnerships. This is a critical part of the capacity building process and a crucial test of competence for partnerships, which is expected to ‘take ownership’ of and responsibility for these funds.

Each of the three rural partnerships in the RPP was tasked with the development of an integrated development
strategy for their own programme, which would target and reduce poverty and social exclusion. In the partnership group activity the principle of partnerships is used both vertically, to link the different levels of administration to each other, and horizontally to involve a broad variety of locally active private, public and voluntary organizations in both analysis and action.

Findings indicate the profile of the partnerships in the RPP. Defining characteristics of the RPP local development partnerships are:

- Territorial base;
- A strategic focus on local resources and social exclusion and on socially excluded groups;
- A formal inter-sectoral structure;
- Preparation of a multidimensional development strategy containing related social, economic and environmental measures;
- Participation of the target groups in programme planning and delivery with the enhancement of public policies through coordination and innovation at every level;
- 35000 - 55000 population base.

It is important to acknowledge the role of professional support and technical assistance at different stages in building a local area strategy, researching local needs, facilitating analysis of causes and consequences, moderating debate and agreement on priorities, enabling brainstorming of possible solutions, assisting with development and implementation of measures. The technical help is very strong and it is hard to hope like this technical assistance and professional support structures for other existing and potential partnerships in Lithuania. It is important to establish consulting and training system.

In the case of RPP, the partnerships act is an informal capacity in the first formative and experimental years. The legal form of partnership determines what it can or cannot do. It also helps to define the relationship with other institutions. In Lithuania, the main form for incorporation can be under legislation governing non-government organisations – association law.

The case studies demonstrated some key strengths and weaknesses in the practice of Švenčionių partnerships.

Key strengths:
- Responsive, proactive local authorities willing and able to initiate and lead new partnerships in their area;
- Strong leadership and partnership relations;
- Formation of new resources – local knowledge and perception, public spirit and initiative ness;
- Additional strategic solving of rural development problems;
- Good administrative and technical support from main funding partners;
- Successful implementation of funding local strategies via specific communities projects;

Key weaknesses:
- Unlimited community involvement in the partnerships.

1. Development theories clearly point in the direction of using local resources and inviting the private and voluntary sector to participate in development processes and indeed of seeing local capacity building as the key to long-term success. There are no studies in the Lithuanian context on the impact that partnerships may have over aspects such as local development, rural social infrastructure, social change, etc.

2. Rural social infrastructure, the group-level interactive aspects of community organizations and institutions, is more strongly related to existence of self-development than industrial recruitment. Partnership groups has been genuine added value in the process of local endogenous development, have helped to prepare the ground for long-term sustainable development.

3. Area-based partnerships has such specific characteristic features as:
- structure, embracing a system of interrelated relations and types of activity; place of functioning – some territory, purpose – to create context for integrating the top-down and bottom-up connections, for bringing together the different perspectives and multiple stakeholders, and conditions to satisfy social and individual requirements of population; result – growth of human and physical capital;
• ability to assume different roles depending on the development context;
• group membership ensured diversity, balance, inclusiveness and talent.

4. Actions of area-based partnerships created linkages, developed standards, norms and practices in local development, built development capacity at rural community, local and national levels, created the social capital of the area as a prerequisite to sustainable development. The effect of social capital acquisition is not an overnight or short-term product but rather the result of months and years of working together purposefully and self-critically.

5. In each of the areas where partnerships exist, they have significantly contributed to the capacity of that area not only to tackle existing problems but also to take advantage of opportunities or conversely respond to shocks to the local social and economic situation.

6. Two years are too short time to create the strategy that links effectively to other agencies, actors and programmes operating in the area. This strategy should be less a strategy for the area and more a strategy for the way the partnership will serve the area.

7. Created partnership groups are lessons related to good practice, which could in turn be replicated in other rural areas of Lithuania.

8. The Baltic States Rural Partnerships programme and introduction of LEADER in Lithuania mean the starting point of the process implying the formal organization of local rural actors in order to start thinking strategically about the development of their areas.

References