# The Role of Social Capital in the Regional Development. The Case of Vysocina Region.

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#### The contribution structure

- Concept and forms of social capital
- Sources and features of social capital
- Regional policy
- Characteristic of Vysočina region
- Local Action Groups and its role in the regional development
- Conclusion of empirical research

#### Social Capital (SC)

- The concept of social capital was introduced in the sociological world by J. Coleman (1980) and P. Bourdieu (1986);
- Popularized was SC especially by R. D. Putnam (publications 1993, 1999 and 2002);
- Concept of SC can be studied on the social level, group's level as well as individual level.

#### The different definition of SC

- SC are the social networks. Its character is indicated by the values, norms and sanctions;
- World Bank defines the SC like the institutions, norms and relations, which create the quality and quantity of social interactions in the society;
- OECD defines the SC like the networks which share the norms, values and understandings and which can lighten the co-operation within the groups and among the groups.

#### Content of Social Capital

- Social ties and social networks;
- Shared values, which make easier the human cooperation;
- Social interaction, formal as well as informal, which contribute by the general values development;
- Social capital creates the connection among the individuals and helps them to reach the common goals more effectively.

#### Concept of Social Capital

Social capital has two basic elements:

- The first dimension are formal and informal social networks;
- The second dimensions is the trust, shared understanding, values, norms and sanctions.
- It means the shared attitudes of most of individuals and social groups.

#### Forms of Social Capital

- "Bridging" social networks are typical by the weak ties and crosscut the different social groups;
- It allows to accept the various individual opinions and doesn't create the exclusive community, where is the strong trust only among the group members.
- "Bonding" social networks are connected with the high level of trust inside the network and creates the high scale of inner group loyalty (families, tribes, nationally or religiously oriented groups inside the country etc.).

#### Sources of Social Capital

- It is assumed, that the level of SC, the level of economic development and GDP are directly and proportionally impressed;
- Better economic situation in the region raises the level of social capital;
- Networks, trust and norms contribute to the more effective market behaviour.

#### Features of Social Capital

- There is the mutual relation between the social capital and education;
- The growth of social capital positively strengthen the population health;
- The social capital is in the mutual relation with the efficiency and quality of institutions on the local, regional and national level.

#### Regional policy

- Social capital needs the cooperation, it means there is the space for working of local actors as well as central governments;
- National government can support the environment, which is open for cooperation and participation in the local and regional organizations and institutions.

#### Vysočina Region

- NUTS 3, pertains among predominantly rural regions according to EU classification;
- There are 43 microregions in the Vysočina Region. Its activity is not directly bound to the territorial structure and belonging to the certain region;
- More that one half of them (22 microregions) associates less than 15 municipalities;
- In Region Vysočina was linked in the microregions 587 municipalities (i.e. 83,4 % from the total number of 704 municipalities) in 2007. It is 427 652 inhabitants (83,7 %).
- Microregions occupied 85,7 % of region territory, thus the area larger than 5 thousands km<sup>2</sup> (5 822,7 km<sup>2</sup>).

### Local action groups in the Vysočina Region (spatial scope)



#### Local action groups (LAG)

- Man-made construct in rural development created by LEADER approach;
- LEADER follows the strengthening of local activities and restraint of central supports;
- LEADER is based on the simple principle: the local inhabitants know best their everyday local problems.

#### Rise of LAG

- All LAGs based on the LEADER principle arose in Vysočina Region between 2003 and 2008.
- Majority of LAGs was established from 2004 to 2006 (13 from total number of 16 LAGs).
- In the last years (2009 a 2010) were established only two LAGs. Major part of LAGs works in Vysočina Region already years.

Data are drawn from http://leader.isu.cz and websites of particular LAGs.

#### Focus group interviews

#### LAG Havlíčkův kraj, o.p.s.

- Přibyslav (interview 14. 4. 2010)
- Ždírec nad Doubravou (interview 14. 4. 2010).

#### LAG LEADER - Loucko o.s.

Luka nad Jihlavou (interview 14. 10. 2010).

#### Criteria of LAGs choice

- a) Size and structure of LAG equable representation and number of subjects from the particular segments of municipality (representants of village, entrepreneurs, hobby groups, NGO's and other subjects);
- b) Location in the region framework LAG without the territorial overlaps to the other regions; distance form the regional centre Jihlava;
- c) LAG activity functionality of LAG, its project fruitfulness on the financial support (national as well as European level).

#### Discussed themes

- LAG locality and area development
- Cooperation and communication inside as well as outside of LAG
- Belonging to the domicile

#### Development of locality and area of LAG

- Identification of participated subjects from the point of view of their functions, interests and activities;
- Conception of area development, where the LAG works;
- Subjective opinion of development preferences;
- Evaluation of existing financial support of region;
- Evaluation of activity of LAG members;
- Well-balanced proportion of economic and social development in the area and quality of life of inhabitants

   tolerable size of developing activities, preservation of nature etc.
- Observance of defined the developing region preferences.

### Colaboration and communication inside and outside of LAG

- Reasons, why the LAG arose (pragmatics or spontaneity)
- Cooperation ways among the LAG members
- Intensity of relations among the LAG members
- Existency of well-tried models of cooperation and conflict's solution;
- Passivity and activity of LAG members and the space for their opinion presentation;
- Identification of the most active LAG and their members;
- Experience in the regional/national institutions at the project creation.

#### Belonging to the domicile

- Pluses and minuses of life in the municipality/region;
- Personal and family relation to the domicile;
- Reasons of potentional migration (from municipality/region)
- Concern about the active facilitation in the municipality/region development.

### Summary and conclusions from the field research

- Problems of all LAGs are very similar. The differences are only in the items.
- The Lag's area development depends on the job possibilities in the villages and the near surroundings';
- Commuting to the employment limits the family life of inhabitants as well as their willingness to engage in the development activities of village/region.
- Entrepreneurs are time-burdened by the own business and agricultural support is more important for them than their activity in the development projects of municipalities;
- There is misunderstanding between farmers and villagers; many of farmers have their domicile outside of rural areas. That is why they are not interested in the development of village but only on the progress of their farm.

- The prosperity of economic subjects and the basic facility of village are percept like the necessity;
- To compare with them, the care for the landscape is the number-two.
- There are the anxiety that the debts of co financing will burden the low budgets of municipalities.
- The conditions of co financing are to hard for the small villages; they can only hardly obtain the bank loan and pay the high carrying charge;
- NGO's are for bank the less trustfulness partner; that is why the villages are more frequently the responsible subjects, which prepare and realize the developing projects;
- There are many reservations to the regional and national institutions;

- The complicated administrative, difficult orientation in the rules and ignorance of responsible officials is critized;
- Successful applicants agree that the evaluative committees are fair; the unsuccessful applicants point out that the selection procedure is non-transparent and they are afraid that there is the political manipulation;
- Cooperation inside LAG as well as with the external subjects is on the whole good, however, there is not enough of active members;
- The beginnings of projects were in the all LAGs similar.
   People did not know exactly, what is it and what are the results;
- If the first projects were successful, the interest about cooperation grows, anyway, the qualified and competent people are missing in the villages.

- There is the big worth of majors (paid as well as non-paid). However, the non-paid majors are very time-burdened by their employment and all duties manage with the difficulties;
- Each of LAGs has its specifics, anyway, the good relations among people prevail;
- Natives have very close relation to their villages. They do their best to keep the village living, to provide to all its inhabitants the acceptable life-conditions;
- Incomers are generally more critical, anyway, if they live in the village, they are getting to participate in the social life;
- The most important asset of LAG is the learning of mutual cooperation, seeking and finding the compromise solution of common problems.

## Thank you for your attention.