

# rural new york minute

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## Understanding EU US Rural Policy Differences

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### Agricultural versus Rural Policy

In both the European Union (EU) and the United States, explicit rural development policy is miniscule in comparison to agricultural policy. Agriculture accounts for most of the funding and is a top priority. In the EU, however, agriculture is viewed as multi-functional and the link between agriculture, environment and rural development is clear. Agriculture in the EU is viewed as a driver for rural development, and a means to provide stewardship for the environment which helps promote tourism and preserve rural culture. In the US there is no such explicit link between agriculture and rural development. American agricultural policy has a singular commodity focus, not a multi-functional link that could connect it to broader rural development objectives.

### How History, Governmental Scale, and Politics Influence Rural Policy

The broader EU rural development emphasis draws from the post World War II experience and the desire to build more social cohesion in a process of Europeanization, resulting in more attention to leadership and community development (especially programs such as LEADER, a rural development program focused on promoting local leadership and initiative). Although rural development policies in both the US and EU focus on market competitiveness, the EU has more emphasis on social inclusion (Shortall and Warner, forthcoming). Equalizing investments across territory is an important component of EU policy. In the US, on the other hand, a competitive market focus is primary. There is less commitment to place, little attention given to leadership, and most rural development funds are focused on physical infrastructure that is thought to affect economic efficiency. There is no community development initiative of the size and scale of LEADER in the US. Efficiency and resource mobility are the primary goals of rural policy – not social inclusion.

The roles of governmental scale and political power are also important considerations. At the EU level, we see a concern with global competitiveness and European regional integration. National-level policies can substitute for explicit rural policy because rural development policy is linked to other policies (social welfare, infrastructure, education, health, labor mobility). Infrastructure is the cornerstone of US rural development policy, but not in the EU because infrastructure is handled at the national scale. Typically, on both sides of the Atlantic, agricultural objectives are dealt with at the international and national scales

while rural development is seen as a local initiative. In the US we see an emphasis on trade and commodity policy at the national level, services and infrastructure at the state level, and economic development and services at the local level. Research in the US suggests a declining national interest in equalizing investments, but a rising interest at state and local levels as more attention is given to local self development.

To understand policy we must consider politics. The urban literature speaks of growth coalitions of real estate developers, business interests and government that cooperate to promote economic development and higher real estate values, in turn fueling the local tax base. These growth coalitions are held together by mutual self interest and represent the power of elites in the city context. Rural development interests, on the other hand, are coalitions of different actors and interests – local government, local business, human welfare and environmental groups. While they offer the potential to promote a multi-functional rural development, they fail to attract policy attention in the US in part because they are too diffuse. Rural development actors are typically grounded in place, but these coalitions do not have an ability to scale up, making it difficult for their issues to be “seen” at the national (US) or international (EU) policy scale. In addition, the short term project focus of many rural development initiatives undermines the long term sustainability of these coalitions. These loose coalitions can be easily trumped by commodity interests as agriculture has the ability to scale up to represent itself nationally or internationally. Even in the EU, rural development funds are increasingly being shifted toward commodity interests which have greater political and economic power.

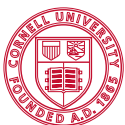
### A Look to the Future

In the future, rural policy will be increasingly affected by changing environmental pressures regarding energy, water and the need to preserve rural areas as the reserve for cities, rather than places deserving development in their own right. These pressures will be tempered in the EU by broader values regarding territorial equality and social inclusion. In the US, where attachment to place is lower and market competitiveness is paramount, broader rural development policy is less likely to receive significant attention.

#### For more information see:

Special Issue Comparing EU and US Rural Development Policy, *EuroChoices* 7(1), April 2008.

Shortall and Warner, “Social Inclusion or Market Competitiveness: A Comparison of EU and US Rural Development Policies,” *Regional Studies* (forthcoming).



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