

ASSESSMENT OF PUBLIC POLICIES RELATED TO RURAL DEVELOPMENT IN THE ARAGONESE PYRENEES

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The European Rural Crisis, which started in the mid 50's of the 20th century, was especially intense in the mountain due to the characteristic occurrence of marginal spaces in these regions with little capacity to compete in a market place dominated by productivity and accessibility. In Spain, the situation of mountain areas was even worse at mid 70's as a consequence of massive migration of population, especially the youngest generation moving to cities.

Besides, the peculiar physiographic characteristics of Spanish mountains did not favor the development of dynamic agrarian and touristic systems, and brought a massive set-aside of farm land and the diminution of livestock pressure on land.

In this context, it was necessary to establish development measures to energize the economic system in the mountains and to preserve their resources and their environmental and landscape values, as society is progressively demanding more and more. The initial impulse began in 1982 with the Agricultural Mountain Law. Afterwards, development measures increased with the incorporation of Spain into the European Union and with the support of Regional Governments.

Development Public Policies have tried to act at every level: agrarian measures as subsidies (Mountain Compensatory Subsidies, livestock subsidies, early retirement) as general investments (Improvement of Agrarian Structures, Forest and Agroenvironmental measures) or as investments focused in some other productive sectors (Regional Initiatives, EAGGF, ERDF, tourism support) and , of course, the social cohesion funds (SEF).

After two decades of receiving these development measures, it is time to assess their effects on territory.

In this context, the main aim of this paper is to analyze in a mountain area (The Aragonese Pyrenees) the role of these public policies of rural development on population (evolution and structural changes), primary sector (farm and livestock evolution) and tourist activity.

Aragonese Pyrenees cover a surface area of 10.227,5 squared km and it was home to 53441 inhabitants in 2001, distributed into 105 municipalities. The biggest municipalities (Jaca, Sabiñánigo and Graus) had a census of 23080 inhabitants (42% of total population) while the smallest villages (71) sum up to 11268 inhabitants (21% of total). The low population density (5,2 inhabitants per squared kilometer) and its unbalanced spatial distribution marked the shortage in infrastructure distribution and services allocation in wide parts of the territory.

We identified three units in the Aragonese Pyrenees based on its physical and socioeconomic characteristics. The northern one is called Pyrenean valleys, with the highest possibilities for extensive livestock and tourism. Next to it, the Inner Depression is a flat area with smooth slopes focused on non-irrigated cereal agriculture. The Prepyrenees are the southern unit: it is a middle mountain with some with more limited possibilities for tourism and also with some limitations to agrarian sector based on winter cereals and ovine livestock.

To reach the planned objectives, we compiled all the available information. Population data were obtained from the population census of the National Statistic Institute (NSI). The information referred to land uses and livestock census was extracted from the Agrarian Census of the NSI and the Regional Government of Aragon. Data about the secondary and tertiary sector was obtained from different economic surveys of Aragon, made by Official Institutions, such as the Tax on Economic Activity, Regional Government and Local Government (Huesca Province). Rural measures were taken from different Department of the Regional Government, looking up the individual files (Chart 1).

Rural measures were brought by the policies of the European Union, the National Administration and the Regional and Local ones. The European Union and the National Government had participated on CAP (European Common Agricultural Policy) and Regional Incentives, while Regional and Local had contributed in tourism-related measures.

Between 1981 and 2001, the Aragonese Pyrenees received more than € 162 million on rural development (Chart 2, 3 and 4). More than 90 million were distributed by CAP and more than 70 million by Regional Policy. Among CAP measures, Livestock subsidies brought the biggest amount (84%), followed by Mountain Compensatory Subsidies (12%) while related measures (Early Retirement, afforestation and agroenvironmental measures) and Improvement of Agrarian Structures had little effect.

Among Regional Policies, 5b Objective has been the one with greatest diffusion although Leader programmes had the highest investments.

In spite of this high investment, public policies seems to have little effect or, at least, lower than the initially forecasted. More than 20 years have passed since the first rural measures were implemented and the Aragonese Pyrenees are still a regressive demographic region (Chart 5). From 1981, the population census diminished 5.6% although a different pattern is observed in those municipalities affected by tourism. The more developed the tourism sector, the more positive the population evolution (maintenance or even increase).

This demographic diminution made even worse the unbalanced structure. Aging index has the value of 2.2 in 2001 and male index has 1.1. Demographic structure is less unbalanced in those municipalities affected by tourism (aging index is lower than 1) than in those not affected. The arrival of Neo-rural young people and little youngster migration are the main causes to explain this lower aging index.

Active population is now mainly occupied on services (48%) doubling people devoted to agriculture (20.9%). These figures show a great change from 1981, when both sectors had an occupation of 34%. People working on the building sector, activity with great dependence on tourism, have increased from 10.8 to 13.6 %.

The decrease of agricultural activity is also shown on the diminution of farms (42% between 1982 and 1999). This decrease has been bigger on municipalities with greater tourism sector, because tourist activities absorb population from the primary sector and they also occupy the orchards, the key to economic viability of farms. Livestock census, on the contrary, has increase from 53821 to 77613 units.

Fiscal licenses have increased from 1981 to 2001, from 5199 to 7030, as a consequence of the development of tourism, and the diminution of industrial licenses (from 515 to 419) and the increase in building and tourism licenses (from 690 to 958 and from 3990 to 5623).

Tourism Function Tax has doubled, changing from 120 points to 260, as has also happened to lodging which had 68232 beds in 1981 and 139192 in 2001.

The inhabitant income has increased, helped by the economic subsidies to the Pyrenees, as rural measures and as retirement pension, both common due to the aged population.

In the recent evolution of the Aragonese Pyrenees a great unbalanced territorial distribution is very distinctive. At the Valleys, tourism development had allowed a more balanced population structure than in the Prepyrenees and the Inner Depression. The increase of tourism in the Valley unit has meant a great diminution of the primary sector, which is not able to compete on labor force and on fertile spaces. In the other two units, on the contrary, the development of tourism has been very little. Both areas continue with a dominant primary economy characterized by little economic activity, low pluri-activity index, and with a regressive effects on the population.

In order to know the role of rural development measures, statistical correlations among regional and agricultural measures and population issues (evolution, structure and occupation), tourism data (Tourism Function Tax and Accommodation) and primary sector (Livestock units and farms) were established.

Results on chart 6 show low correlations though significant, what clearly highlights the little effect of these measures on socioeconomic changes of the Aragonese Pyrennes between 1981 and 2001.

It is necessary to point out that regional measures seem to have contributed to the maintenance of population and livestock census and also to favor the services sector and the inhabitant income. In fact, Regional measures have positive relations with population, people occupied in service sector, accommodation beds (lodging), fiscal taxes, inhabitant income, livestock census and numbers of farms. This relation is negative with aging index and people working in the primary sector.

CAP measures have the same effects than Regional. Nevertheless, their role seems to be more evident, especially on the primary sector because they have help to maintain some farms and have increased the livestock census. It is worth to highlight that livestock measures have negative relation with farm evolution and positive with livestock census. The way these measures were distributed, - according to livestock units and not to productivity - favored the rapid census increase because farms look for their economic benefit on subsidies more than on productivity increase.

This policy had as a collateral effect the disappearance of little farms because they were not economically viable and their livestock units were moved to the bigger farms.

Correlations also show the little effect in primary activities of agroenvironmental measures, early retirement and leader program, and the null influence of structural measures, Mountain Compensatory Subsidies and Objective 5b (Chart 7).

Among the results, we want to highlight that tourism development is the main factor to explain recent evolution and the current situation of Aragonese Pyrenees, while public policies have only contributed in a marginal way due to their little effects of rural measures. They have acted as an income complement allowing people to subsist until retirement, without investment on their farms. It has been a raise on economic level (as it is shown in the inhabitant income) but there is little private investment and endogenous initiative is disappearing due to aging and due to its dependence on exogenous measures (pensions, subsidies, foreign enterprises...).

Nevertheless, it is necessary to underline that due to these measures some farms have been maintained and some new farms have been created which have contributed to generate a economic network and some jobs, which contribute to maintain a minimum of population (in some cases enough to diminish population recession).

To sum up, if only because of these little positive effects, it seems necessary to maintain these exogenous measures, particularly when considering the small capacity the Aragonese Mountain has to promote by itself its development system (no entrepreneur tradition, no capital or investment, lack of market venues, aging population). These external measures are needed in we want to use and manage the high natural resources potential of mountains regions.