

The Scale of Globalization

**Think Globally, Act Locally, Change Individually
in the 21st Century**

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2011

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Authors are responsible for language editing.

Published by

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Dvořákova 7

Ostrava, 701 03

Czech Republic

First Edition

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ISBN 978-80-7368-963-6

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Introduction: The Scales of Globalizations

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The Conference...

These proceedings present scientific papers given at the international conference on globalization called *The Scale of Globalization: Global, Local, Individual*, that took place at the University of Ostrava, Ostrava, Czech Republic, on September 8-9, 2011 (<http://conference.osu.eu/globalization/>). This conference was the fifth in a series of conferences on globalization organized biannually by the Department of Human Geography at the University of Ostrava since 2003. The general goal of these conferences was to bring together scholars from various social science disciplines and stimulate an interdisciplinary critical discussion about globalization and the diverse processes commonly associated with it. Over the years some two hundred scholars from almost thirty different countries from almost all continents have given very provocative perspectives on globalization and presented the results of their fieldwork and research.

Each conference had a special focus or a theme. The previous conference on globalization organized by the Department of Human Geography, University of Ostrava, Czech Republic, in September 2009, was called *Beyond Globalization: Exploring the Limits of Globalization in the Regional Context*. Its main goal was to problematize the concept of globalization and explore its potential utility in describing and analyzing the diverse processes occurring in the world and often summarily referred to as "globalization". On the one hand, the papers presented during this conference showed that the concept of globalization continued to bear a high degree of relevance and academic currency. On the other hand, several presenters approached the concept very critically and suggested that if we were to continue fruitfully in our research on globalization, we had to study the phenomenon in other ways than we had predominantly done thus far.

One paper in particular gave us the central idea for this year's conference *The Scale of Globalization*, drawing our attention to the problem of scale in social science research of globalization and the related phenomena. On face value, globalization is by definition a global process. However, this process necessarily *takes place* in specific localities and concrete individuals are involved in it. Above all, this paradox begs the question of scale. For this year's conference we therefore wanted to invite and challenge academics and professionals from around the world to reflect upon globalization as a multi-scalar phenomenon determined not so much by the area of its impact (economy, politics, society) but rather by the scale at which it is (seen as) occurring.

There are two principal reasons for this critical perspective. First, we wanted to explore how globalization as a process and as a powerful imagination arises, operates, and becomes contested and reappropriated depending on the scale of action and observation - global, local,

and individual. Is globalization the same phenomenon at all of these spatial scales or levels of social reality? How does the character of the process and imagination differ at these scales and what theories are best suited to account for the dynamics of the phenomenon? Do we need scale-specific theories of globalization?

And second, globalization is most commonly perceived as a structural process and individuals and communities are seen as mostly passive and powerless victims. In our view, the question of agency in debates on globalization has not been sufficiently appreciated. By refocusing our attention to scale, we hoped to stimulate discussion about the possibilities of individual action in a world which is often described as spinning out of control. We do not share this pessimistic view and there we encouraged the participants to explore the possibilities for positive individual and community action at different scales of being.

Apparently, this conceptual framework resonated with the interests and research approaches of a great number of social scientists. This year's conference drew more participants from more disciplines and countries of residence than any of our previous conferences. The diverse composition of participants created an exceptionally stimulating intellectual environment in which the concept of globalization was submitted to critical review in relation to scale. Over sixty papers were delivered, of which fifty appear in these proceedings. The conference had three main sections. In addition to the theoretical section focusing primarily on the question of scale in relation to globalization we also offered the opportunity for regional specialists interested in the Caucasus to discuss the impacts of globalization in this region. And we also organized a section on governance in relation to the scale of globalization as a highly relevant topic for the contemporary world.

The conference was organized under the auspices of Václav Havel, the former president of the Czech Republic and a great advocate of human rights and social justice world-wide. The choice of our key-note speakers corresponded with the structure of the conference sections. Our principal key-note speaker was dr. Paul Routledge from the University of Glasgow, UK, a world-renowned political geographer, who delivered a paper on resistance movements in Bangladesh as an example of a network-based action, a scale-specific phenomena which shows an aspect of globalization which does not become readily apparent in the "grand narrative" approaches to globalization. Professor Vladimíra Dvořáková, from the Economics University in Prague, the Czech Republic, gave a paper on governance in relation to globalization and democracy in which she reflected rather critically the growing popularity of the concept of governance. Our third key-note speaker, dr. Emil Souleimanov from Charles University in Prague, the Czech Republic, a specialist on the Caucasus, acquainted the participants with the regional experience of globalization (however it may be conceptualized) in the Caucasus and Central Asia and provided thus the framework for other participants with papers in this section. The conference was supported financially by the government of the Moravian-Silesian Region.

... And the Reasoning behind It

Globalization has proven to be a particularly difficult concept to define. Consequently, many authors prefer to leave it undefined or offer only very general, all-encompassing and thus totally useless definitions. In this understanding, globalization is almost just about anything happening in this world. Among those who do try to offer a more specific definition of the concept, we may find two principal approaches. The first group of researchers considers globalization as an actually occurring process variously involving a range of economic, political or cultural factors (Boyer and Drache 1996, Dicken 2003). In this introductory passage we call this approach "objectivist" without necessarily implying a simplistic mechanistic understanding of complex social phenomena. The uniting theme in the background of these approaches is that globalization is conceived as the result of *longue*

durée trends such as the expansion of foreign direct investment, the intensified deployment of information technologies, and, in the cultural realm, the newly emergent forms of collective identity, political consciousness, as well as new forms of technologically mediated sociocultural interaction.

The other principal approach sees globalization to be more abstract, as a powerful imagination or a grand narrative, making interdependencies of places and culture more intensive and extended, allowing the global political economy to be more smoothly produced and reproduced. Deriving from the "production-based nature of space", together with Massey (2007) we might say that globalization must be approached as an "entangled phenomenon": it is driven by particular (although universalist) capitalist economy and society, and simultaneously produces specific the "space of globalization". It reproduces itself inside this space and thus it ensures the perpetual validity and the survival of capitalism. Massey also argues that although the imaginations and expectations of globalization bring rather an a-spatial picture of the world since they promise geographically, socially and politically absolutely interconnected and borderless world (see e.g. Ohmae 1995; 2005), the globalizational reality places serious limits on the lower strata of the vertical political and economic scale. In fact, globalization has created spaces not limited by impediments, but these are not present equally over the world, many of them possess rather virtual and network-based character and the regime of "freedom" is newly limited by class, race, gender or nationality. We have witnessed a new international division of labor which is yet to be delimited by interstate borders facilitating relatively efficient control over migration and the management of labor force.

What has been said about the spatial paradoxes of globalization is also true for its cultural aspects. Considering the close relationship between culture and space we have to presume that as there is no a-spatial culture, there also is no a-cultural space. Yet the common imagination of globalization does not say anything about its cultural dimensions. The imagination of a borderless world appears to propose the existence of individuals who are free of all thinkable limitations, be they cultural or spatial. Who are the global actors culturally speaking? Is there a global culture? Who are its bearers?

The common critique of globalization points out the cultural particularity of the globalizing actors and forces and speaks of a Westernization or, even more radically, of a new cultural imperialism (e. g. Brecher and Costello 1994; Hamm and Smandych 2005). Some consider this process a good thing (see e. g. Rothkopf 1997), most, however, condemn it as unacceptable. What these authors have in common, however, is the persuasion that this process is occurring and influencing somehow global and local space and global and local cultures. The relationship between local culture and global culture may be of competition, compartmentalization or hybridization. At any rate, global cultures spread rapidly and transform local societies at an increasingly more fundamental level.

This is what we find interesting in the process of globalization - the scaling of the process of globalization. In our perspective globalization is not a flat process occurring only on the global scale but is driven, accelerated, opposed and reformulated in the lower strata of the world – in localities (streets, shops, schools, factories etc.), regions, or states. We are inclined to claim that there would not be a sole global dimension without localities, regions and states. This is exactly the reason why globalization still wields such an allure for scientists –space and culture continue to change and the political, social, economic and environmental relevance of these changes remains high. The fundamental instability of globalization-as-a-process leads us to think about globalization not exclusively in terms of the international division of labor, the changing forms of industrial organization, or the processes of urban-regional restructuring but also in terms of the transformations in the nature of state power,

civil society, citizenship, democracy, public spheres, nationalism, politico-cultural identities, localities, and architectural forms, among many others (see Brenner 1999: 39).

As human geographers we are interested in what many scholars claimed vis-à-vis globalization and space. It is the fact that globalization has caused vast changes in the scalar division of space and culture. As Brenner (1999: 53) wrote, "this re-scaling of territoriality does not entail the state's erosion but rather its reterritorialization onto both sub- and supra-national scales. States continue to operate as essential sites of territorialization for social, political, and economic relations, even if the political geography of this territorialization process no longer converges predominantly or exclusively upon any single, self-enclosed geographical scale". And similarly, we can also identify newly scalar forms of culture connected to territories. Reconfiguration of identities, hybridization of values, unification of imaginations or global consciousness are parts of the same processes of globalization.

In this regard, it is worth to describe the papers of two of our key-note speakers, Vladimira Dvorakova and Paul Routledge, in a greater detail. The key argument of Dvorakova's paper is the need to rethink the concept of good governance promoted by democratic regimes as one of the positive modes of government in non-democratic states. Her article shows how the external use of power might cause the political-administrative hybridization of the originally Western concepts in the space of non-democratic regimes and how it might actually contribute to the stabilization of such regimes. This evokes one of the examples given by Peter Taylor (1999) when talking about his typology of globalization. Among other things, he talks about geographical globalization as a way of reordering space through trans-state practices in a 'borderless world', which will follow and emulate different organizational principles, especially modes of governance in big cities. Dvorakova's example makes his assumption more problematic, however, and corresponds better with a multiscalar view of the world in which culture, space, and politics are intimately intertwined and their connection produces unexpected outcomes.

Paul Routledge fit exactly into the topic of the conference when talking about translocalism. He deployed this concept for the description of connections made between localities in different spaces that are not necessarily limited to the connections between nations but many spatial actors. In his paper connections are made between localities not only geographically through global scale of transportation networks, technological devices (immutable mobiles), shared energy systems and flows of capital and division of labor, but also abstractly, through global scale media, shared identities of resistance, shared feelings of injustice, shared imaginations and shared hopes of a better life. Furthermore he spoke about power which is generated in such networks. On the one side it can serve as a basis for resistance to oppression globalization apparatuses, but also on the other side it enables people to act, unite, and also contribute to some aspects of globalization. Paul Routledge's paper was also important in that it discussed possibilities for action, showing that much can be done with very little.

The multiplicity of other papers included in these proceedings makes it impossible to deal with them individually and to provide a short summary and a critical reflection of each of them. We leave it upon the reader to carry out this reflection in the framework set by the conference and this brief introductory chapter. Paying attention to the scale of globalization, in our opinion, remains a key to the disentangling of the aforementioned "entangled phenomenon" and to the resolution of many of the paradoxes of globalization. One last question, though, forces itself into our thoughts and with it we end this introduction: how do we, the scientists, fit into the problem of scale?

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The Metamorphosis of Governance in the Era of Globalization

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Abstract

Since 1995 the term governance has expanded from the language of international organizations, regional integration unions and policy/decision-makers to journalists, NGOs and scientists. During this period the term became more specified and value oriented and the concept of good governance has been coined. There are two basic goals of this paper. First, to discuss the implementation of the term on different scales of societal organization – local/national, regional/global. Second, to make emphasis on the ambiguity of the impacts of this concept. This ambiguity springs from the dichotomy between good governance and democracy and also from the "imposition" of good governance from the regional/global environment to the nation states. The author argues that when applied on democratic regimes it can deepen democracy but in the case of hybrid or authoritarian regimes the principles of good governance can strengthen the legitimacy of the regime and can enable the long-term survival of the regime in a liberalized form without pressure for further democratization. On the other hand, the implementation of good governance, although necessarily limited, smoothes the transition and consolidation of democracy if the process starts. The author also warns that the imposition of the principles of good governance can in some cases prevent positive internal development and create a value vacuum in which the society will become fragmented.

Key words: governance, globalization, democracy

Introduction

The term governance, that became the key word of many politicians and political scientists, has gained greater currency (and misuse) since 1995 when the OECD published its report *Governance in Transition* about public administration reforms. The European Union used this term in 2001 when publishing the White Book written by N. Kinnock under the title *Governance in the European Union* (the originally proposed title was *Reforming the Commission*) (Tarschys 2010).

The birth of the term was very much associated with political practice and the necessity to find criteria for legitimizing politics that could replace the term democracy (polyarchy), either because the particular states that were objects of some international support could not be characterized as democratic or because of democratic deficit in regional processes of integration (i.e. EU). In fact, the idea brought nothing new, as it was largely based on the Weberian understanding of legal-rational legitimacy of the modern states.

The meaning of the term has undergone significant changes and also has been differently applied to diverse cultural environments and to diverse scales of societal organization. The main stream of further scientific development went through a more detailed specification and value orientation. Thus the concept of good governance has emerged, with an emphasis

placed on procedures. Put simply, good governance means that things are properly done (about the concept see Vymětal 2007).

There are two main goals of this paper. First, to analyze how the concept of good governance is or can be used on particular scales of societal organization (local/national, regional/global). And second, to show the ambiguity of this term in the sense of possible dichotomy between democracy and good governance and the ambiguity of impacts when imposing the concept of good governance on member/client states from the regional/global level.

Good governance and its implementation

For the purposes of this paper, it is not necessary to reproduce the discussion about the term, we can take as granted that to a certain extent there is a consensus among the scholars on eight basic principles of good governance (Vymětal 2008: 9-10):

- transparency
- participation
- rule of law
- accountability,
- responsiveness
- consensus oriented
- equity and inclusion
- effectiveness and efficiency

The hierarchy of these principles can be debated; however, we can agree that the most important principles are the rule of law, accountability, and transparency. The hierarchy can change according to the type of the regime, political culture, etc.

Local/national level

Discussing the implementation of the principles of good governance on the national or local level (state and the decentralized units of the state) we have to take into consideration the character of the regime. It is especially necessary to differentiate between democratic and non-democratic states.

In case of democratic governments (polyarchies), application of the principles of good governance can enhance the quality of the decision-making process and standards of state administration on both local and national level. By implementing these principles the space for corruption, clientelism, and nepotism is narrowed, thus, the democratic legitimacy and trust are strengthened. These principles can also lower the transactional costs of the activities of state administration ("cheap state").¹ The implementation of these principles is important particularly in new democracies, where it enables an easier adaptation to democratic principles of conflict resolution that are based on procedures. In old democracies, mainly the principles of participation, inclusion, effectiveness, and efficiency are important for the deepening of democracy.

In case of authoritarian or hybrid regimes, the application of the principles of good governance can also narrow the space for corruption, clientelism, and nepotism and lower the transactional costs of the activities of state administration. Nevertheless, the levels to which the principles of participation, inclusion, and consensus oriented politics can be applied are logically limited by the fact of limited pluralism in these regimes. The application of the

¹ Discussing the problems of some of the EU states dealing with the current financial crisis and deficits of national budgets very often the "misuse" of social welfare benefits is emphasized; in fact, many problems arise from bad governance. Corruption, clientelism, and nepotism bring very high transactional costs, the state is expensive and both effectiveness and efficiency are very low.

principle of accountability can also be problematic, mainly in regards to the highest rank politicians, but it can be sometimes applied to middle-rank politicians and officials.²

Regional/global level

Good governance is a very useful concept in the processes of regional integration because it can form rational legal legitimacy to substitute limited democratic principles and/or fill the democratic deficit. Of course, it depends on the level and type of integration. The European Union can be a good example of such an approach. The reason why it is easier to implement "good governance" than "democracy" is rooted in the form of this international regional organisation. Without the framework of the state it is difficult to separate the public and political spheres and so democracy cannot be fully implemented.

Good governance can also be very useful at the global level to legitimize some of the international organisations. Organisations with their own policy such as the International Monetary Fund, the World Bank, the OECD, and the UNO can strongly influence the policies and politics of particular states both democratic and non-democratic. The implementation of the principles of good governance inside these organizations forms part of their legitimacy. However, even more important than the internal principles of good governance in these regional/global organisations is the fact that there can be top-down effects – some standards of good governance are often asked from member/client states. Membership or financial aid can be conditioned by the implementation of the basic principles. And this top-down effect raises serious questions.

Ambiguous impacts of good governance

Good governance vs. democracy?

A very important question is the relation between good governance and democracy. Are these concepts compatible or incompatible, are they complementary and/ or are they contradictory? It is legitimate to ask these questions but it is impossible to answer them in this paper. Having them in our minds we can simplify our position by working with this hypothesis: Good governance does not need democracy – it is a technocratic answer to the problems of the organisation of society.

Is there anything the two concepts have in common? Sure, they overlap at some points. Both democracy and good governance are based on the acceptance of procedures; that "things are properly done" in good governance means, that rules and principles are given and the results are derived from them. This is also the basic feature of democracy, which has "certain rules and uncertain the results".

Nevertheless, good governance does not include other features that democracy/polyarchy is based on. None of the famous seven features of polyarchy described by Robert Dahl are present in the concept of good governance.³ There are no doubts that the implementation of good governance both in new and old democracies has mostly positive effects, and that good governance is, in fact, complementary to democracy. But in non-democratic regimes the situation is different, and the impact of good governance can be really ambiguous. So, what are the advantages and disadvantages if authoritarian or hybrid regimes start to implement the principles of good governance?

² Some level of implementation of such principles can be seen for example in China. On the other hand, in these regimes the processes that can look like the results of accountability (the investigation of corruption, the criticism published in the media) can be, in fact, a part of the power conflict between the elites.

³ These features include elected officials, inclusive suffrage, right to run for office, free, fair and competitive elections, freedom of expression, associational autonomy, and access to alternative information (Dahl 1989).

The main advantages are:

A better access to international funding, investments, ranking. This can start structural changes, modernization, inclusion of new social groups into the system, etc.

The development of a professional non-politicized state apparatus that can be used even after a regime change.

A positive change in political culture (rule of law, transparency), diminishing the probability of using violence for conflict resolution, smoother transition.

The main disadvantages are:

The broadening of the social base and the strengthening of legitimacy can prevent democratization of the country in the long-run perspective and the regime can be institutionalized in some form of liberalized authoritarianism.

The basic principles of good governance can be accepted only in a formal way, without informal acceptance. This challenge leads us to the other important question and hypothesis that is connected with the role the regional/global actors can play in the processes of the implementation of good governance.

Good governance by implementation (imposition)?

As the starting point for our deliberation we can take this hypothesis: Good governance implementation by regional and global organisations makes globalisation easier to work, but at the same time it can limit the internal development of the society, weaken or even destroy internal values on which the society is based, and, as a consequence, fragment the society.

The implementation of good governance at the regional/global level creates more transparent and predictable processes in less developed countries, thus forming a more stable environment for investments, increasing the chance of receiving international aid for projects and using them effectively. At the regional level the implementation of principles of good governance is often part of accession agreements and strictly defined criteria play an important role in forming the space for shared rules and values that are the basis for integration into the regional/global market.

Nevertheless, the effects can be sometimes totally different than was originally expected. In cases when the principles were only formally accepted and not internalized the effect can be limited or even opposite. Just now we can witness these problems in the European Union in which Greece is the most visible case. But we do not need to move so far, the problems with corruption and clientelism that Czech Republic is facing are very much connected with only a formal acceptance of some principles that in fact do not work at all. The most visible case is that of the civil service law that was passed in the Czech Republic in 2002, because it was a condition for joining the European Union. The law is still not in force. The cases of Greece or the Czech Republic reveal the difference between the formal and the informal acceptance of the principles, but they do not go against the implementation of good governance; we can even argue that these cases are the results of "bad" governance and that perhaps more pressure and control from "above" can have a positive impact.

Many critics argue that as part of good governance different Eurocentric cultural patterns are imposed on non-European countries which enable their economic inclusion into the world market but which also destroy the original values and cultural patterns without a real identification with the new ones. Foreign aid mostly reflects the donor country's domestic (or "global") liberal agenda, the content of which can be very far and sometimes hostile to the traditional values of the society. NGOs, and especially international NGOs, play a very important role in the implementation of some principles of good governance. Which is more, the activities of local (grassroots) organisations are often influenced by financial sources from abroad. The result is some form of hypocrisy on the part of the elites that use the opportunity

to get support from the outside not by a real implementation of the good principles but by learning how to use the language of good governance to legitimize their demands (even political) for support.

We can use here an example that is near to our scholarly environment. Chris Hann described the case of post-communist Russia which is very similar to the situation in other post-communist countries and in many countries of the Third World: "A decade after the collapse of socialism, I found that no academics in Moscow took the notion of civil society seriously. It was simply a magical phrase that it was always desirable to include in any foreign grant applications, just as a phrase about Russia's cultural or spiritual renaissance was obligatory for grant applications within the country" (Hann in Glasius, Lewin and Seckinelgin 2004: 44).

In fact, the principles are implemented but no one expects them to work. The other important problem is that foreign aid to local/national organisations as well as many local branches of INGOs mostly understand the public in particular countries as an "object" that is to be "liberated" and/or "educated", not as the subject of the changes, the "driving force" reflecting the concrete problems of particular societies. Sometimes foreign aid can even hinder the internal development of grassroots organisations. The activities organized mostly from above can deepen the gap between the society and politics because the society cannot use the traditional channels of communication with politicians through civil society organizations or social movements.

Conclusion

The concept of good governance is an instrument that can deepen democracy in democratic regimes and can start modernization processes in less developed and non-democratic countries. At the same time, it can stabilize and legitimize some authoritarian or hybrid regimes and stabilize them in the long-run perspective.

Good governance is an instrument that helps global capitalism to expand more easily because of the spread of some basic standards, principles and sometimes even values all over the world. On the other hand, the imposition of the concept, mainly in the case when the basic principles are not informally accepted, can hinder the internal development of the society. The imposition of good governance can become part of the power conflict and can destroy the value system of particular organisations. This can even lead to the fragmentation of the society. We can conclude that good governance is a good servant but a bad master.

Acknowledgement

This paper was prepared as a part of the project of the Faculty of International Relations, University of Economics, Prague, Governance in Context of Globalised Economy and Society MSM 6138439909.

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The Impact of Globalization on Architecture - Environment Relations: Housing Projects and Design Approaches

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Abstract

In this paper, the impact of globalization particularly on culture and the architecture - environment relations will be examined in the context of housing projects. Globalization greatly influences society, life styles and practices by the cultural, economic and technological currents that it creates. With the "global culture" presumably having been created and fed by such currents, individuals and their life styles are changed and transformed. It is natural that "our homes" are also influenced. "Home" is one of those places most open to changes because it may provide to its owner - or its user - such feelings as identity, belonging, etc., and is also seen as an investment. Particularly dynamic changes can be expected in large cities that are more open to global flows of life styles, brands and fashion trends. In this study, the aim is to examine the housing relations with the environment (built and unbuilt and natural, social and cultural environment) in new housing projects, particularly those realized and designed in recent years in Istanbul.

Keywords: globalization, housing projects, environment, global culture

The concept of "globalization" that we have frequently come across in many studies conducted recently is an interdisciplinary concept that has not a certain definition due to differences in views and interpretations. By some it is considered as creating a common global culture and homogenizing identities and life styles, while for others it may be interpreted as highlighting differences and supporting locality. Anthony Giddens describes globalization as a homogenizing process, made possible by the differentiation of time from space. In this way, modernization establishes a network of global relations between near-by and distant communities (Giddens 1998).

Global flow: global culture, consumption, fashion, "life style"

Media flow and technological breakthroughs such as the TV, cinema, the internet and others are the most important factors enabling us to interact with remote communities which may be culturally different from our own. By such contact a common global culture is formed. Stuart Hall emphasizes that a new kind of globalization process, in which global elements are intermingled with local ones, has been started, and this new type is the globalization of the American culture (Hall 1998). The spread of a global culture and lifestyles is very fast, compared to previous times, and it emanates from an identifiable center (Taylan 2008).

Due to new communication technologies and media, culture has become a commodity, produced, offered and marketed, and so it has become an image. The world is becoming a single social space held together by the cultural transportation of semantic systems and symbolic forms (Hannerz 1998).

Some authors speak of a media imperialism whereby powerful countries strive for hegemony (Curran 2000). McChesney also suggests that particularly after 1980s, media systems have become more international and the global advertisement market has started to prosper (McChesney 2001). According to this view, the common culture created is the culture of those dominating this market.

Global unit area: City

The internationalization of capital, changes in production types and profitability from production to consumption, and the growth of transnational investments have changed the economic order and the associated social and cultural patterns. Many concepts nowadays have become commodities to be marketed and consumed. In turn, many consumable items have started to play a role in the formation and delimitation of identities (Thorns 2010: 121).

Global Cities

Global flows of finance, media, information, ethnicities, and technology shape societies, and therefore countries and cities. According to Jonathan Friedman, cities are spatially organized socio-economical systems. As such they become global accumulation fields (Friedman 1995). The position of cities within these global flows also affects their economic, social, and cultural structures. Although "global cities" are the focal points of the world, they also represent globe-wide activities and positions of their countries. Moreover, they are involved in relations with other global cities.

Global cities - metropolises - are those cities that have high technological facilities, have been developed or transformed by international capital, have high investment values, have advanced communication - transportation technologies, and have been in communication - interaction with the others. The uneven integration of the city into the global economy, however, may also produce urban dissociation, increasing urban crime, poverty, and fear (Thorns 2010: 74-76). Dissociation effects of globalization change the lifestyle and expectations of urban dwellers and stimulate efforts for the creation of protected places free of the adversities of cities (Isik 2001; Suer 2002).

Do Differences Have to Form Abysses?

Changed production forms, consumption-driven life, and expanding service industry have also influenced societies and created changes and imbalances in income distribution. These imbalances cause very different life style forms within cities. Eventually, within cities, a variety of housing types are formed from shanty houses to apartments, from closed housing complexes- 'gated communities'- to residences, and even these are differentiated among themselves with their unique "concepts" and design approaches.

Through media, fashion, etc., various images of global culture have been created and spread. Such images are presented to us as "lifestyles" or identity elements, etc., and influence our preferences in architecture and urban life. Different parts within the cities representing different life styles emerge.

Social closures

Great differences in income levels within cities increase the crime rate and fear in cities. In response to the perceived danger, certain social groups withdraw from the public arena into enclosed complexes and residences with their own security personnel, surrounded by high walls and camera systems.

For the luxurious housing projects, "lifestyle" is the key word. Each luxurious housing project represents a certain life style and identity which are emphasized especially during the

promotion stages of such projects. Accessibility, particularly fast and quick access to the metro, the availability of services within complex, advanced security measures, good property appreciation forecast, the proximity of large shopping centers, and the image of an idealized global life style are considered as the most important points in the promotion process.

The case of Istanbul

The case of Istanbul is similar to many global cities. The city has different housing regions accessible to different socio-economic strata. Variety of neighborhoods formed by migration, slum houses, rebuilt slum houses, old neighborhoods – apartments, complexes, residences, etc., may be observed sometimes side by side, sometimes at different locations.

Ugur Tanyeli stated that high-income groups in Turkey buy "order" and insulation from chaotic communal and cultural realities in luxurious housing complexes. He suggests that those who buy type-villas lock themselves up in the closed suburbs and they are not disturbed by standard "residential outfits" around them (Tanyeli). Tabloid periodicals presenting the latest trends among rich significantly affect the architecture and interior design of these housing projects. (Thorns 2010: 132)

Cities, particularly metropolises, transform human beings into individuals (Tanyeli). Thanks to the progresses in technology and transportation, even very long distances are accessible in very short time periods. All global cities - metropolises - are at the same time the centers of fast transportation - several international airports, fast trains hubs, etc.

Metropolises, on one hand, compete with each other and try to be different; on the other hand, they look alike. Everywhere we can see the same chain stores with similar design and architectural examples representing the same life style - office buildings, housing projects, etc. Marketing strategies encourage the consumption of identical brands in different locations. New life styles and forms are being created and presented as a commodity and "fashion". Accordingly, life styles are being changed, and the locality and local products lose their importance with the global competition of powerful brands spreading to every corner of the world. As a result, city dwellers become detached from the locality.

When we associate all these developments with architecture, we see that places which Augé described as "non-places", that is, shopping centers, airports, hotel and supermarket chains, shanty houses, holiday resorts and suburbs proliferate, and that human beings become ever more alienated (Augé 1997). No relation may be established with "non-places" and they may be only momentary lived and consumed; they have no relation with history. According to Augé, history may only be a part of the show in non-place (Augé 1997). Augé does not mention housing projects when describing "non-places". For housing projects are personalized by people living in them, and are imbued with memories. However, we think that at least some housing projects bear the characteristics of Augé's non-places. In many projects, history and values of location have been turned into a part of the show. We may see this in city architecture when copies or simulations of historical buildings are built or when copies or simulations of buildings from other (exotic) locations are incorporated in the cityscape.

For instance, Bosphorus City Istanbul project has been created with an idea of creating a second Istanbul strait as a design concept. Project presentations promise living in "Bosphorus" with a motto reading it will be almost the same as Istanbul Strait, with waterside residences, cafés, and a strait (of 720 meters) passing through (Arkitera 2008). That is, it promises a different life in a different location that has no relation with its actual physical setting; in this context, the project detaches itself from its location.

The concept basket of global

There are also other project approaches that have no historical or spatial value, and have no relation with their location or environment. A good example of such projects, regardless of the historical or cultural architectural style chosen, are gated communities, emphasizing self-sufficiency in services, infrastructure, security, recreation etc. Being self sufficient and large enough detaches those living inside from the outside world; on the other hand, it prevents the outside world from entering inside.

The new housing projects sometimes used foreign architectural styles (milliyet 2010⁴ , gazeteparc 2008⁵), sometimes they recreate a "neighborhood" with the nostalgia of a neighborhood life style and neighbor relations that were lost in the process of metropolitization (milliyet 2010⁶); and sometimes they are built around a central theme such as water (milliyet 2010⁷).

A very important theme in urban and architectural design in new housing projects is "nature" and "rural life". Even though, nature in these projects is only an illusion, there is a great demand for it among the buyers who may dream of a "house in nature". The illusion of nature and rural life is sometimes realized by fruit trees and artificial lakes placed in complexes (milliyet 2010⁸), and also by using certain flowers or trees as symbols (milliyet 2010⁹).

The new housing projects serve not only as identity representations and life-style shows, but also as investment strategies which are vital in supporting the manifested identities. Transportation facilities are very important in this context. Being close to the metro and the airport may be considered crucial. There are projects focusing completely on transportation.¹⁰ Every new invention that accelerates the speed of transportation and communication puts forward the claim that it is going to change the social relations (Ritzer 1998, Thorns 2010). Technology also brought the ability to live one's life without the need for physical contact (Graham 1997: 25). This change directly affects the city and city life. The posed question is "whether there is going to be the need for sustaining the face to face relations among people in global city or whether the relationship is going to be in the cyber life?" (Thorns 2010: 87-93).

When all these changes and developments are taken into consideration, the effects on the city dwellers and city life become clear. Socio-economic stratification and stylistic differences affect the relationship of the city and the city dweller with the physical and social environment. Global flows of finance, culture, information and technology have a great influence on the dynamics of this relationship.

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⁵ California Houses in Çekmeköy

⁶ Mahalle İstanbul. Sur Yapı. Çekmeköy

⁷ Aqua City 2010, Sinpaş. Sancaktepe – İstanbul.

⁸ Adapark. Sur Yapı. Çekmeköy-İstanbul

⁹ Ağaoğlu My Roseville. Kemerdere-İstanbul.

¹⁰ White Side, Çekmeköy-İstanbul

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World Demographic Problems

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Abstract

The rapid growth of the world population is a serious problem of the contemporary world. This problem's gravity was realized by humankind at the beginning of the 1960s. The term - population problem - has thus become a subject for many scientific discussions. Demographics significantly influence the functioning of society, therefore great attention to demographic processes was paid in the past and is still being paid even nowadays.

Keywords: demographics, globalization, population growth, global security

At the beginning of the 21st century demographic factors have become a crucial determinant of global security. They steadily and dynamically change the formal as well as contextual aspect of security issues. Some contemporary demographic trends have a specific character, and their diversity grows. Closer attention given in the recent years to demographic trends and developments in relation to globalization and dynamic changes in the security background leads to various demographic myths, frequently with a political background. The coincidence of various demographic, security-political and economic factors has produced several critical, or more exactly, catastrophic zones of development in the world. Among them there are, first of all, a larger part of Sub-Saharan Africa and Central and South-East Asia (Lupták 2005: 561-562). It is precisely in this area that we find most failed states (Kazanský and Adašková 2010: 311-315).

The research object of demography is population. Population cannot be taken as a static element; rather it is characterized by a strong dynamics in quantity, structure, spatial distribution and other features. At the same time, changes of various features are, as a general rule, mutually interconnected in a chain way, and they account for a characteristic and vital process of each population.

Populations' own dynamics involves a great amount of processes that at various geographical levels act in different ways and incorporate specific problems. Population growth requires a parallel growth of supplies and services to provide for basic human needs. Also, population growth exerts pressure on the employment market, GDP production and social stability (Rýsová and Dobřík 2009).

A qualified decision in the sphere of economy, social affairs, employment, education, health care and accommodation cannot be made without qualified, properly structured, variable and prompt demographic information. The importance of demographic information further increases with the significant changes in reproductive behavior leading to a transformation of the population structure as well as family and household composition. Apart from information about the past and current population development, information about expected development is needed for decision processes. Demographic prognoses are the basis for the contemplation about future social developments.

Changes in the structure of the world population are the subject of attention of many scientists as well as world organizations. Since the population changes have also economic and social effects, it is evident that in the period of rapid population changes there is a need and significant demand for information and data concerning the future development of population and its parameters.

In 2003 the UN published a prognosis of the world population, which in contrast to the previous long-term one for the period up to 2150, has a significantly longer time horizon - up to the year 2300. But it is necessary to say that the results for such a long-term prognosis have to be taken with a grain of salt. As more useful we can take results for the period up to the year 2050 (Abrahám 2008).

The prognosis is based on the finding that the population increase of the developing countries caused by high birth rate has slowed down, and it is proposed that it will be gradually slowing down in the next period. Thus it will be comparable to the situation in the highly developed countries, where, on the contrary, the prognosis supposes an increase in the contemporary low birth rate. Everywhere, an increase in the average life expectancy is expected.

In the UN projection the world population is supposed to be 8.92 billion people by 2050. The world population will reach its maximum in 2075 with 9.22 billion, which will be followed by a slow decrease, and in 2300, the size of world population should be stabilized at 8.97 billion. This prognosis of population growth is derived from the so called medium or, in other terms, optimal estimation. The justification of the statement concerning the achievement of the world population size at this level comes out from indicators of maximum, or in other terms, a relative year to year increase in the world. While the population increase of 2.19 % per a year achieved its climax in 1963, in the contemporary period this increase is around 1.14 %. At the same time in 1989 the maximum in-between year increase of the world population achieved 88 million people.

UN experts claim that even a small change in birth rate could alter significantly the prognosis for the year 2300. An estimate of nine billion is therefore only a medium parameter based on the assumption that each family in the world will have two children on average. If the average number of children per a family is one eighth lower, there will only be 2.3 billion people. Although it is impossible to exclude both possibilities, the UN does not reckon with them. Birth rates may change in different regions differently, but overall there is an assumption that regions and countries will show the same demographic trends on a long-term horizon, but the particular levels of development will be reached in a different period of time.

Together with the global population changes it is important to monitor regional population trends. There are 6.9 billion people in the world. Of those, 1.22 billion – that is, 17.9 % of the world population, live in developed countries and 5.69 billion (82.1 % of the world population) live in developing countries. But according to the UN, the prediction of the world population's increase by the year 2050 differs. Globally, there will be an increase of approximately 2.5 billion but most of this increase will take place in the least developed countries (namely Africa). The developing countries have "a kind of delay" of 75 years in their demographic development, compared to developed countries, and the process of demographic revolution in developing countries should be finished in these countries in some 50 years. However, population growth as such will continue for another 50 years. It means that a final solution to this problem can be expected in the second half of the 21st century.

A very problematic region in this respect is Africa where the population growth today is 2.9 %. Other problematic regions include Latin America and South Asia. This last region had 2.2 billion people at the end of the 20th century, which is the same number as the world population in 1950 (Veselá 2003: 163).

A different development is also expected in certain subregions within the larger regions (World Population to 2300). For instance:

Three African regions - east, middle and west Africa will have reached an unusually high increase comparing to other regions by the year 2100. In case of this region's countries there is an expected increase in the years 2000 - 2050 of more than 200 % (Chad – 282 %, Uganda – 250 %, Congo – 245 %, Somalia – 240 %, Mali – 230 %).

In Asian regions there is an expected steeper increase in the West, a slower one in the East (Oman – 218 %, Saudi Arabia – 185 %, Pakistan – 138 %, Nepal – 110 %, India – 58 %, Bangladesh – 57 %). By the year 2100 Asia will be 2.2 times more populated than Africa, comparing to today's 4.5 on the side of Asia.

Latin America and the Caribbean, as the most homogenous regions, will follow relatively parallel trends in natality and probable life expectancy (Paraguay – 155 %, Nicaragua – 122 %). North America as the only region will not reach the so called under the increase-level value by the year 2050, mainly due to migration.

In Europe, similarly as in Asia, a greater increase is expected in the West, and a lower one in the East. Eastern Europe stands out with its low values of life expectancy, and even in long-term predictions, it will not reach the level of other regions (<http://www.nationmaster.com/>).

At present more than 60 % of the world population (3.8 billion) live in Asia with China and India only having 37 % of the world population (2.5 billion), followed by Africa with 14 % (1 billion), Europe with 11 % (731 mil.), North America with 8 % (514 mil.), South America with 5,3 % (371 mil.) and Australia and Oceania with 0,3 % (21 mil.). (<http://wapedia.mobi/en/>).

Approximately 4.83 billion people (70.5 % of the world population) live in 20 countries of the world. The European Union has 501 million people which accounts for only 7.4 % of the world population. In case of the most populated countries of the world, it is possible to see significant differences in population development in the future. In the year 2050 there will be a population increase in, first of all, less developed countries of the world. India will become the most populous country, replacing China. That means that in the period of 100 years (1950 – 2050), we will witness the most significant absolute increase of population; more than 1.3 billion of the population.

According to the prognosis, life expectancy will steadily increase, differing from country to country. By 2100 life expectancy will vary between 66 and 97, and by the year 2300 between 87 up to unbelievable 106.

The population increase will naturally influence the ratio between the population and its life space. The density of population will keep on rising, but will differ significantly between various regions - in 2100 there will be, on average, only 3.6 of inhabitants per km² in Australia and 540 inhabitants per km² in Micronesia. Bangladesh will probably be the most densely populated country with 2000 people per km².

One of the most crucial trends of the future is the aging of population. While in 2000 the world age average was 26 years, in the year 2100 it will be 44 years, and in the year 2300 it will be about more that 48 years. Also between 2100 and 2300 we may expect a rise of population over the age of 65 by one third (from 24 % to 32 %), the number of people aged over 80 and more will double (from 8.5 % to 17 %) and the number of people aged 100 will multiply 9 times (from 0.2 % to 1.8 %). Unbelievably, in the year 2000 the average world retirement age was 65 years, which meant that retired persons would enjoy their retirement for only a short time. If the average age for retirement time did not change by the year 2300, we would be in retirement for 31 years on average.

An interesting demographic phenomenon is the so-called demographic window. This period is characterized by the fact the number of children and youngsters under the age of 15

does not exceed 30 % and the number of people over 65 years and more does not reach 15 % of the whole population. During a period of 30-40 years, people in the productive age become a dominant part of population. This situation will be typical, e.g. in Africa approximately around the year 2045 or later. Europe had its demographic window before the year 1950, and at present it is experiencing the so called third age dominated by old people.

The UN prognosis for the year 2050 expects differences in population dynamics between less and more developed countries to continue. At the present time the population of more developed world regions is rising at a rate of 1.46 % per a year, while the least developed countries are experiencing the fastest growth, up to 2.4 % per a year. These growth tendencies of increase will continue to 2050. Due to low birth rates, the population of developed countries is expected to stagnate or even decrease. For instance, in the case of Japan, the decrease will be 14 %, in Italy 22 %, and in Bulgaria, Russia and Ukraine between 30 and 50 %.

Less developed countries might expect a population increase 4.9 billion in the year 2000 up to 7.7 billion in 2050. The biggest increase will occur in the least developed countries, where population in the countries like Burkina Faso, Mali, Niger, Somalia and Yemen could increase even four times

According to the prognoses international migration is not supposed to significantly change (Bolečeková 2010). More developed countries might expect 2 million immigrants annually in the next 50 years. Traditional destinations are supposed to be the United States of America, Germany, Canada, Great Britain and Australia. Most frequently immigrants will come from China, Mexico, India, the Philippines and Indonesia.

In 2000 the most populated world countries were China, India and USA. By the end of the year 2050 the leading position should be definitely taken by India. Other countries such as Indonesia, Brazil and Russia will be surpassed by extremely populated countries such as Pakistan and Nigeria.

According to the UN prognoses demographic changes to great extent influence and will influence the lives of individuals, but also countries and regions. Demographic determinants such as natality, mortality and migration can have influence on the position of states in the international system. Because population size is considered an attribute of power of a given state, it is possible that some power configurations might change in the future and new conflict may arise (Huntington 2001).

Most prognoses concerning population development agree that the world population size is stabilizing and population processes will tend to a simple reproduction. What different authors debate is the speed and magnitude of this stabilization. And even if population growth stops in the quantitative sense, the material demands of humankind will continue to grow and exert thus greater pressure on natural resources, public infrastructure, social services and political system (Kalický and Hitka 2006: 43-49).

The limits to such growth are often calculated in relation to the availability of arable land. The prognoses differ in their calculations though. For example, the American standard is 2000 m² of arable land per person, i.e. 40 – 50 billion of inhabitants total. According to the Japanese standard it is only 680 m² of arable land, which accounts for a top limit of 157 billion of people.

Conclusion

The issue of population growth is currently one of the most serious demographic problems. The world population continues to grow and particularly uneven population growth in different regions of the world causes significant economic, social and political problems. Negative consequences of this development are seen in the developing and underdeveloped countries, where we expect a strong demographic growth. In contrast, the developed countries

in the world are experiencing a significant population decline which brings another set of problems in economics and social security issues. For this reason, it is necessary to pay significant attention to current demographic trends in the world, as well as in individual countries.

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The Dispositif of "Eastern Neighborhood": A Framework for Analysis

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Abstract

The paper introduces Foucauldian dispositif as a novel theoretical perspective on the study of EU power as deployed in its Eastern neighborhood. It lays down the theoretical case in favor of the dispositif perspective and illustrates how it can be employed in the case of one chosen partner country, Georgia.

Keywords: EU external affairs, Eastern neighborhood, Georgia, Foucault, dispositif

This conceptual paper makes a case for a novel theoretical perspective that can be used to explore how the EU exercises power in its "Eastern neighborhood". Inspired by the thought of Michel Foucault, it argues that the complex web of power relations and practices employed by the EU east of its border is usefully framed as an "Eastern neighborhood dispositif". Employing other Foucauldian concepts (governmentality) and methods (a distinct version of discourse analysis), it develops a framework for a critical yet systematic and empirical inquiry of EU power. In the second section, some preliminary remarks are presented regarding the ways EU power is exercised in one chosen partner country, Georgia.

"Eastern Neighborhood" Dispositif

Dispositif, as a concept coined by Foucault, is a power management apparatus. It is a "heterogeneous ensemble" of discourses, institutions, regulatory decisions, laws, architectural structures, administrative measures, scientific statements or philosophical, moral and philanthropic propositions, a "set of strategies of the relations of forces supporting, and supported by, certain types of knowledge" (Foucault 1980: 196; cf. Foucault 1998). It is understood as a particular configuration in time which orients and arranges multiplicity of power relations in a certain domain; as a moving marker to think about power in a dynamic social field which goes beyond sovereignty, law and institutions while possibly including them (Bussolini 2011; Agamben 2009); and a machine to make see and speak and object in the certain configuration of forces (Deleuze 1992).

The power relations arranged by the dispositif can be identified with various, in historical terms gradually evolving but presently coexisting governmentalities (mentalities, practiced arts of governments). The sovereign power prohibits, punishes and conceives people in totality. The more subtle disciplinary power structures society by prescription and division of normal/abnormal, and individualizes subjects. Finally, modern security regulates circulation within life environment and normalizes through statistical distribution of optimal present and future risk analysis regarding statistical populations it constitutes (Foucault 2007; cf. Bigo 2008; Diez 2008), and "policies at distance" (Huysmans 2004; Bigo and Guild 2005; Bigo 2006; Evans 2010).

The EU, it is contended, has unique ways in which it deploys power in its neighborhood. It does not tally well with the more traditional, material conceptions of power, which is why it

tends to be underrated. Indeed, with no garrisons and few outposts (embassies issuing visas and delegations running projects and programs), its power is poorly understood in terms of chessboards. It is one that flows and shapes rather than coerces and breaks. It structures the neighborhood by the extension of its own practices and regulations (e.g. internal market or Schengen *acquis*) made binding without asserting direct jurisdiction (cf. Kratochwil 2011) or a membership perspective but employing the principles of conditionality (convergence for access) and competitive differentiation ("more for more").

Punishments are rare (Belarus sanctions), and while transposition of legal regulations to local states' juridical orders remains important, so are the more subtle, disciplining forms of changing the neighborhood through expansion of governmentality practices the development of which is supported by EU's resources and expertise (e.g. economic regulatory regimes as preconditions for launching DCFTA negotiations; and more generally technologies of liberal governmentality involving statistical benchmarking and assessments); practices of norms diffusion and knowledge transfer; or the extension of liberal security governmentality manifested in technologies of "policing at distance" primarily aimed at increased circulation in a "secure environment" and creating a buffer zone in the neighborhood to transnational threats such as illegal immigration.

It is why the *dispositif* perspective, sensitive to more subtle forms of acting upon other acting subjects is a useful framework for analysis of EU power in its "neighborhood". How can the "neighborhood *dispositif*" be inquired into? Firstly, (external) conditions of its emergence and its (internal) discursive order can be explored using a Foucauldian discourse analysis (FDA), complementing existing narratives of its genesis and evolution by the analysis of broader historical conditions for statements' articulation within the official "neighborhood" discourse. Such FDA may betray inspiration by both the essentially structuralist and descriptive archaeological analytic "defining the conditions in which the function that gave a series of signs... a specific existence, can operate" (Foucault 1997: 122; cf. Dreyfus and Rabinow 1983) and genealogy as Foucault's later method with its focus on conditions of discursive formations and concerned explicitly with subjectivity (how the selves and others are discursively constituted), power and truth (in the interplay of *pouvoir/savoir*).

The exploration of the internal order can take as a point of departure the duality of logics of the neighborhood established in the literature, duty and threats (cf. Jeandesboz 2007; Christou 2010). The duty is to normalize the outlying wild fields. It is a mission *civilisatrice* to which the EU is obliged, not only towards its citizens, but also "towards its present and future neighbors" (European Commission 2003). The mission's ultimate aim in this narrative is to create in its neighborhood through special relationships an "area of prosperity and good neighborliness, founded on the values of the Union..." [emphasis added] (TEU, Art. 8). The logic of threats, in contrast, renders the Eastern neighborhood a source of instability characterized by conflicts, deficient governance, weak states, organized crime, dysfunctional societies and exploding population growth (European Council 2003). Under this logic, interest in close cooperation with neighbors arises from the need to provide for security, stability and development inside the EU. Based on interaction of these two logics, it may be assumed, Eastern neighbors are made into subjects as "transitional Others", and the neighborhood rendered an ambiguous space associated and dissociated at the same time which needs to be shaped to the EU's own image through transfer of modernity in broad sense and which, as a social construct, serves as the EU's spatio-temporal difference (cf. Rumelili 2004) against which it can define its own discursive Self.

To account for the external conditions of the official neighborhood discourse constitutive of the *dispositif*'s practices, links to historical narratives of the East (cf. Melegh 2006; Kuus 2007; Wolff 1994), genealogical relationship between civilization and police and statebuilding (cf. Neocleous 2011), discourses of enlargement and security (capturing the

dynamic internal/external security management and the relation of security and migration, cf. Bigo 2006; Jeandesboz 2007; Munster 2009) or expert discursive practices of EU power, the neighborhood or common foreign and security policy (including "normative power" and "external governance") sustaining EU's identity and policies may all be assumed to be potentially significant.

Secondly, the operation of the "neighborhood dispositif" in discursive and nondiscursive practices delimited by the general determinants of the possible and the privileged, established in the first step, can be described in a cartography of EU power, a process inspired by Deleuze's metaphor of untangling the dispositif as "drawing a map, doing cartography, surveying unknown landscapes" (1992: 159). It may be organized around the modalities of power established above (sovereign, disciplinary, liberal security), and specified using e.g. adapted Merlingen's methodological framework for the study of governmentality, which focuses on political rationalities, problematizations, political technologies, translations and expertise (Merlingen 2011; on technologies specifically cf. Barry 2001; Huysmans 2004). A first sketch produced by such cartography is presented below.

Progressive development of the EU's capacity for external action and identity as a global actor has generated a substantial body of academic literature on the subject featuring a widening range of perspectives. The EU role as a "normative power" has been hotly debated (for the original thesis see Manners 2002; cf. Manners 2006), and alongside "unified actor" theories structural perspectives, such as external governance interested in norm diffusion and policy transfer (cf. Lavenex and Schimmelfennig 2009) have been introduced. Furthermore, norms, security, network governance, conditionality and local responses have become a familiar subject in the "neighborhood" literature. What makes the dispositif perspective a novel and useful approach to the study of EU practices in the neighborhood? It situates the EU neighborhood practices in the realm of power, from where they tend to be exempt in the processes of naturalizations of their technical and cooperative character; it contextualizes them historically, pointing out conditions of their emergence and current operation modes; and it is critical, rather than accommodative to the current practices, and it transcends the institutionalist boundaries (two points of divergence from the external governance paradigm). Therefore, it can contribute to both the debate on current modalities of power in international order, further exposing and transcending the boundaries of the interpretative framework dominated by its materialist concept and the epistémé of the Westphalian system; and on the nature of EU power, both generally and as deployed in the neighborhood.

The Cartography of EU Power: A Georgia Sketch

The basic framework for relations between the EU and Georgia is a Partnership and Cooperation Agreement (1999). Since 2009 its validity has been extended several times, and it is to be succeeded by a new, "much more ambitious" (European Commission 2010a) Association Agreement currently negotiated under Eastern Partnership. The total sum allocated for "technical and financial cooperation" by the EU between 1992-2009 is calculated by the EU Delegation in Tbilisi at € 865 million.¹¹ In the period 1992-2006 the total of more than € 505 million was disbursed to Georgia through instruments such as TACIS (€ 129 million in market economy and democratic institutions programs, and additional funds in regional projects TRACECA and INOGATE), Food Security Programme (FSP), European Initiative for Democracy and Human Rights (EIDHR), European Agricultural Guidance and Guarantee Fund (EAGGF), in EC Humanitarian Office (ECHO)'s projects (€ 102.2 million spent in emergency relief after the civil war, rehabilitation programs in the conflict areas and

¹¹ See <http://eeas.europa.eu/delegations/georgia/eu_georgia/tech_financial_cooperation/index_en.htm>.

assistance to IDPs, including support for income generating activities),¹² and in macrofinancial assistance (European Commission 2006).

Following the Rose Revolution (2003), Georgia was included in the planning of the European Neighborhood Policy (ENP). More immediately, Rapid Reaction Mechanism (RRM) funding was released to Georgia, a donor conference co-chaired by the EU (together with the World Bank) took place, and the first CSDP mission in the Post-Soviet space, EUJUST THEMIS, was deployed to assist the rule of law reforms. The same year, EUSR for the South Caucasus was appointed. In the aftermath of the 2008 Georgia-Russia War, another special EUSR for the crisis in Georgia was created, and represented the EU in Geneva peace talks. (In 2011, both positions were effectively united in a new mandate issued for an EUSR for the South Caucasus and the Crisis in Georgia.) Furthermore, the first CSDP peacekeeping mission (EUMM) was deployed in the region, albeit, given the resistance by the separatist entities of Abkhazia and South Ossetia (and effectively Russia), only along the Tbilisi-controlled side of the administrative border lines. The EU also delivered a postconflict assistance to Georgia amounting to € 500 million (with additional € 61.5 million allocated from the ENPI to facilitate resettlement). Fuelled by the events, the Eastern Partnership (EaP) as a political superstructure to the ENP came to being next spring (2009), with Georgia as one of partner countries (Council of European Union 2009a; Council of European Union 2009b). It is within the EaP's bilateral dimension that visa facilitation and readmission agreements were concluded, and the new association agreement negotiations, as well as preparatory talks about Deep and Comprehensive Free Trade Area (DCFTA), have been held. Moreover, Institutional Reform Plans specifying assistance within the EaP's Comprehensive Institution Building (CIB) have been passed with the aim to aid Beneficiary Public Administrations (BPAs) involved in the association agreement and DCFTA (pre)negotiations (€ 30.86 million of the CIB budget was allocated for Georgia).

Political rationalities of the EU practices in Georgia are articulated in the discourse of technical, programmatic documents which define the available means and desired ends of EU governance. Key among them are the Country Strategic Paper (2007-2013), Action Plan (2006-2011) – formally endorsed by both parties in EU-Georgia Cooperation Council – so far two National Indicative Programmes (NIPs) and annual Action Programmes (AAPs). In general, "technical and financial cooperation" provided to Georgia is aimed at restructuring the modalities of political and economic governance, with both securitized in terms of their discursive links to conflict resolution and stability generally (following the logic of threats mentioned above). The current NIP, following the earlier documents, thus defines these priority areas for EU action (European Commission 2010): Democratic Development, Rule of Law and Governance; Trade and Investment, Regulatory Alignment and Reform; Regional Development, Sustainable Economic and Social Development, Poverty Reduction and Peaceful Settlement of Conflicts.

Problematizations (challenges to the defined aims) are identified indirectly as failures to achieve "sufficient progress" in harmonization or, as for example in the case of DCFTA, internalizing "key recommendations" made by the European Commission. For example, the failure on Georgia's part to effect reforms (at least as seen so by the Commission) in the areas of competition, property rights, food safety and technical barriers to trade (TBT) has so far precluded starting the DCFTA talks (currently open with Ukraine and more recently Moldova). More generally, current problematic issues are listed in documents such as annual progress reports that the Commission issues for individual partner countries, including Georgia (European Commission 2011).

¹² For an overview of EC's assistance in conflict areas cf.

<http://eeas.europa.eu/delegations/georgia/documents/projects/overview_post_conflict_ec_assistance_dec2010_en.pdf>

Political technologies translate the rationalities in practice. Since sovereign power is all but absent in the neighborhood dispositif, achieving the rationalities' objectives is to take place predominantly by disciplining means – diffusion of governance practices (including statistical benchmarking and assessments) or developing, as in CIB programs, "administrative capacity, including through training, technical assistance and any appropriate innovative measures" of BPAs through twinning – programs involving placement of member states' experts in local agencies (Council of European Union 2009b). The basic mode of relations between the EU and Georgia is conditionality. Political and economic governance reform, consisting in convergence with EU governance facilitated by its resources (since ENPI became operational, the average annual assistance Georgia has received amounts to € 42.96 million, i.e. € 9.34 per capita, or almost three times the neighborhood average) and expertise deployed in what has become to be called "interventions"(programs) is, at least in theory, the price for an increased access to money, market and territory.

Indeed, despite the initial promises of "everything but institutions" to the partner countries the membership perspective of which was postponed indefinitely after the final round of Eastern enlargement, each of these has been compromised by the EU, limiting, but importantly not removing entirely, the incentives to Georgia's compliance (see conclusion). An important side effect of this has been a progressive development of "policing at distance" technologies regulating, in practices falling into the realm of liberal security controlling circulation, the movement of persons entering the EU by both more traditional (embassies as access points for visas to the "Schengenland") and nontraditional means (involving the local agencies in surveillance by cooperation with FRONTEX, concluding not only facilitation, but also readmission agreements, which for Georgia entered in force in March 2011, or developing South Caucasus Integrated Border Management, SCIBM as a regional structure ultimately protective of EU border of which Georgia is a key constituent).

Regarding translations (processes of how networks through which governmentality is effected come to being and operate), the many governmentality networks built around agencies such as the Commission and its selected DGs, High Representative and EEAS, Member States or border security agencies (FRONTEX), all connecting with the local governance agencies, meet and intersect at various sites in the EU and in Georgia. A more detailed map of these networks is beyond the scope of this paper. Suffice it to say that they are constituted by professionals of politics, security and external economic relations and knowledge experts (technical professionals, in advisory networks such as GEPLAC, an researchers), and are conducive to socialization and expert knowledge transfer and dissemination through "impositions" (twinning), but also TAIEX or SIGMA programmes and dozens of committees which permit, in the Commission's words, "regular and intense exchanges on all issues of common interest, ranging from governance and democracy to transport and health sector reform, and contributing to increased confidence and reciprocal knowledge" (European Commission 2010a). The expertise underlining the rationalities and technologies has mainly been inherited from the enlargement process to which the neighborhood policies are genealogically related, and it has been cultivated for the sake of achieving coherence across various agencies involved on the part of the EU e.g. by issuing appropriate "manuals" (cf. European Commission 2009).

Conclusions: EU as an Empire

Measured against its (ambitious) objectives, EU political, social, economic and security policies in the neighborhood's success has been limited. Incoherence, presence of external actors "who seek to extend their influence in a way that is not always compatible with EU values or the EU *acquis*"(Fülle 2010) and local resistance are the main cause. The same goes for Georgia specifically, despite the fact that Tbilisi's securitization of convergence (by being

embraced among the governing elite merely as a pragmatic strategy to brave the current "bad weather" in global politics) and high dependence on Western assistance make it, from the EU's perspective, one of the best performers among the Eastern neighbors (if also the political troublemaker). Much remains to be desired, however, both in terms of democratic governance – with the ultimate test being the coming elections, showing the extent of Georgia's political elite "Kremlinization" – and economic convergence. Russia's presence at the horizon has contributed to this situation by indirectly effecting threat narratives that legitimize exceptional modes of governance; yet so has the unclear incentive structure for political and economic convergence of a regime with authoritarian tendencies and the ruling elite which at once champions greater differentiation in ENP, seeing itself as a reform leader, and adheres to a radical neoliberal ethos at odds with the EU approach to market regulation, cherishing instead the utopia of Georgia as a Caucasian "Singapore" or "Switzerland", metaphors of deregulated and autonomous economy capitalizing on its tourist potential.

EU's governmentality practices have not been entirely successful to meet the criteria of their political rationalities even in the case of one of the neighborhood's best performers. But the EU has structured Georgia, and the entire Eastern neighborhood, in a way the significance of which can be clearly appreciated if the absence of its practices is counterfactually imagined (e.g. in terms of legislative transpositions, institutional changes or governmentalities inscriptions). More research is needed to elaborate this point. It will confirm (or disconfirm) the thesis that what is observed is a new, perhaps postmodern, empire in the making, one whose presence is marked not by garrisons and trading companies, but missions running projects and programs as the contemporary forms of "intervention" to meet the objectives defined by the logic of duty (civilization) and threats (pacification).

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The Scale of Globalization and the Geographies of Resistance

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Abstract

The paper applies the concept of scale to the analysis of globalization and resistance. After a brief theoretical discussion of resistance movements we present a case study of a series of conflicts which occurred in relation to the construction of the Hyundai automobile plant in Nošovice, in the vicinity of the Beskydy Mountains. The article maps the scales of the conflict – international, national, regional and local, and demonstrates the basic interests of crucial actors at particular levels.

Keywords: resistance, social movements, globalization, scale, Hyundai, Nošovice

Introduction

Even though in current geography globalization has lost much of its late appeal, it does not mean that the concept is dead. Social science concepts have a way of getting out of the academia, gaining a life of their own in the everyday parlance of ordinary people, and structuring and mediating everyday social relations. As we mentioned in the Introduction: The Scales of Globalizations, we are predominantly interested in the scaling of globalization processes. We are led to this emphasis by the fact that the question of scale is often reiterated in scientific literature and almost equally as often ignored in actual research and subsequent analysis of obtained material. We consider *scale* to be one of the crucial concepts in a systematic and critical study and analysis of globalization and everyday life, allowing for the disentanglement of the divergent and contradictory processes subsumed under the term "globalization" in academic literature and everyday conversations. Globalization has a variety of impacts which sometimes can be traced to the level of states (for example financial markets), sometimes to the regional level (pollution, unemployment) or the local level (socially excluded localities). Some processes cross all levels simultaneously, albeit unevenly (migration flows, for example).

One topic commonly studied in association with globalization is resistance. The aforementioned importance of scale in the analysis of globalization applies in the same extent also to the analysis of the various forms of resistance conceptualized as reactions to globalization. Therefore, we are led to rethink resistance as emerging not as a response to universalist globalization but as a reaction to particular projects with specific purposes. Such resistance movements can be described as rhizomatic since they emerge due to particular reasons and bear many forms (see e. g. Routledge 1996; 2006).

Writing about the development of London's Docklands Keith and Pile (1993) emphasized the importance of scale in the analyses of social conflicts. To them conflicts must be analyzed within "a multi-layered and multi-dimensional geography of resistance" (ibid.: 14). Not only did different groups organize against the development project based on local membership and area-wide reach, also these groups represented differing interests which further complicated

the issue. We consider such a conflict analysis based on sensitivity to the "geographies of resistance" a key starting point for a productive understanding of the analyzed Nošovice case and other cases commonly and summarily judged as conflicts generated by globalization.

We confront the theoretical arguments with the empirical material collected throughout the past six years in and around Nošovice and Nižní Lhoty, two villages in the northeastern part of the Czech Republic, in the vicinity of the Beskydy Mountains, which were chosen by the national and regional governments as involuntary hosts for a 250-hectare industrial zone destined to become the "home" for the Hyundai Motor Co.'s new car manufacturing plant, the company's strategic investment in Europe. In our analysis we focus on the different actors which became voluntarily and involuntarily involved in the conflict preceding the construction of the factory, a conflict which was perceived and portrayed by many, including some of its protagonists, as a symptom of globalization (for further information see Mácha and Drobík 2010).

Resistance – mobilizations or identity?

The recent social sciences generally pay a considerable attention to the processes of resistance. There appear to be two principal paradigms for conceptualizing social conflicts and social movements. The first is the resource mobilization theory wherein the responsibility and agency is given to the leaders of the resistance movement. According to this paradigm, power is latently dispersed throughout the society and thus it has to be instrumentalized and deployed for a myriad of purposes (see Guarnizo and Smith 1998: 23). This paradigm places a great emphasis on the role of elites in social movements and significantly underestimates the identities of resistance, the geographical imaginary etc.

The resource mobilization theory approach is often used in research of big and almost professionally organized social movements fighting for example against globalization, global capitalism or cultural imperialism. A special attention is paid to communication channels, management, and fundraising. In this approach, the movement is researched in the political context in which resistance occurs, and the structural impact of primarily non-political civil society, and the role of charities, universities or other NGOs is then studied as well. And last but not least, the approach includes social networks and informal relations in its analysis. The cornerstone of this approach lays in the conviction that the studied actions are done in order to "maximize impact and efficaciousness" (Wiktorowicz 2004: 10). In this regard, we see a serious ontological limitation of this approach which downgrades spontaneous movements without clearly defined goals, without leadership, and without activists willing to sacrifice everything for the purposes of the movement.

The new social movement approach offers a different perspective. Social movement scholars increasingly realize that contemporary mobilizations, while being rooted in, and operating within, the general context of neoliberal globalization, are grounded in local power constellations and political processes. Expressed in terms of spatiality, political-economic processes operate over space to yield contingent outcomes in different localities, where everyday experiences, identities and social practices give rise to context-specific community activism in regard to local manifestations of general processes (Stokke and Lier 2009: 83-84). In this way space-specific approaches give us also a potential to think about the spatial context and about the scale-specific representations of activism and resistance. Furthermore, this approach does not necessarily presuppose well-organized movements and thus provides us with conceptual tools and methods to study amorphous and spontaneous movements, the eruptions of grievance and subsequent resistance.

However, neither of the approaches is ideal for the analysis of the following case study. It appears that only their combinations might be of use. It is precisely the concept of scale that forces us to resort to a dual-approach analysis of a resistance social movement, forcing us to

make two key distinctions. A) The Hyundai case is not clear an example of a new social movement since at the top levels of the conflict it was led by professionals and it was a well-planned, tactical, well-organized, and expensive contestation (EPS, state, Hyundai, Beskydčan). No serious questions of identity were raised. B) At the lower strata, the conflict was very chaotic, without leaders, without a specific program and often very separated from the political arenas and even from civil society. Actors here were rather local people living in the area affected by Hyundai, feeling sadness and grievance, seeing the industrial zone as severing all human-nature connections in the local space, being afraid of coming Koreans or only speculating on the price of real estate. In this way, identity, reinforced by emotions, historic memory, and a feeling of responsibility for children was a cornerstone of the struggle for local people. Therefore in our case study we decided to use both approaches and we tried to distinguish the two principal processes which occurred in one place at one time.

Hyundai and resistance

In our view, the key to understanding the Nošovice case lays not so much in the common conceptions of globalization-as-an-objective-process (e.g. Boyer and Drache 1996, Dicken 2003) or globalization-as-a-grand-imagination (e.g. Massey 2007) but in the meaning the term has in the minds of social actors. In this sense, globalization is not a grand narrative but rather a set of small narratives which are generated and used at different scales of social life to help to explain events in a person's life, legitimize certain behaviors and attitudes, and help him/her relate to things, structures, processes and people which are new and ambivalent (Mácha and Drobík 2010).

Once again we need to stress one of the great paradoxes of globalization - etymologically it evokes planetary images but as all other social processes it *takes place*, that is, it plays out in concrete localities associated with different scales of social life. The questions then are in which places globalization actually takes place and how does the character of the place affect the character of the globalization which takes place in and through it.

As there can be traced numerous forms of globalizations, we have to step out from totalizing and incorrect dichotomies when talking about globalizational processes in localities. Our empirical experience has shown that *between* and *besides* the local and the global there is a complex geography of resistance often without obvious roles and transparent goals. In Nošovice, on face value, Hyundai, the Czech state and the regional government clashed with environmental activists and some local people in a battle over the land on which the Hyundai plant was to be built. In fact, this did not happen at all. Or, rather, a great number of battles took place between actors who sought different goals and obtained dramatically different results.

As the geography of resistance generated around the Hyundai investment was extremely multilayered and complex, we decided to summarize the principal battles and issues in a systematic table (Figure1) differentiating between the scales of conflict with the associated issues and actors. Even a brief look at the table immediately shows the multivocality of the conflict which was destined to have no clear winners.

Figure 1: A table analysis of Hyundai-related conflicts, issues and involved actors

Level of conflict	Conflicting parties	Issues
International	Hyundai vs. Czech Republic	corporate blackmailing of states
	Czech Republic vs. Poland vs. Hungary vs. Turkey	competition of states for FDI
	Hyundai vs. EPS	global corporate responsibility, workers' rights, environmental issues
National	Industrial zones - Nošovice vs. Dolní Lutyně vs. Mošnov vs. Holešov	competition of regions for FDI
	EPS+Děti Země vs. Czech citizens	critique of Hyundai x expectations of economic benefits
	EPS vs. Czech government	legality of administrative procedures, public accountability
	EPS+Děti Země vs. CzechInvest	new industrial zones, transport infrastructure development
Regional	Beskydčan vs. Regional authority	regional transport infrastructure development, nature and landscape protection in the Beskydy Mountains
	Agricultural cooperative vs. Regional authority	land and finances for commercial agriculture
	The general public (opponents and proponents)	impact on nature and landscape, impact on farmland, impact on local enterprises, employment
Local	"Sell outs" vs. "sell nots"	land speculation vs. attachment to land
	Agricultural cooperative vs. small farmers	commercial agriculture vs. subsistence agriculture
	Local people (opponents and proponents)	impact on the social integrity of the village

The international level

At the international level we witnessed a very strong international competition of governmental bodies to attract foreign direct investment. The conflict was not only caused by the needs of governments to be re-elected or gain higher budget income, but also by Hyundai's smart manoeuvring leaving the governments at odds which thus could maximize the profit due to the minimization of construction and operating costs.

All interested countries (Hungary, Poland, Slovakia and Turkey) tried to attract the investor by offering a lot of incentives - tax breaks, infrastructure etc. The Czech side offered also a qualified work force in a region with a relatively high unemployment rate (i.e. a region

with relatively low labor costs), free offices, international schools for managers' children and a picturesque view of the mountains.

Another dimension of the international conflict resulted from the activities of the Environmental Law Service (EPS), a professional Czech NGO with an international reach, which publicly criticized the investment policy of Hyundai and its blackmailing of nation-states.

The national level

The competition of localities did not end with the choice of the Czech Republic. Although the hottest candidate was, from the beginning, the Nošovice-Nižní Lhoty industrial zone, the negative attitude towards the project expressed by the owners of the land on which the zone was to be built led to the consideration of other localities. Hyundai was offered the already prepared strategic zones in Mošnov and also Holešov in central Moravia. Hyundai preferred the Nošovice zone for its greatest proximity to Hyundai's sister company KIA's plant in Žilina, Slovakia (cca 70 kms away). There were also strong interests for the owners of industrial zones in Mošnov (City of Ostrava) and Holešov (Regional authority of Zlin region) and Dolní Lutyně (Moravian-Silesian regional authority).

As far as we know, no one ever protested against the Hyundai investment as such. This investment was widely perceived by the public as a great stimulus for the regional and national economy and many people looked forward to it, expecting to ride the wave of investments as subcontractors, suppliers, dealers, or simply employees. That is why we saw a general support for the industrial zone and Hyundai from the side of the media, labor unions, academics, entrepreneurs etc. However, what was seen as highly controversial was its location on prime agricultural land in the immediate vicinity of the Protected Landscape Area of Beskydy in a region with numerous abandoned industrial zones and post-coal-mining landscapes which would be much more suitable for industrial activities.

Because of this location, numerous actors became involved in the negotiations to such an extent that it by far exceeded the national government's and Hyundai's original expectations and worst fears. In addition to the Hyundai-national government negotiations and the competition of countries and regions, another layer (and level) of conflict arose. Its protagonists were Hyundai and CzechInvest (the state foreign direct investment promotion agency) on one side and the Czech NGO Environmental Law Service (Ekologický právní servis, hereafter only EPS) and Děti Země, also a national environmentalist NGO, on the other.

The EPS declared its will to participate in the administrative process of the environmental impact assessment (EIA) and started with a strong critique of Hyundai, the Moravian-Silesian regional government and the national government. In this regard, the EPS acted as coordinator of activities of other NGOs (Beskydčan, Děti Země, Půda pro život / Soil for Life). However, at the end, after the last few remaining land owners agreed to sell their property, the EPS together with the other NGOs negotiated a compromise agreement, the so-called *Declaration of Understanding* in which all parties agreed on respecting some basic criteria during the administrative processes and committed to various obligations.

No other single document better illustrates the complex picture and the multiplicity of demands and struggles generated by the Hyundai investment than the Declaration (see EPS, http://aa.ecn.cz/img_upload/409344c5b28b1bd833ef56a4fcfd168d/Deklarace_H_projekt_en_final.pdf).

Among other things, EPS and Děti Země forced the Ministry of Industry and Trade (represented by CzechInvest) to stop planning new industrial zones on greenfields and prefer brownfields in its investment promotion policy. This had absolutely nothing to do with Hyundai and it illustrates well that the Hyundai investment served as an opportunity to resolve some older issues between the conflicting parties.

Regional level

The NGOs also negotiated restrictions on new transport infrastructure development, especially in relation to the Hyundai investment. This level of conflict was also further enriched by Beskydčan, a regional NGO which acts in the Beskydy Mountains and a long-time opponent of the regional authority on many environmental issues. This NGO did not directly oppose Hyundai, but they were able to block the permitting processes for infrastructure development which should connect Hyundai to the railway and highway system. Beskydčan together with another NGO Děti Země forced the regional authority to compensate for the negative impacts of intensive railway and car traffic by building two corridors for wild animals crossing the Beskydy Mountains.

By signing the Declaration, the regional authority was also forced to abandon its plan on the development of the Dolní Lutyně industrial zone in the vicinity of a NATURA 2000 area. This plan had been strongly opposed by several environmental NGOs (especially Arnika), most of which were not involved in the Hyundai negotiations at all. Both cases show that the conflict did not take place only in one place or over one place, but had a really regional character.

The regional government negotiated separate agreements with land owners, the largest of them being the Nošovice agricultural cooperative. This cooperative functioning more as an agrobusiness than a genuine farmers-run cooperative wanted to stay in business and, as it turned out, its opposition to the Hyundai investment was driven by a desire to get more agricultural land and direct finances for new machinery. When it got what it wanted, it agreed to the project.

A vibrant region-wide debate among the general public also significantly influenced the development of the conflict at this level. Letters to the politicians, newspaper articles, internet discussions, petitions and other expressions of support and opposition created a great pressure on the parties in negotiations, and set certain limits for this discussion.

Local level

Very interesting situation had crystallized at the lowest level of the conflict. Inhabitants of Nošovice and Nižní Lhoty found themselves under a strong pressure from the regional authorities, regional entrepreneurs and labor unions. Furthermore, people in Nošovice became divided into two camps, the proponents and the opponents of the project, some of them land owners. During the negotiation period the regional authority used an enormous power and resources to persuade the people of Nošovice to agree with the investment. The national government even started to talk about the expropriation of land owners in "public interest" to make the construction possible. During this time, more and more people gradually accepted the reasoning of the regional authority which offered to every family a "financial compensation" of 100 000 CZK. By this offer the conflict directly affected families, relatives, and friends in Nošovice who clashed over the morality of accepting this "compensation" and selling the land (also for a very good price). This pressure increased in December 2005 when the regional authority persuaded the agriculture cooperative in Nošovice to accept a compensation of 70 million CZK and different agricultural land. Thus, one of the symbols of resistance, with cogent arguments, producing a certain sense of spatial identity of inhabitants, disappeared from the picture. The extremely tense atmosphere culminated in anonymous death threats sent to those who did not want to sell their land. After that, the three remaining land owners finally accepted the offer and sold their property, making the construction possible.

While EPS, Děti Země and Beskydčan on the one hand, and the national and regional governments and Hyundai on the other, succeeded in promoting some of its interests, the local

people were left to live with the complicated situation. After six years, the village remains deeply divided and the numerous wounds are yet to heal.

Conclusion

In our paper, we examine how scale enables us to approach the geographies of resistance seen not as networked activities, but as the activities at specific levels, where specific actors of resistance act predominantly on a particular scale. Escobar argues that "the global is associated with space, capital, history and agency while the local, conversely, is linked to place, labor and tradition – as well as with women, minorities, the poor and, one might add, local cultures" (2002: 248). In this regard, when localities are seen as spoiled by capitalist manoeuvring, it gives them power to position themselves as victimized and oppressed, and it enables them to communicate a sense of unfairness which symbolically helps them to derive power against a global product/actor.

However, as we showed in this paper, the geographies of resistance are more complex. No single approach to the study of social movements is able to account for the rich texture of the conflict in Nošovice. As a matter of matter of fact, we need to admit that this conflict lacked an apparent and well-defined structure of activities and leaders. However, what we consider to be one of the most interesting conclusions of our paper is the fact that the conflict was not only deeply scaled but if we frame it in the globalization context, Hyundai, as one of the potential hallmarks of globalization, was not the crucial agent in this conflict at all. As we have demonstrated, it was not Hyundai but the Czech government, the regional authority, and, subsequently, some local people who were the strongest pro-plant actors. Without their power, money and social pressure, the plant probably would not have been realized. The second interesting fact was the scope or reach of the conflict – the number of actors and the whole geography of conflict are noteworthy. In this sense we also need to emphasize the number of competing localities, places of negotiations and the spilling of the conflict into other areas.

The analyzed case study suggests that both globalization and resistance movements (seen as) reacting to it are very fuzzy terms with an ambivalent character and unpredictable dynamics. Simple dichotomies such as global-local and "grand narrative" approaches to globalization fail to account for the role played by the culture- and place-specific imaginations of globalization and resistance in mediating social relations in everyday life. Scale thus enables us to better appreciate the diversity of processes described as globalization and becomes a key concept and tool for analyzing complex social phenomena in the contemporary world.

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Globalization – An Old or a New Phenomenon?

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Abstract

This work presents globalization as a historical process. We analyze and present some pieces of work of authors writing about globalization. This work is based on qualification of J. A. Scholte. We divide these authors to different groups according to period, when their works were written. The first group consists of authors who consider globalization as a historical process and this group is divided into two subgroups: authors who talk about globalization as an historical and linear process and authors who see globalization as an historical and cyclical process. The second group consists of authors who claimed that globalization is a process arising in the present. On the basis of this classification we present historical aspects of globalization which, in our opinion, appeared on the different levels in the human past, e.g. in integration processes, in politics, in economics, in society etc. in the antiquity, in the Middle Ages and in the modern times. In this paper we analyze several cases of globalization based on selected indicators. We attempt to determine whether this phenomenon can be characterized as new, old or cyclically repeating. We conclude that aspects of globalization which are characteristic for globalization in the present, appeared in remote past and they repeat in human history cyclically.

Key words: globalization, cyclical phenomenon, new phenomenon, linear phenomenon.

The term globalization frequently appears not only in the field of science but also in the media. Despite the constant usage of the term, its definition is much more complex. Economists, historians, political scientists but also politicians have different approaches to the problem. Consequently, there are various definitions. In our paper we use Anthony Giddens' definition of globalization: "Globalization is intensification of global relations that connects distant localities in such ways that local events are formed by events that happen many kilometers away and vice versa" (Mattová 2003: 18).

Classification of authors who write about globalization

There are different approaches to classifying the conceptualizations of globalization. Baylis and Smith differentiate between realism, liberalism, Marxist theories, and social constructivism while Held and McGrew write about hyperglobalists, sceptics and transformationalists (Mattová 2010: 274 - 279). We base our classification on the work of J. A. Scholte *Globalization: Critical Introduction*, as it suits the purpose of our research best.

Scholte divides authors into three groups according to the period into which they date the origin of the globalization process. Scholte considers the question of the dating of

globalization to be one of the most important questions for research. He asks if globalization is a part of human civilization from its beginnings or if it emerged only a few generations ago. Furthermore, there is another criterion and that is whether it is a phenomenon which in human history is repeated regularly or whether it is a linear process (Scholte 2000: 19). The understanding of globalization in this context is significant for the formulation of a general definition.

There are two groups of authors in Scholte's classification. The first group comprises authors who claim that globalization is a historical process and its aspects can be found in the past. However, this group is further subdivided into two subgroups. One subgroup interprets this historical process as a cyclical trend, the other subgroup sees it as a linear process. The second group consists of authors who understand globalization as a new phenomenon unparalleled in the past.

Globalization as an old and cyclical phenomenon

The first group consists of authors who regard globalization as a process which occurred in previous, important moments of human history and repeated regularly. Scholte places here I. Clark, R. Zevin, R. Wade, P. Hirst and G. Thompson (Scholte 2000: 19).

Hirst and Thompson believe in a hidden continuity of globalization. In their work *Questioning Globalization – Globalization in Questions* they claim that current and highly internationalised economy is unprecedented. Hirst and Thompson also point out the incongruities of current capitalism. There is a large group of people who are excluded from the advantages which are provided by the present establishment. Moreover, their work touches on some serious problems of the countries of the Third world. Furthermore, it tries to provide particular solutions which are to a large degree simplified. In any case, it is interesting particularly for its insights into the future developments (Tabb 2010).

The first group also includes A. G. Hopkins. The anthology *Globalization in World History* examines globalization in its full historical context. Four different forms of globalization are postulated:

Archaic – one that occurred prior to industrialization and national state. Its main participants were kings, soldiers, priests and merchants.

Early – which was conducted in the 17th- 19th centuries and it was closely connected with a new formation of states and expansion of trade. Its main participants were explorers, merchants and slave traders.

Modern- or traditionally 'Westcentric'. This is dated from the 19th century. It was related to industrialization; increase of national state and to the formation of global civil society. Its representatives included imperial colonizers, manufacturers, scientists and activists of governmental organizations.

Postcolonial – is related to the disappearance of colonialism in the 20th century and the formation of supranational organisations. The main representatives of this phase were not only commercial and political elites but also immigrants and virtual networks around Internet (Harrington 2006: 405-407). These periods of time can overlap.

In this work the authors invite historians to contribute to a discussion about globalization. Hopkins claims that it is the first work about this topic written by historians who ask questions which can be answered only by historical research. One of the topics explored is the influence of Islamic culture on the process of globalization. The effort to generalize the essentials of Islam such as the umma and Arabic serves as an example. In addition, this work problematizes the understanding of globalization as the expansion of the West and it argues that there were contacts among China, India, and Japan long before the Europeans came. In the last part the authors also analyse the American form of globalization, its formation and its development up to the current form (Hopkins 2002: 46).

The last author who can be placed in this category is I. Wallerstein, one of the most outstanding sociologists of these days. He claims that the current discussion about globalization is "a gigantic misunderstanding of current reality" (Wallerstein 2005: 45). He does not consider the phenomenon of globalization to be something new but rather something evolving for at least the past 500 years of our history. Wallerstein assumes that the source of the current economic system arose in the 16th century and is connected with the division of labor between mercantilistic trade states of north-western Europe and corn areas of the eastern Baltic Sea Region. He sees globalization as repeating regularly in human history. Moreover, he states that the period from 1945 up to the present is a typical Kondrat cycle of capitalist world economy. This period has two phases. The first is the phase of economic growth (1945 to 1967/ 1973). During the second phase economic stagnation and depression prevail and this still lasts (Wallerstein 2005: 45-64).

He pays attention to the current crisis in his work *Utopistics*. In this book he does not try to create a society in an idealistic manner but he wants to show a realistic view of future development. Furthermore, in this book he deals with many problems such as the formation of the nation-state which he considers to be an integral part of the capitalist world economy and an essential element of its systematization (Wallerstein 2006: 17), criminality, ethnic conflicts and ethnic groups as phenomenon of state denationalisation, nationalism, democratization of arms and migration. In addition, he speaks about the start of the new Kondrat wave in the 21st century in which "economy will achieve repeated growth of production and employment, the possibilities of investment and capital accumulation will re-establish" (Wallerstein 2006: 61). And this will start competition among the US, the European Union and Japan.

Although, each one of the authors considers globalization to be an historic, cyclical process, they place its formation into different periods. Hirst and Thompson do not state a specific point in time of its formation. However, they state that globalization coincides together with the formation of capitalism. Wallerstein clearly claims that this process has started about 500 years ago. On the other hand, Hopkins dates the process formation to the year 400. The authors also stress different aspects of globalization. While Wallerstein, Hirst and Hopkins emphasize economics, Hopkins stresses various social issues. In addition, Wallerstein focuses on the international division of labor and international trade, and, at the same time, he looks at the role of technology in the process.

Globalization as a linear process

The second group of scholars also considers globalization to be an historical phenomenon. However, unlike the first group, this second group thinks that it is a linear, not cyclical process. They date the beginning of globalization to the period from the 16th to the 19th centuries. Scholte considers R. Robertson as the main representative of this school of thought. M. Porter and Chase-Duna also belong to this category of authors (Scholte 2000: 19).

We have decided to include Scholte in this category as well. He distinguishes three phases of globalization. The first phase began 500 years ago. The second one began in the second half of 19th century. The third one began about 1960 and lasts up to now. This periodization comes from the understanding of globalization as an enlargement into supraterrestrial places. These phases can overlap. Moreover, Scholte claims that globalization and its enlargement are getting faster. Later, Scholte pays attention to particular phases in more detail. In this closer analysis he takes communication, trade, politics, organizations and thinking into consideration.

Scholte writes about the emergence of global ideas in the first phase. It happened by gradual development of the idea of one world from the religious ideas in Buddhism, Judaism, Christianity and Islam to modern secular humanism. Around 1850 the second phase of globalization began. He calls this phase early globalization and it lasted till 1950. It is

connected with the emergence of overterritorial communication, the spread of telegraphic connection and radio communication via air. He says: "the beginnings of this early globalization are connected with systematic worldwide distribution, price formation and with the sale of various commodities" (Scholte 2000: 67). Accompanying this was the globalization of money and finances. Furthermore, companies which change their national character and try to promote their production and products spread to the whole world. The U.S. company Colt stands as a perfect example of this monetary globalization. Colt opened its manufacturing plant in Great Britain. German Siemens opened theirs in Russia and Japanese Kikkoman in the USA. Such global entrepreneurship created a demand for international regulatory organizations such as the International Telegraph Union, General Postal Union or International Criminal Police Organisation. It was also in this period that the worldwide Olympic Games were started.

Scholte calls the last period of globalization absolute globalization. It started around the year 1960. It is not only the period of electronic communication, satellites, optic cables, television, Internet, expansion of global markets, activities of international organizations which interfere in everyday life but also the period of ecological problems and efforts to find solutions (Scholte 2000: 62-88)

The second significant author whom we have placed into this group is J. Gray. He argues in his work *Al Kajda and What Does It Mean to be Modern* that current globalization is connected with Americanization and it began with the Cold War (Gray 2005: 52). However, more important is his work *Hopeless Illusions*. In this work he states that "globalization is nothing more than the global spread of science and technologies. Globalization began at the latest in the last third of the 19th century" (Gray 2002: 11). He considers globalization to be the next phase of industrial revolution. He claims that globalization similarly like industrial revolution brings revolutionary changes.

Gray claims that the free market and its worldwide enlargement are the principal myths of our times. He thinks that the global free market is led to its doom by globalization. Free market can be created only in a central economy and in a strong state. This idea continues by the statement that democracy and free market contradict each other (Chomsky 2007: 54)

The last author who belongs to this group is N. Chomsky. His work consists of many books and studies in which he depicts himself as a persuasive debater and critic of the U.S. politics and activities of supranational corporations. He understands globalization as the last stage of capitalism. He dates the emergence of globalization from the end of the 19th century. According to him, globalization is closely connected with the emergence and development of capitalism. In his lectures, he identifies globalization with Americanization. He is also very critical of insufficient support of poor countries by the U.S. Moreover, he mentions another kind of help - soldierly help" (Chomsky 2006: 9-69). This kind of help he criticizes most of all.

When we compare the authors of this group we can again find differences in dating globalization. Scholte puts the genesis of globalization 500 years ago. Chomsky dates globalization from the end of the 19th century. Gray dates it up to the origin of the Cold War. This could be caused by different attitudes to globalization itself. Scholte connects globalization with the process of enlargement into supraterritorial areas. He uses various standpoints. He takes communication, trade, politics, organizations and thinking into consideration. The other two authors are more concrete. According to Chomsky, globalization is related to capitalism. On the other hand, Gray sees close connection between globalization and the spread of science and technology. However, all three authors understand globalization as a linear process.

Globalization as a new phenomenon

The last group of theories considers globalization as a new phenomenon. In his categorization Scholte suggests that "global relations started with airplanes and personal computers" (Scholte 2000: 19) whereby we experienced the first global revolution and sudden leap into a new reality. Scholte places into this category authors such as P.F. Drucker, A. King and B. Schneider.

A. King and B. Schneider in their work *The first global revolution* deal with the findings of the Roman Club. The authors consider the present as a period of changes. They state that the cause for these changes were advances in microelectronics and molecular biology' (King-Schneider 1991: 14). In individual chapters they deal with problems of population growth, environment, progress in science and technology, economic changes, and the increasing interdependence of nations. They consider years from 1989 to 1990 to be the major period of changes, individual events influencing each other (King-Schneider 1991: 17).

Professor U. Beck belongs to this group as well. He clearly states in his book *The Power and Counterweight in Global Age* that "globalization is a new game with expired rules and basic concepts of the old game" (Beck 2007: 27). According to Beck, the old game comprises national states. With the beginning of globalization there is "new space and new scope of treatment". Politics is not only free from boundaries but also it is denationalised. Those who do not accept the new game will be simply displaced. A state is one of the players in the world game. Participants of the international system include international organizations, corporations and terrorist organizations. Moreover, he claims that capital keeps a tight grip on power. However, it has its counterweight in civil society. The period in which work was the opponent of capital was replaced by a period in which consumers and consumption stand against capital. In the last part of the book he says that the grand ideas of European modernism like nationalism, communism, socialism and neoliberalism are depleted. He argues that "the next grand idea could be self-critical cosmopolitanism" (Beck 2007: 393).

The last author who considers globalization to be a new phenomenon is A. Giddens. He thinks that we live in a time of an historical transition when certain changes affect all localities (Giddens 2000: 11). The world is spinning out of control and new risks are especially associated with technological innovations. In his work *Runaway World* he writes that globalization comes from the West and brings with itself a mark of American political and economical power and in its consequences it is not balanced (Giddens 2000: 14). However, the West is equally affected by this process as is the rest of the world. Giddens states that globalization is in some respects not only new but also direct and revolutionary (Giddens 2000: 21). However, he does not consider it to be only an economic phenomenon but also a political, technological and cultural phenomenon. Furthermore, he does not consider it to be one process. According to him, it rather is a complicated set of processes. He speaks about four dimensions of globalization: the system of nation-states, the world military stability, the international division of labor and the world capitalist economy (Giddens 1998: 67). He sees many positives but also many negatives in globalization. Global warming and temperature fluctuations serve as perfect examples of these negatives. Moreover, he regards family crisis as a negative, too.

Unlike the previous groups in which we can notice different ways of dating globalization, all authors in this last group agree that globalization is a new phenomenon, although they may stress different factors in its emergence. King and Schneider argue that globalization is related to technological discoveries and their impact on society. Beck states that globalization is connected to the erosion of the nation-state. Giddens is more radical. He can see globalization everywhere around us, so his point of view is the most complex of all the authors.

The globalization process is generally difficult to characterize and define. Experts on this issue come from different disciplines which can also influence their interpretation of this

problem. We consider the historical approach as the most appropriate as it seems to account for most aspects of globalization not only in the present but also in the larger history of mankind.

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Globalization of the Commons and the Transnationalization of Local Governance

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Abstract

The process of globalization provokes a set of problems of which global climate change is arguably the most pressing and severe. As climate change constitutes a classic commons problem it is often assumed that solutions have to be found in global agreements, such as the Kyoto Protocol. However, by focusing only on all-compassing treaties and international conferences, other important scales are overlooked. Even though being a global problem, most action to mitigate and adapt to climate change will and does inevitably take place on the local scale. Efforts are being made to cross scales and connect local authorities through transnational networks. This article leaves the global solutions aside for a moment and concentrates on these networks. An eclectic approach to environmental governance is taken. Using economic theories of governing the commons together with theories of multi-level governance and participation, the objective is to describe a framework for decision-making that enables the (global) commons such as the atmosphere to be administered on a subglobal or subnational level. Empirical evidence shows that local governments are willing to take action to mitigate climate change. However, local level governance of the environment does encounter two impediments. First, the local government might be financially, institutionally, and jurisdictionally insufficient. And second, when it comes to global commons, such as the atmosphere, local governments are caught in a classic prisoner's dilemma. The theoretical discussion suggests that the right institutional setting can facilitate local governance of global issues and the conclusion of this article is that networks between local governments can help remove obstacles and give incentives for cooperation.

Keywords: Governance, climate change, local, city, transnational networks, scale, globalization

Introduction

"Nobody makes a greater mistake than he who does nothing because he could only do a little"

– Edmund Burke

To be able to mitigate climate change, the governing of the global commons is essential. As the international attempts to address the issue of climate change are failing, more innovative approaches are called for. Using economic theories of governing the commons, the objective is to describe a framework for decision-making that enables the (global) commons

such as the atmosphere to be partly administered with the help of transnational networks between local governments.

The article is divided into three parts. After this introduction, we describe the theoretical framework for governing the commons. In the second section, we move on to present the local alternative together with some empirical evidence of local action to mitigate climate change, and how local governments cooperate in transnational networks. We end by providing some concluding remarks.

Multi-Level Governance, Institutional Economics, and Local Governments

When it comes to an issue such as climate change it is not enough to look at only the actions of nation states or international organizations. Several authors have shown how measures are being applied on many different levels; cooperation is being conducted underneath the national level and between actors across national borders. To be able to comprehend these activities there is a need for a multi-level framework. Hooghe and Marks (2003) divide multi-level governance into two different types: Type 1 and Type 2. Type 1 is used to describe governance that follows a typical federal structure. That is, governance with several functions bundled together within jurisdictions on a limited number of levels, typically international, national, regional, state, municipal, and so on. Type 2, on the other hand, is governance that is more issue-specific. It is often much leaner and flexible than Type 1 and can transform or change according to the demand for the specific function (Hooghe and Marks 2003: 236).

When it comes to economic theory of the environment, classical thinking, presented by Hardin (1968), refers to the idea of the prisoner's dilemma game where all players are aware of the potential defect of the other players. Rules and agreements made by the players are assumed to be useless, since there is no mechanism to enforce them. In the game, it is also assumed that all players have complete information of the game tree and the payoffs derived from the outcomes, and can, therefore, rationally choose their strategy. However, the rational choices made by the players do not result in an optimal strategy for the collective, since, given the assumptions made, their individual strategies will produce a less than best result, and incentives for the players to change their preferred strategy independently of the other players' strategies do not exist.

However, another point of view that has surged in the last years, which is largely built on the work of Elinor Ostrom, argues for cooperation on four principal requirements. First of all, there has to be a wide-spread acknowledgement of the need for action. Second, the information about the issue has to be reliable and frequently updated. Third, actors have to have knowledge about who is taking action and these actions have to be followed in an efficient and transparent manner. And finally, there has to be a line of communication between the actors (Ostrom 1990, Dietz et al. 2003).

In earlier work on the governance of commons, Ostrom describes eight design principles that are key to the endurance of the governance of commons (1990: 90-102):

- clear definition of the users of the resource;
- rules that are adapted to the specific resource, or case;
- participation of the individuals affected by the rules in the creation of the same;
- effective monitoring;

a graduated sanctioning system, which starts at a low level making users feel secure, adhering to what has been called 'quasi-voluntary compliance' (Levi 1988 cited in Ostrom 1990: 94);

a mechanism for conflict or controversy resolution;

a recognition on behalf of government of the right to organize the commons voluntarily;
and,

all the aspects of the governance of the commons – appropriation, provision, monitoring, enforcement, conflict resolution, and governance activities – are organized in multiple layers.

If we now turn to the local or subnational as an actor, several benefits can be identified. First of all, as the world is becoming increasingly urbanized, the cities stand for an increasing share of the world's GHG emissions (Grimmond et al. 2010). Some subnational administrative units have such high emissions that they compare easily with some of the world's biggest countries. For example the state of California if counted as a country would rank in the 20th place when it comes to emissions. The state of São Paulo, Brazil, would rank 39th (Reid et al. 2005). This means that most of the action taken to reduce GHG emission would inevitably have to be implemented on the local scale in the end.

Second, as suggested by Puppim de Oliveira (2009), the local has often jurisdiction over a series of issues that are of utmost importance to emission reduction, as for example waste management, public transport, building and construction codes, land-use, and sometimes energy. Add to this the fact that in many cases the local government is the principle buyer of services and products with great environmental impacts, for example through energy use of public buildings.

Third, there are benefits to distributing action between different levels. The local level could work as an important complement to action on the national and international level. The idea of spill-over is important here. If action were taken broadly on the local scale, there would be a myriad of different solutions to problems. These solutions could then be proliferated as best practices to other local governments, or even other levels, such as regional or national governments (Betsill and Bulkeley 2006; Puppim de Oliveira 2009).

Ultimately, the local government is often leaner and a somewhat faster-working organization than national bureaucracies (Puppim de Oliveira 2009) which makes it easier to adopt more progressive policies.

What local governments can do depends to a great degree on the national context. In some countries, such as Brazil, the municipalities enjoy much autonomy, granted to them by the federal constitution. In other countries, such as the United States, the municipal autonomy is largely at the will of the states. However, previous studies (Otto-Zimmermann 2011; Alber and Kern 2008) show that local governments often have as their responsibility public transport, waste handling, building and construction codes, and energy issues, all of which have much relevance for greenhouse gas emission reduction.

The local alternative: empirical evidence

Local governments are implementing policies aimed at reducing GHG emissions. Cities in the United States and Europe are often going further than their countries when it comes to reduction targets and implementation of policies. Stockholm for example has set ambitious targets of being free of fossil fuel by 2050 and reaching 3 tons of CO₂/person emissions by 2015, which would mean a 40 percent decrease from 1990 levels. Policies are being concentrated in areas such as energy efficiency, district heating, public transports, and cleaner vehicles for the municipal fleet (Stockholm 2010).

Policies are implemented and actions are taken also outside the Annex-1 countries. São Paulo, Brazil, is one example of this. Both the state and the city of São Paulo have legislated on GHG reduction targets. Until 2020 the state of São Paulo should cut their emissions by 20 percent compared to the baseline year 2005 (Lucon and Goldemberg 2010). The city of São Paulo similarly should cut its emissions by 30 percent by 2012 compared to 2005. Among the policies adopted to achieve these targets São Paulo city works within six areas: energy, waste, transport, construction, land-use, and health (São Paulo 2010). Compared to Stockholm, São Paulo city enjoys a bit more autonomy. However, the city is still in many cases dependent on federal funding, especially for larger investments.

A significant component of local engagement in the climate change debate has been the emergence of new transnational network organizations, existing independently of national governments. A transnational network can be defined as regular interaction across national boundaries when at least one actor is a non-state agent or does not operate on behalf of national government or intergovernmental organization (Risse-Kappen 1995). There are many examples of these organizations: ICLEI, the World Mayors Council on Climate Change, C40, Bonn Center for Local Climate Change Action and Reporting, Climate Alliance, Cities for Climate Protection, Energie-Cités, and many more.

Let us take a closer look at the first network – ICLEI – Local Governments for Climate Protection. The network comprises approximately 1200 local and subnational governments, and tries to promote sustainable development at the local level through information sharing, consulting, and capacity building. The network is completely voluntary and members are allowed to enter or leave as they please, and engagement is not obligatory. Many of the members are passive and do not engage in much work outside individual programs.

When it comes to climate change, most importantly the network helps the cities to implement a five-step plan. First, to make a reliable inventory of emissions (measure). Second, to get the local government to set targets for greenhouse gas emission reduction (commit). Third, to work out an action plan for reductions (plan). Fourth, to implement the plan (implementation). And finally, to monitor achievements (ICLEI 2011). Much of the work of ICLEI is based on international agreements and action plans, and targets are often aligned with established goals and conventions, such as the UNFCCC and Agenda 21.

A transnational network like ICLEI has many benefits for climate protection, and if it is designed correctly could have even more. First of all, the network can provide a certain possibility for an institutional and financial structure to take on the issue of climate change. Institutionally, it creates connections between cities allowing for mutual learning and knowledge transfer between cities in different socio-economic contexts. Financially, the network can constitute a framework for helping cities in less developed regions by transferring some of the membership costs to more affluent cities. Also, even though local governments still depend to a great degree on their national governments for financial and institutional aid, a network can work (a) as a means of affecting national governments and international negotiations, and (b) as a source of both financial and institutional resources, alleviating the local government from its dependence on national government policy.

Second, although the ICLEI being voluntary, membership often means the statement of commitment to climate change mitigation. As commitments are being clearly stated it is easier for local governments to find sufficient partners to make action rational.

Third, the issue of prisoner's dilemma might be addressed by a collective, voluntary action through a global network of local entities. A network such as ICLEI provides a forum for these actors to find partners in their activities, thus further mitigating the negative effects on cooperation of the prisoner's dilemma game. It provides reliable and updated monitoring of achievements through the dissemination of information. By helping members to fulfill the five-step plan, all other members have easy access to the monitoring information.

Fourth, the network allows for a multi-layer approach, integrating agreements and treaties made on the global, regional, and national level; as well as, integrating different levels where the issues are best approached, for example, regional, national, or transnational activities; and finally, integrating different issues. The issues that are most pressing for one city might be unimportant for another. The needs of developed and developing regions can be quite different, and a participatory framework within a voluntary network such as the ICLEI can be helpful to create an understanding between actors. In addition, since the network is fundamentally Type-2 in its nature, being concentrated around a specific function rather than

jurisdiction, it can more easily evolve, transform, and develop as the context of the problem changes.

Fifth, if we use Ostrom's design principles, we can see that a network such as ICLEI could be designed to provide a forum for local governments to engage in a participatory process to create rules for emission of greenhouse gases. The rules would be specific instead of generic, and as all cities would participate in their creation, local issues and answers could be brought into consideration. The network itself could provide a monitoring system, where the collection of data and estimates could be undertaken collectively. A gradual sanctioning system could be used, which makes it more probable for users to accept it. One of the most important aspects is the installation of a mechanism for conflict resolution. The network could provide a mechanism that, through the consent of all members, could engage in sanctioning activity and conflict resolution.

Finally, it is necessary to mention that the ICLEI cannot circumvent restrictions in local jurisdiction. The seventh of Ostrom's design principles, which states that a minimum of government recognition is crucial, is key here and certainly out of control for the network. However, the network might help to spread policies to other levels above the local government.

Conclusions

This paper has argued that local governments are taking action and adopting policies to reduce greenhouse gas emissions and that transnational networks between local governments – if designed correctly – can play an important role in the governance of the global climate. If we use a framework of institutional economics and multi-level governance, we see that these networks potentially can overcome many of the barriers to cooperation. As the network is function specific (Type 2) it will more easily adapt to new situations and knowledge. It can be transformed and transcend different levels. By integrating international agreements and conventions into its own targets, it can operationalize them on the local scale. Furthermore, we have shown that these networks can be designed according to Ostrom's eight principles and thereby considerably facilitate cooperation. Most importantly networks can be crucial in disseminating information, and thus reduce the negative effects which the lack of information concerning the actions of other actors has on cooperation.

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Impacts of Globalization on Tourist Preferences and Activity

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Abstract

Mass tourism is widely regarded as one of the visible manifestations of globalization. Tourism development can be considered in every dimension of these processes: economic, social, cultural and even political. The high importance of tourism in the present global economy makes it a very popular research field, especially in the scope of economic dependence between tourism and globalization at the global or regional levels. Fully appreciating the achievements of research in this domain, the authors of this paper wish to refer to the scale of the unit and indicate how globalization impacts the individual purchasing decisions. The analysis is based on empirical studies within Polish tourist activity preferences. On the basis of these results the authors attempt to answer the following questions: (1) which tourists' attitudes may reveal the impact of globalization on their preferences and purchasing behaviors; (2) which 'mega-trends' of current tourism are visible in the attitude of Polish tourists; (3) are there differences in the model of tourist activity with reference to the socio-demographic features; (4) what is the spatial scope of preferred tourist destinations (i.e. is the compression of space as readily absorbed in the consciousness of the older population as in the younger?).

Key words: globalization, tourism, global tendencies in tourism, tourist preferences and activity, Poland

Introduction

This paper seeks to establish how globalization affects tourist preferences and activity in Poland. Although a consistent theory of globalization or at least its comprehensive description has not been created, it is certain that globalization not only influences economic, social and political systems, or culture on a worldwide scale, but also exerts person-specific impacts (Bauman 2000, Golka 1999). Naturally, identifying all relationships between globalization and the behavior and attitudes of individual people would be difficult. Therefore, the authors of this paper will try to demonstrate the impact of globalization on human behavior and attitudes in one field of activity – tourism.

Among the major indicators of globalization we find the increasing spatial mobility of people, one sign of which is the growing frequency of foreign travel (Burns and Novelli

2008). This development is the result of both of more intensive business contacts as well as more frequent trips taken for tourist purposes. With the growing frequency of trips, their spatial scope also grows larger. The most important factor behind this development is the advancement of telecommunications and transport (Wahab and Cooper 2001). Falling air fares, decreasing travel times, expanding wealth of developed societies, and common access to information cause that foreign travel to be more frequently viewed as an alternative to domestic travel.

In describing the determinants of foreign tourism development in Poland the unique character of tourism in the former socialist countries should be taken into account. Two historical factors seem particularly important in this context: the serious economic and political impediments to the international movement of people and its limited spatial scope. A significant change in the intensity a spatial scope of tourism took place after the communist bloc collapsed and the free movement of people became possible again.

With the above in mind, it was assumed that also Poles decide to travel abroad more and more often. Improving affordability of air travel increases both the frequency and the spatial scope of tourist trips (because of time and space compression). It was additionally assumed that social groups have different chances to travel abroad (particularly to the more distant regions). Because one needs skills to overcome the financial, administrative, legal as well as mental barriers, younger people, economically active and educated, are most likely to benefit from such trips. Young people are also the group that is most active in this field. As the knowledge of foreign languages, modern technical devices and information systems is common among them, most of them view foreign trips as something normal and undertake them notwithstanding financial constraints. It was assumed that when asked to indicate their preferred tourist destinations this age group would show the weakest "resistance to space".

Foreign trips can be viewed not only as a product of globalization, but also as a force driving it. With migrating populations, incomes and other material as well as immaterial goods travel to other regions of the world (Bauman 2011). It is also individuals that disseminate and absorb new cultural models (Burns and Novelli 2006, Hall and Lew 2009: 141-185).

Another phenomenon that the globalization of ideas brings about is improving environmental awareness and the popularization of the concept of sustainable development (Hall and Lew 1998). The scale of adversary and irreversible changes that human activity causes in the environment is a source of worldwide anxiety. This necessitates seeking ways to restore balance between human needs and the environment. The concept of sustainable development is implemented in the tourist industry, as well, and the awareness of the risks that may arise from a heavy flow of tourists strengthens the determination to ensure symmetry between tourists' needs, the environment and local communities (Wahab and Pigram 1997).

This rising environmental awareness leads to new patterns of tourist behavior, as exemplified by the development of alternative tourism, in opposition to mass tourism. Its essence represents a completely new approach to the meaning of travel and ways of spending free time. As a result, new destinations become popular. The trend is additionally strengthened by the polarization of individual needs and motivations for travelling (Middleton, Fyall, Morgan and Ranchhod 2009). New patterns of tourism can be expected to come to Poland, too. The characteristics of Poles' tourist activity have been used in the study to find out which of the megatrends present in world tourism are also present in Poland.

Another manifestation of globalization that has a strong effect on tourism is fashion. Fashion is frequently a transient phenomenon that makes some regions very popular among tourists. Information is a factor that both forms and disseminates fashion; young people who have ready access to information systems and knowing how to use them can be expected to be the most susceptible to fashion trends.

Methodology

Tourist preferences and activities of the population were collected during a questionnaire survey using the PAPI - Paper and Pencil Interview - technique. The questionnaire interviews were conducted in several towns of different sizes and in the rural areas. The purposive non-random sample was composed of persons at different ages: high-school youth (last years of secondary schools), university students, economically active people, retirees, and disability pensioners. The sample was assumed to exceed 1500 questionnaires, with the margin of error and confidence levels being 5% and 90%, respectively. The questionnaires had a classical structure, including mostly close-ended questions with a dichotomous nominal scale and the modified Likert scale. The survey was conducted from April to June 2010. Following their verification, 1440 questionnaires were used to build a database with the PASW Statistics package, the contents of which were then processed statistically.

Increasing the significance of foreign tourism as a component of tourist activity in Poland

Growing spatial mobility of populations and physical distance losing its importance as a major travel-discouraging factor are among the major manifestations of globalization. They boost tourist activity, making outbound trips more frequent. Therefore, in describing the globalization impacts on Poles' tourist behaviors an attempt was made to examine their propensity to travel abroad.

According to the survey data on over 1440 respondents, almost 26% of them answered that they "engage in foreign tourism". The distribution of responses by age showed that the most active (over 34%) were the respondents at the mobile working age (18-44 years); those at the non-mobile working age (45-60/65 years) accounted for 30%, high-school youth for 27% and students for 21%. Foreign tourism was the least popular among seniors – only 6% travelled abroad for tourist purposes. Further analysis of the frequency of foreign trips showed that the proportion of those who had really travelled outside Poland (however with different frequency, from "once every several years" to "several times a year") was much higher than indicated. The difference stems from the fact that many people understand "foreign tourism" very narrowly, so they tend to omit trips they undertake to meet their families or friends or business strips.

Education is an important factor producing variations in tourist activity, including people's propensity to travel abroad. This study has confirmed the opinion. While almost 40% of the respondents with tertiary education engaged in foreign tourism, among those with secondary education the rate was ca. 24%, and only 10% among the respondents with basic vocational education.

As far as the duration and frequency of trips are concerned, the students and those economically active (aged 18-44 years) were the most frequent to undertake short foreign trips (several times a year, to 3 days). The latter category of the respondents undertook most short, low-frequency foreign trips ("once every several years"). In the older age groups the frequency of the trips was clearly lower.

Similar patterns were found in the case of longer foreign trips, in excess of 4 days. The young people were the most active in this field again. Over 70% of the students went abroad at least "once every several years", with every fourth doing so "once, twice a year", and ca. 7% "several times a year". In the next age group (active people to 44 years) the shares of the respondents undertaking foreign trips and the frequencies of the trips were very similar, but the rate of those who did not travel abroad at all grew there to 35%. The older age groups showed the same pattern; in the non-mobile working age group those not leaving the country constituted over 50% and more than 86% of the seniors aged 65 years and older. The

proportion of the respondents who had frequently travelled abroad (several times a year) also declined with age.

An additional confirmation of higher tourist activity among Poles, including their more frequent outbound trips, comes from the Central Statistical Office data collected during household surveys that were carried out in 2005 and 2009 (Turystyka... 2010). Although the survey being presented used a different methodology, which prevents simple comparisons between the surveys' findings (numerical data), it is important that the conclusions they offer are the same:

- Poles are increasingly active in undertaking foreign trips as tourists;
- tourist activity in Poland clearly declines with age;
- tourist activity and the propensity to undertake foreign trips correlates positively with education and income.

The spatial scope of tourist trips and destinations preferred for the future

Other survey questions allowed investigating the spatial scope of tourist destinations, both visited and preferred for the future. In order to identify the scope, countries were divided among three categories: 1. countries adjacent to Poland; 2. European and Mediterranean countries; 3. non-European countries. According to the data, most respondents had travelled abroad (although some of them did not consider this to be "foreign tourism", see above). Naturally, the numbers of countries visited and their geographical locations were very diverse. The most active were young people: almost 80% of those who had already travelled abroad were high-school youth, students and those economically active (to 44 years), but the distances they had travelled were of different length. Young people were more frequent to visit countries adjacent to Poland, whereas the older age groups had larger shares of those who had travelled long distances. The distance was strongly correlated with the tourist's incomes.

In the next age groups (economically active respondents aged 45-60/65 years and those older than 60/65 years), the shares of the respondents who had never travelled outside the country were clearly higher (38 and 53%, respectively). The shares of the respondents travelling long distances also decreased with age.

To test the assumption that progressing globalization widens the spatial scope of tourist destinations, the respondents were asked to indicate the places that they wanted to see in the future. The countries that the respondents indicated were grouped according to the geographical rule presented above. The results confirmed that young, well-educated people in good financial situation prefer the most distant tourist destinations. Even a cursory analysis of the data shows that past experiences amplify people's wishes to see new places, while presenting trips to new, frequently distant regions of the world as less risky. This conclusion is confirmed by the spatial scope of the tourist destinations that the respondents wanted to see in the future, which for over 90% were more remote than those already visited. The students and high-school youth were the most frequent to choose trips outside the European continent. The percentage of people wishing to travel to more distant places than they had already been to was found to decline with age. As expected, seniors were the most cautious in this respect.

Interesting results were obtained when the respondents who had not travelled abroad were asked to indicate their favourable foreign destinations for the future. The non-European destinations were the most frequently indicated by the youngest age group (45%), whereas in the next age groups, i.e. 18-44 years, 45-60/65 years and older than 60/65 years, the rates were lower, declining to 33%, 18% and 14%, respectively. The rates of the respondents who were unable to say where they would like to go in the future were rising with age; they were ca. 17% (the high-school youth), ca. 20% (the economically active, aged 18-44 years), over 32% (the non-mobile working age respondents, aged (45-60/65 years)) and almost 40% in the

oldest age group. Respondents' problems with answering this question can be interpreted as a lack of sufficiently strong motivations for travelling. The age-specific weight of the phenomenon may prove that mature/older people and young people have different perception of the problems arising from being a tourist, as well as having different determination and skills of solving them.

New trends in the choices of Polish tourists

The study assumed that new trends found in the tourist activity may point to changing patterns of their behaviour and indirectly to the impacts of globalization (Middleton, Fyall, Morgan and Ranchhod 2009). The analysis of the activity of Poles started with establishing the types of tourism, which were chosen by them. According to the survey data, recreational tourism is the most popular regardless of respondent's age. It was chosen by almost 80% of the young people and over 70% of those economically active. It was also the predominant type in the oldest age group (60%). The next most popular type is heritage tourism; however the interest in it clearly declines with age. Heritage tourism was the most popular among the students (62%), then the economically active at mobile working age (ca. 50%) and the high-school youth (44%). In the non-mobile working age group it was chosen by 35% of the respondents, but only 10% of all seniors pointed to it. The reasons behind decreasing popularity of heritage tourism that quite naturally involves more arduous touring trips should be sought in the generally lower activity and physical fitness decreasing with age.

Other types of tourism considered in the survey (qualified, medical, religious, business, agritourism) were much less popular. Only from several to less than twenty per cent of the respondents in particular age groups actively engaged in them. The preferences were also clearly different depending on the respondent's socio-demographic characteristics. For instance, qualified tourism was chosen definitely more often by the young people, both students (11%) and those economically active (7%). On the other hand, medical tourism and religious tourism had greater significance for the older population (where they accounted for 16% and 13%, respectively). Business trips were undertaken by the economically active groups, much more often by people at mobile working age (6%) than those at non-mobile working age (2%). Agritourism was preferred by families with children (regardless of their age); hence a higher share of this type of tourism was found among the young people and the working-age (both mobile and non-mobile) respondents.

A notable feature is the polarization of younger generations' interests in various types of tourism and seniors' activity distinctly reduced to several basic types of tourism. This pattern is a joint effect of many factors that influence the general tourist activity. However, it can be also attributed to a larger diversity of tourist needs and many different motivations for travelling induced by modernization and globalization. The younger generations, more impressionable and ready to modify their choices and behavior, are more easily influenced by the processes.

In addition to age, other important factors determining the attractiveness of various types of tourism are the levels of education and income. Because they are quite strongly correlated, the distribution of the responses followed the same pattern as above. With increasing education and income, the frequency of the less popular passive recreational tourism among the respondents decreased and was replaced by more active types (e.g. heritage tourism and touring trips). The variety of the preferred types of tourism also increases, which indicates that education amplifies the impacts of modernization and globalization.

As well as varying tourists' needs and motivations, new trends in tourism also change the frequency and duration of trips. According to the conception of Hard&Soft Tourism (Krippendorf 1983), the traditional model with mostly one trip undertaken in the holiday season will be replaced in the future by a number of shorter trips carried out throughout the

year. To find the symptoms of such changes the types of trips undertaken by the respondents were investigated (taking account of their duration), as well as their frequencies. The survey data confirmed that the younger groups engage in short trips much more often. The students definitely showed the highest spatial mobility that most commonly took the form of weekday trips (after work or school) and weekend trips (with or without overnight stay), as well as of longer trips (1-2 weeks or longer). Tourist activity expressed by frequent trips, particularly on weekdays, weekend trips with overnight stay and short trips (to 4 days) clearly declines with age. While on average every third university student and high-school student in the sample undertook weekend trips including overnight stay, in the group of seniors the rate was only 5%. The differences were less clear in the case of weekend trips without overnight stay (used by 22-24% of the respondents in the younger age groups and by 18% of the seniors), which indicates that in addition to other factors (health status, having an own vehicle, etc.) financial issues also have a strong effect on the general tourist activity of older persons.

The popularity of the long trips presents a somewhat different picture. Those lasting 1-2 weeks were undertaken by similar shares of the young people (both high-school youth and students) and of the economically active to 44 years (mainly families with children). As regards trips of duration longer than two weeks, the young people and the seniors accounted for larger shares. The first group undertakes longer trips to allow their children to rest after hard work at school. The relatively large proportion of the seniors (being generally less active) should be attributed to their stronger interest in medical tourism.

The proportion of the short trips in their general structure is clearly correlated with education and incomes. While less than 10% of those with primary education undertook them, in the higher categories of education the rate was gradually increasing to reach over 32% among the respondents with higher education. The correlation between incomes and the structure of trips is even stronger. The wealthy engage in long tourist trips four times as frequently as those with the lowest incomes.

An important indicator of changing tourist activity that refers to the new trends is who organizes a trip. If the tourist wants that their specific needs be met, in many cases they must make the necessary arrangements by themselves. In the Polish circumstances, however, there seems to be another important factor that makes individual trips so popular – financial constraints. Because Poland is relatively less wealthy than Western European countries, many people cannot afford to buy services that are readily available in the market. The economic factors continue to significantly affect consumers' purchasing decisions.

In the course of the study a distinct correlation between who organizes a trip and tourist's age has not been found. In all groups analysed, individual trips represented the definite majority (from 70% among the economically active aged 45-60/65 years to over 82% in the case of the students). The students and the mobile working age group (18-44 years) organized their trips by themselves slightly more often. Organized tourism was the most frequently used by the respondents at non-mobile working age. The interpretation of the results is easier on account of the earlier characterisation of tourist activity by age group. The characterisation shows that the organizational forms of tourism that each group chose were determined by different sets of variables. The great variety of aims and motivations for travelling in the younger age groups suggests that they make travel arrangements by themselves to make sure that the travelling parameters meet their personal needs. The prerequisites for this approach are a relatively large amount of free time and the knowledge of how to find the necessary information. Regarding the oldest age group, the central reason why these people decide to organize their trips by themselves is financial (limited affordability of usually more expensive services provided by travel agents).

The frequent use of organized tourism by the older, economically active people (aged 45-60/65 years) should be attributed to the larger share of foreign trips in their overall structure.

The last variable determining tourist preferences to be analysed in this paper is human propensity to follow fashion. To evaluate this phenomenon, the most popular tourist destinations among Poles were established in the survey (the following questions were asked: "what tourist destinations do you prefer?: a). fashionable, popular, vibrant, or b). quiet, peaceful, less frequented). The analysis that followed demonstrated that preferences clearly change with age. The fashionable and popular places were mentioned the most frequently by the younger respondents (58% of the high-school youth). The rates of respondents who valued such places were gradually falling with age to 20% in the group of the seniors. In other words, the percentage of people choosing quiet, peaceful and less popular places was growing in the older age groups.

Conclusion

Because of its complex and multifaceted structure, globalization shapes many contemporary factors determining the development of tourism. Bringing about economic, social, political and even cultural changes it drives the expansion of a unified global market that greatly facilitates the movement of capital, goods and people. Globalization also has its immeasurable dimension that fosters a free flow of ideas, thus creating new attitudes and behaviors of individuals. The measurable dimension and the immeasurable dimension of globalization generally transform the tourist activity, but their scopes and impacts are very person-specific.

Among the major indicators of globalization there is the growing mobility of population, one manifestation of which is the thriving foreign tourism. The paper has shown that also Poles travel abroad more and more often. As younger people are clearly more active in this field, the trend is likely to continue into the future. After the destinations of foreign trips undertaken in the past and of those chosen for the future were compared, the young people were found to show much higher mental absorption of the time and space compression than the seniors.

According to the study, the tourist activity models greatly differ between particular groups of population, for instance with respect to the preferred types of tourism, travelling aims and motivations, frequency and duration of trips and who provides them. After analysis, the variables revealed most new trends in the tourist choices and behaviors of the younger population, better educated and earning higher incomes.

As shown by the study, the contemporary globalization processes have had the weakest effect on the tourist choices of the oldest generation of Poles. This group participates in foreign tourism much more rarely than the other groups. The tourist activity of Polish seniors is limited to several basic types of tourism and that short trips are rather unpopular among them. Fashion has a very limited influence on the purchasing decisions they make. The most important factor constraining their activity as tourists is low incomes.

The tourist behavior of the economically active people shows many more signs of their being influenced by globalization, such as the highest frequency of foreign trips (among all surveyed groups), a relatively high share of individuals choosing active tourism, a great variety of travelling aims and motivations. Moreover, their tourist activity includes both long trips and short trips (including weekend trips) undertaken outside the tourist season. Their interest in what is fashionable and popular is clearly the greater, the higher the levels of education and income.

Most new trends characterising contemporary tourism can definitely be found in the choices made by young people. The great variety of their needs and interests polarizes their aims and motivations for travelling. As a result, they engage in very diverse types of active tourism and frequently travel abroad. Young people are also more susceptible to fashion trends. In the survey, they indicated them as one of the major factors that make them choose

particular foreign destinations. Having a great amount of free time and being able to use it freely makes spontaneous decision-making easier. An extremely important factor determining high tourist activity among young people is their special perception of the travelling constraints and their determination and skills of overcoming them.

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Implementation of the Human Security Concept into Central Asia's Regional Policy

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Abstract

The concept of human security is relatively new; however, during the last two decades it has been successful in finding its considerable position in the politics of states all around the world. Its general aims are usually referred to as "freedom from fear" and "freedom from want". Central Asian states are facing increasing international interest and the framework of human security influences the whole process of regional transition and creates an environment for closer cooperation. The paper presents principles of human security, its challenges in the region of Central Asia and the regional cooperation on this issue.

Key words: Central Asia, human security, regional cooperation

Human security – principles

Global security environment has undergone several transformations. Since the end of the World War II the understanding of security has had to adapt to the ever-changing situations and new security conditions. The human security concept emerged during major international changes in the 1990s like the dissolution of the USSR accompanied by the end of the Cold War and bipolarism as well as with the recognition of new threats. Security questions have shifted from the national/state/territorial level of security to the security of individuals. So the security as such had stopped being understood only in terms of the military, but had spread to all aspect of human life. It is a considerably new concept in international politics, but it has a great potential to become one of the most influential approaches.

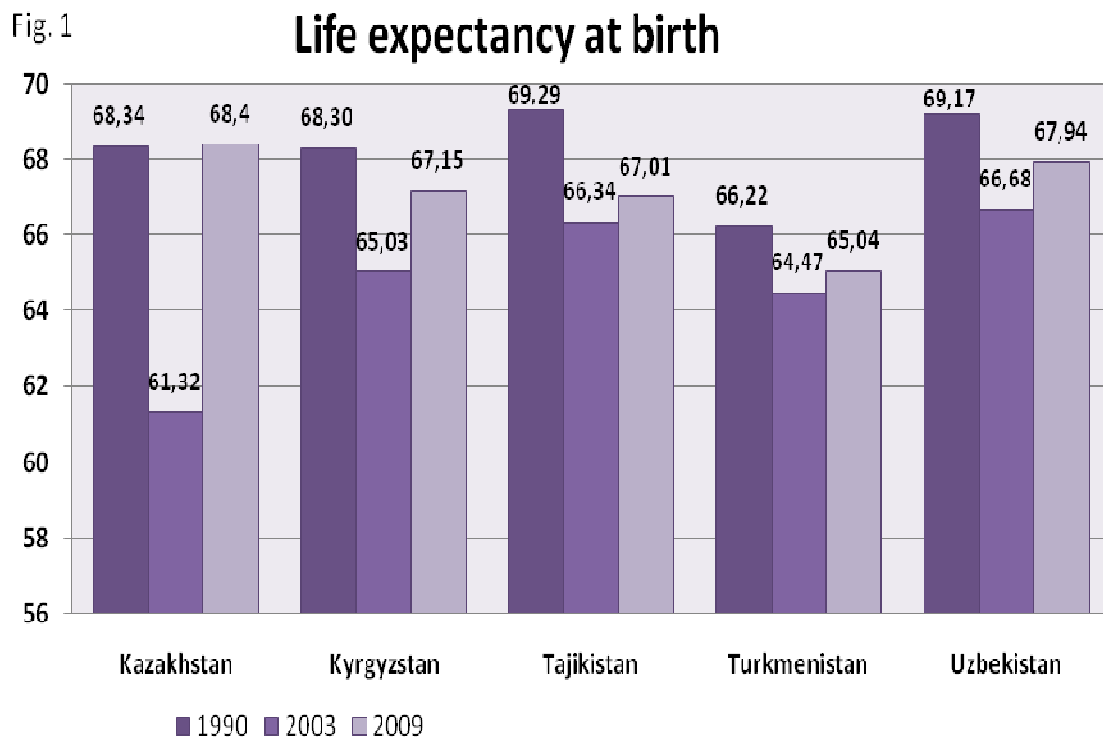
In general the aim of human security is understood to be the achievement of "freedom from fear" and "freedom from want", and every threat to these two freedoms is considered to be a threat to human security (Collins 2002: 1). The concept was first presented in 1994 in the Human Development Report published by the United Nations Development Program, and linked previously isolated fields such as security studies, development studies, conflict analysis and conflict resolution. Kofi Annan defined human security as "[Human security]...it encompasses human rights, good governance, access to education and health care and ensuring that each individual has opportunities and choices to fulfill his or her potential. Every step in this direction is also a step towards reducing poverty, achieving economic growth and preventing conflict. Freedom from want, freedom from fear, and the freedom of future generations to inherit a healthy natural environment -- these are the interrelated building blocks of human – and therefore national – security" (Kofi Annan 2000).

Central Asia and human security

Central Asia faces many issues that are considered to be part of human security – e.g. political security, community security related mostly to ethnic composition of the states, environmental security, food security, health security, personal security and economic security. However, this paper briefly deals only with those components of human security which play an important role in social development: regional health and education challenges and migration. These elements are strongly bounded together, have a major influence on the stability of every state, involve crucial aspects for the development of human potential and also have significant regional implications.

For decades, the region had been under the influence of the Soviet regime. However, during that period, the human capital was the building bloc of Soviet policy. The region experienced a high development of literacy levels and modernization in the whole spectrum of social needs, which places the region above the average of developing countries (Collins 2002: 4-10). Since 1991 the situation has deteriorated, as the new states were forced to face an unprecedented situation of independence. The transition had a negative effect at the societal level which is clearly visible in most statistics¹³.

Life expectancy at birth illustrates well this decline of living standards after the dissolution of the USSR. It is evident that the expected length of life considerably shortened in the years following independence. (Fig.1)



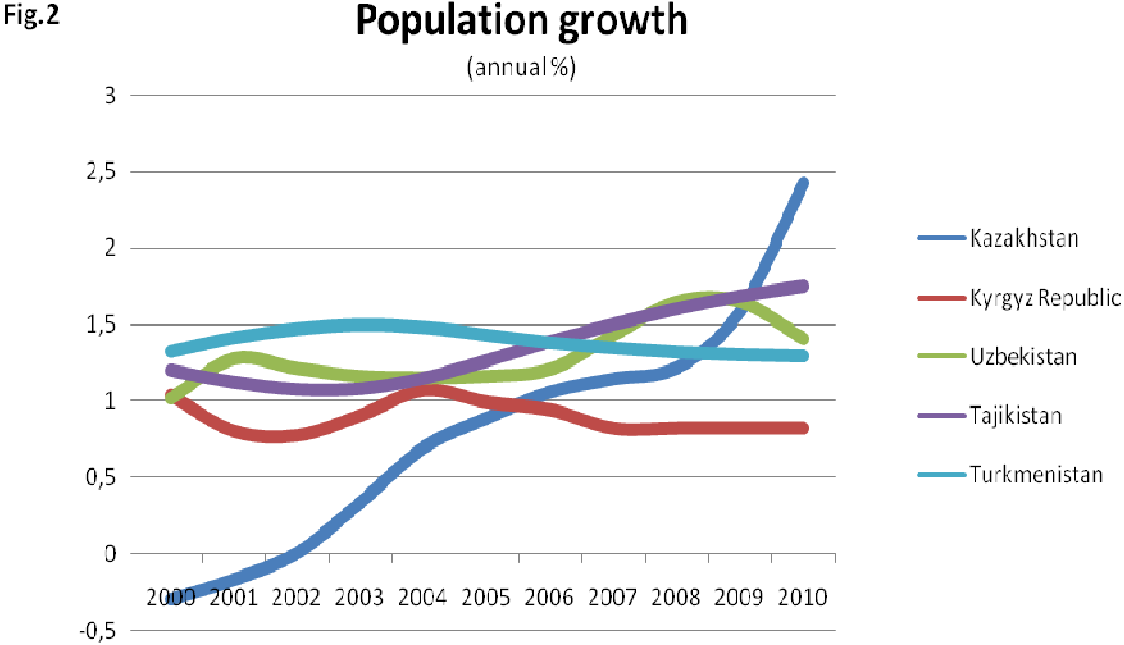
Source: International Organization for Migration 2011

For at least ten years after independence, Central Asian states were on the margin of interest of international community. However, recently, the neglect of human security threats in the region has come under international scrutiny and also has become an issue for regional and local bodies that attempt to deal or at least direct more attention to the human security challenges in the region.

¹³ See UNICEF Evaluation databases (www.unicef.org/evaldatabase/index.html), World Bank Databank (<http://databank.worldbank.org>), CIA World Factbook (www.cia.gov/library/publications/the-world-factbook),

Since independence Central Asian countries and their partners have started to integrate and cooperate in regional organizations, such as the Commonwealth of Independent States (CIS), Central Asian Cooperation Organization (CACO) succeeded by Eurasian Economic Community (EurAsEc), Shanghai Cooperation Organization (SCO) or Economic Cooperation Organization (ECO). Regional cooperation became the aim of multilateral institutions like Central Asia Regional Economic Cooperation program (CAREC) under the Asian Development Bank. Important role in dealing with various issues in Central Asia is also played by the Organization for Security and Cooperation in Europe (OSCE). To address all the issues of human security, it is important especially in this strongly interlinked region to create regional cooperation mechanisms.

Speaking of Central Asia human security issues it is important to realize the demographic potential of all five states of the region. The population of Central Asian states is slowly but continuously growing, increasing the human and economic potential of the countries but also the needs for more satisfactory conditions if this potential is to be used effectively.



Source: World Bank 2011

Regional approach to health and education

All Central Asian states inherited their health care system from the Soviet regime that provided population with health services of reasonable quality. This system became unsustainable for the states after the dissolution of the Soviet Union. New states had to react so they approved reforms which intended to restructure facilities, reduce health care personnel, provide training for the remaining personnel and introduce patient fees and insurance payments (Savas -Gedik- Craig 2002: 79-82).

Regional aspects of the health situation are mostly evident in the case of communicable diseases. Taking into consideration these cross border risks, political will and limited resources that countries can pour into the improvement of the situation, it is clear that the

situation could be solved only by monitoring these threats, developing joint strategies and forms of prevention and treatment on a cooperative basis.¹⁴

States began this process through the development of national HIV/AIDS programs by national ministries of health, usually together with organizations like the Global Fund to Fight AIDS, Tuberculosis and Malaria, UNAIDS, UNDP, the World Bank, the Open Society Institute, USAID or Red Cross. However, the turning point was the creation of the Central Asia AIDS Control Project, signed between International Development Association and CACO in 2005, to support a regional strategy to fight this illness. It brought the first involvement of an intergovernmental organization into the joint activities of nations and external agencies. With \$27 million budget that was later transferred to EurAsEc as the successor, it has been aimed to prevent and control the growth of HIV/AIDS and to contribute to better regional cooperation (Central Asia Aids Control Project 2010). The initial part of the project finished in 2010, but created space for multilateral conferences and new programs, like the Regional One Health Project.

The spread of communicable diseases or the high rate of child mortality¹⁵ attests to insufficient availability of health facilities. It is a combined result of limited state finances and poor educational levels of the general public. The deterioration of educational systems decreases public participation in state affairs, leading to new social problems and exclusion. Therefore, education must be considered a vital part of human security in Central Asia.

The Soviet educational system provided the Central Asian population with studying and research opportunities throughout the Union, along with a financial support for the development of education in all the regions (Collins 2002). After 1991 independent states were not able to sustain the previous level of provided financing. Each nation started to build and develop its own educational system depending mostly on its economic situation. The whole region has seen a decline from 4% GDP to education in 1999 to 3.2% in 2008 (UNESCO 2011). Among the main challenges states in the region are facing are for example the quality of education itself, sufficient and up to date schoolbooks or qualified staff with proper salaries.

As in the case of communicable diseases, there also are visible efforts to establish professional networks and associations under the lead of organization like the OSCE, UNICEF, UNESCO, USAID or Islamic Educational, Scientific and Cultural Organization (ISESCO).

Labor migration – regional ties

Migration is another significant attribute of human security. Taking into consideration the whole spectrum of events forcing people to migrate, i.e. their economic and social situation, violent conflicts or forceful displacements, the Central Asia region has become one of the regions with the highest migration rates in the world. The region has seen considerable migration during the violent conflicts such as the Tajik Civil War, events in Andijan in 2005 or ethnic clashes in southern Kyrgyzstan in 2010. Additional migration is not caused by direct fear for life but by the economic motivations of people seeking better economic opportunities in richer countries, especially Kazakhstan and Russia.

The status of migrants is often complicated by the lack of clear laws securing cooperation among migrant-sending and migrant-receiving countries, which is mostly evident in the case

¹⁴ According to statistics based on registration of cases, as of Jan 1, 2010 the cumulative number of registered HIV-infected people in the region amounted to 34,247 (CAACP 2011).

¹⁵ In the region on average 55 out of 1000 children do not reach the age of five. In Central and Eastern Europe child mortality reaches on average 19 out of 1000 children (UNESCO 2011).

of labor migration¹⁶. Migration is mostly understood from the political point of view, and is even being used as the negotiations argument in regional talks, but its economic dimensions could not be overlooked. Migrant workers lower the unemployment rate in the sending country and even could help it economically by remittances sent by the migrants and used in the sending country¹⁷. The biggest challenge to human security in the domain of labor migration is illegal work. Illegal immigrants tend to have lower salaries, face the threat of deportation, inappropriate treatment coming from the lack of legal protection and possibly leading even to trafficking and slavery (Marat 2009: 33). Moreover, they are not entitled to benefit from the medical system in the receiving country and are forced to use alternative and usually insufficient treatment (International Organization for Migration 2011).

There are several organizations dealing with labor migration.¹⁸ One of the most significant is the International Organization for Migration (IOM) and the International Labor Organization (ILO) that seek to improve the situation of migrants and provide them with necessary information about their rights.

The point of the cooperation is to secure human and labor rights of the migrants, notably facilitate the process of registration, non-discrimination and creation of healthy working conditions. Due to the numbers of migrants in the region, migration as a political issue has the potential to be a building stone for a broader cooperation. It would influence not only migrants themselves but the economies of the countries and possibly their overall development. It is especially Kazakhstan that due to its large number of immigrants could contribute to the regional stability.

Despite regional meeting and treaties¹⁹, mostly in the framework of existing international organizations as CIS or EurAsEc or SCO, legislation dealing with migration could be much more efficient if it would simplify the process of legalization of workers, which would lead to even higher economic revenues on both sides of migratory fluxes. Overall, we can say that despite the high percentage of immigrants²⁰, thanks to negotiations and its economic benefits, migration has been contributing to cooperation rather than conflict in the region.

Conclusion

In the effort to improve the human security situation, Central Asian states have decided to establish regional and sub-regional organizations, coalitions and bilateral relations. However this cooperation faces major obstacles. Cooperation is often ineffective, political leaders are not willing to make concessions, the membership in regional organizations is incomplete, and organizations have only limited financial resources and weak organizational capacities. Considerable economic and social disparities among states continue to exist, duplicity of regional programs decreases their effectiveness, and border disputes between some states

¹⁶ For national legislatures treating labor migration see IOM Migration Law Database (www.imldb.iom.int) or ILO Databases (www.ilo.org)

¹⁷ For example, in 2009 remittances to Tajikistan represented \$1,748 million, to Kyrgyzstan \$882 million and to Kazakhstan \$124 million (International Organization for Migration 2011).

¹⁸ Among them are International Organizations for Migration, International Labor Organization, Canadian International Development Agency, Swedish International Development Agency, the World Bank, United Nations Development Program, United States Agency for International Development, Technical Aid to the Commonwealth of Independent States, UK Department for International Development, Central Asia Region Migration Program.

¹⁹ E.g. Agreement between the Government of the Republic of Kazakhstan, the Government of the Kyrgyz Republic and the Government of the Republic of Uzbekistan on Creating Legal, Economic and Institutional Environments for the Free Workforce Movement 1997, or International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families in 2003, or other ILO conventions (ILO Databases 2011).

²⁰ In Kazakhstan the level of immigrants reaches 19, 5% of the population, in the other four countries around 4% (International Organization for Migration 2011).

continue to problematize cooperation. Also, some regional challenges such as healthcare or education are often treated as strictly national issues.

Central Asia is undoubtedly undergoing a transition to a more modern and more democratic region. Despite the different dynamics of development in different countries of the region it is evident that the states still have to go a long way in securing the needs of the populations and their human security. They face many internal direct security threats from ethnical and border tensions to water resources management and energy cooperation. It is only understandable, that it is not an easy or cheap task to deal with all the issues together with human security in a short time period. Nevertheless, statistics show a significant improvement in many important indicators. In spite of the odds, human security in Central Asia is getting better, thanks to the consistent attention paid to it in national and regional politics.

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Impact of Globalization and Foreign Direct Investment on the Regional Economies: The Case of the Czech Republic

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Abstract

The inflow of foreign direct investment is one of the key indicators of competitiveness of the national economy and regions in the Czech Republic. In the case of transitive economies (such as the Czech economy), globalization is deeply associated with the inflow of foreign direct investment that is able to integrate the national economy to global markets and global production chains. The aim of this paper is to analyze the role of foreign direct investment as a carrier of globalization in the case of the Czech Republic. The second aim is to evaluate the impact of foreign direct investment at regional level and to analyze regional differences within the Czech Republic, which could show different ability of regions to compete in global economic space.

Key words: foreign direct investment, region, Czech Republic, globalization, competitiveness

Introduction

Current research of regional development stresses the importance of the institutional context of regional development (Rutten and Boekema 2007: 138). From the institutional economy point of view, the actor is strongly interwoven through contractual relationships and market mechanisms with other entities (Mlčoch 2005) and uses networking to optimize its market position. The institutional approach also provides new insights into the socio-economic development of the state and its regions (Toušek and Tonev 2003: 456) and the operation of regional actors within the national and international market mechanisms (Hampl, Žížalová and Blažek 2008: 705, Víturka 2010: 132).

From the path dependence point of view, the Czech Republic and the other transitive economies in Central and Eastern Europe are strongly determined by the development in the past and, therefore, they require high levels of foreign direct investment for the restructuralization of their economies (Pavlínek 2004: 47). The transformation of the spatial arrangement of the economy is based on the intensification of the globalization processes (Jeníček 2002: 2) which results in a faster growing volume of world trade than the world economy. International companies are looking for new possibilities of expansion that are reflected in the inflow of foreign direct investment in national economies.

According to Britton (2005), the inflow of foreign direct investment will result in the decrease of the original mutual dependence of home companies that will be successively integrated into global production chains. The mechanisms and actors of regional development

are formed by rather complex societal systems at different order levels that are difficult to encompass in their wider context at an elementary research level. The amount of FDI inflow could be considered as the indicator of success of the transformation process and a sign of the investors' trust in the stability of the system.

Positive and negative effects of FDI

Foreign direct investments can accelerate the transition process (Bevan and Estrin 2004: 776). Investors bring modern technologies into the country and support technological progress (Srholec 2004: 44), increase production efficiency and promote the restructuring of enterprises (Pavlínek 2004: 48). At the same time, in terms of human resources management, they allow knowledge, skills and experience sharing in the affiliate companies in the host country, especially in the fields of research and development, know-how, production organization and sales and in the field of management skills. FDI also contributes to the development of domestic companies because increased investment by supranational companies can help local companies through subcontracting relationships. Supranational companies can open access to foreign markets that would otherwise be difficult to enter for local companies, resulting in new export opportunities. Generally speaking, they contribute to a change in the institutional environment (Dunning 2008: 178), help to improve the efficiency and competitiveness of the host country, and increase the pressure to improve adherence, protection and enforceability of intellectual property rights. These supranational corporations are given preferential treatment and unemployment can rise significantly in those regions with a small inflow of FDI.

However, foreign direct investment can also indicate some negative effects. Foreign investors can displace local competing enterprises, particularly when focusing on the local market. In practice, hostile acquisitions of companies can take place in order to decrease competition so that the foreign investor could flood the market with its products. This inflow of the foreign investors can also be reflected in the increased unemployment level in the case of the development of capital-demanding production at the expense of work-demanding production. In association with the restructuring of production, streamlining of operations and the introduction of new technologies, the number of jobs is reduced in many industries. The increased unemployment level especially applies to acquisitions (i.e. purchase of ownership interest in local companies) while on the contrary, FDI in the form of green field investment increases the employment level. In the interest of winning new foreign investors, the state administration may either limit or neglect support for local companies that are associated with excessive optimistic expectations and concessions to foreign investors. All comparisons of the business performance confirm that companies with FDI are much more technically developed and outperform local companies. After all, it is true that in each country and industry, exporters are more productive than other companies and companies investing abroad are more productive than exporters without foreign investment. This is the origin of the usual argument in support of FDI from public resources - it is expected that exceptionally productive foreign companies will positively influence the operation of local companies after their arrival and that these local companies will learn better technologies through subcontracting relationships. However, the consequences can also be negative; the arrival of a developed company at an industrial area can result in the decline or termination of local competitors. Another negative phenomenon also is transfer pricing or price handling in supranational companies that try to elude high taxes and reduce tax revenues by transferring otherwise taxable amounts between countries with different taxation levels. In addition, the system of investment incentives distorts the economic environment and disadvantages domestic companies compared to foreign companies. Governments in different countries approach investment support in different ways and with different levels of intensity.

Macroregional differences in inflows of FDI in the Czech Republic

Supranational companies play a prominent role in research and development in transitive economics. Due to globalization, markets and international business relations are less determined by the national borders. At the macro-regional level, the world trade growth dynamics is reflected in the restructuralization of the transition economies in Central and Eastern Europe which have undergone a profound transformation over the past twenty years and have become a new investment opportunity for many foreign companies.

Foreign investors transform these economies by means of the foreign direct investment, support of corporate research and development, as well as development of new sub-contractor relationships. The vast majority of foreign direct investment originating from the EU member countries goes to the OECD countries although we can see that a growing share goes to developing economies. The difference in FDI is also obvious within the EU where the majority of the original member countries have recorded a drop in investment activities in favor of the new members.

As Table 1 shows, the inflow of foreign direct investment in the Czech Republic is not stable. The period from 2000 to 2009 saw a great oscillation in absolute values of foreign direct investment. From the territorial point of view, the role of the European countries is most important. It is witnessed by the relative values that represent a share of the foreign direct investment from Europe with respect to the total amount of the foreign direct investment to the Czech Republic. In average, the share of Europe accounted for about 89 % during the monitored period of time. The lowest share 57.13 % was achieved in 2003; in this year, the foreign direct investments from America (26.29 %) and Asia (16.16 %) to the Czech Republic were relatively strong. A lower share of the European investment was also reported in 2009 with 76.68 % share. Once again, this weaker position was due to relatively stronger position of American investment (31.48 %) and for all other territories, negative values of foreign direct investment were reported. Should we take a look in the opposite end, i.e. the years with the relatively highest shares of foreign direct investment in the Czech Republic compared to the total volume of foreign direct investment in said years; the year 2008 was exceptional when foreign direct investment from Europe to the Czech Republic was relatively and absolutely higher than the total value of the foreign direct investment worldwide – they accounted to 107.7 % share. For other parts of the world, the foreign direct investment values were negative and therefore, they reduced the value for the European countries. A high share of Europe was also achieved in 2009 with 99.51 %, again thanks to low shares of the other parts of the world.

Table 1: Share of territories in inflow of foreign direct investment to the Czech Republic

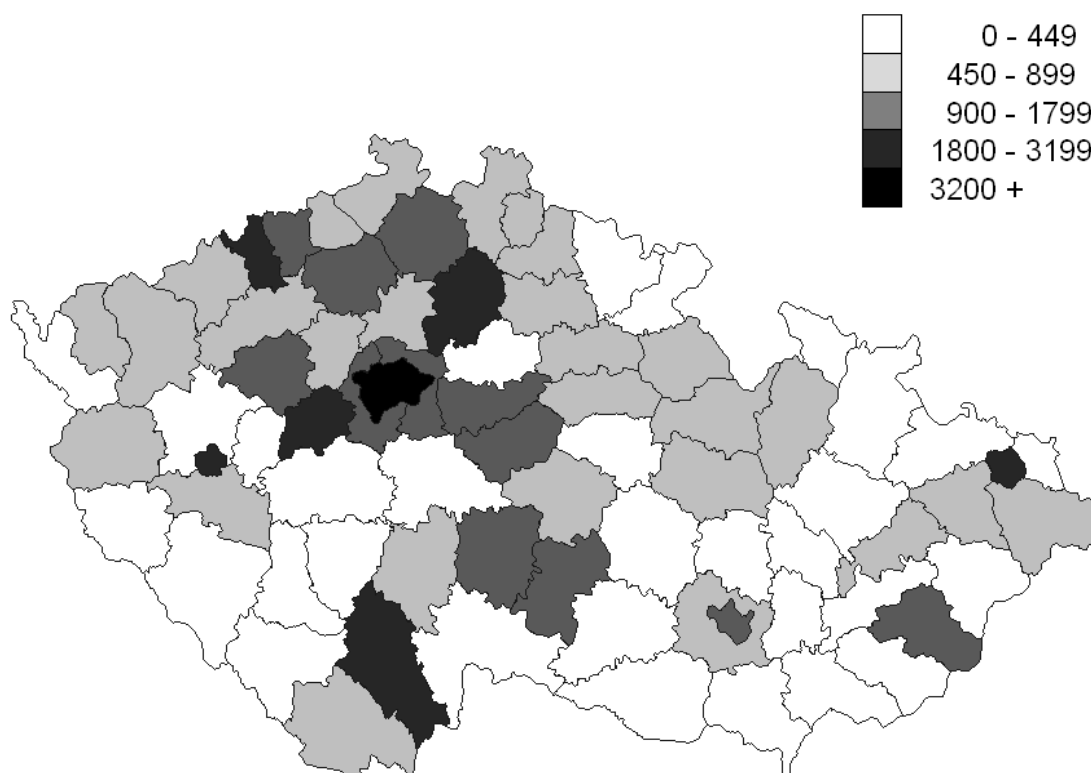
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Europe	76,68	107,74	88,34	99,51	95,02	87,51	57,13	96,62	92,45	89,48
Africa	-0,01	0,01	-0,05	-0,35	-0,09	0,94	0,64	-0,02	-0,01	0,00
America	31,48	-3,94	-0,17	0,16	3,43	10,08	26,29	2,04	6,39	9,46
Asia	-8,11	-2,66	11,96	0,88	1,50	1,39	16,16	1,37	1,30	0,95
Oceania	-0,12	-0,01	-0,07	-0,21	0,14	0,07	-0,22	-0,02	-0,14	0,10
Total	100	100	100	100	100	100	100	100	100	100

Source: Calculation based on data from the Czech National Bank

From the point of view of the Czech Republic, the EU member countries played the major role in the inflow of foreign direct investment in Europe. They contributed to almost 90% of

the total European values in the period in question, with the maximum value in 2005 (100.39 %) and minimum value in 2003 (76.27 %). In 2009, the highest foreign direct investment came from Cyprus followed by Belgium and Austria. The top ten with tailing Hungary included, for example, Mexico. In 2008, the top three were Austria, France, and the Netherlands. Interesting countries in top ten include Malta or the Bermudas. In 2007, the Netherlands occupied the first rank followed by Luxembourg and Germany that ranked first in 2006. Spain was the country with the highest share of foreign direct investment in the Czech Republic in 2005. A stable ranking was reported by the Netherlands that often ranked the highest and in 2004, it was the leading country; rather high investment came also from France and in 2003 and 2001, they accounted for most investments in relative terms.

Figure 1: Regional differences in the inflow of foreign direct investment in the Czech Republic between 1999 and 2009 per capita (in thousand CZK)



Source: Calculation based on data from the Czech National Bank

Deployment of FDI in the Czech Republic can be regarded as fragmented because rather substantial regional disproportions can be observed (see Fig. 1). The regional factors, which influence the location of FDI, include, among others, quality and availability of human resources, economic structure, transport infrastructure and especially the effect of agglomeration savings strongly interrelated with the metropolitan areas of the Czech Republic. Following Prague, only Mladá Boleslav county holds a very strong position due to the highly concentrated level of investment associated with investment by Volkswagen in the automotive industry and the Škoda company.

In addition to the concentration in the metropolitan areas, the diagram shows a surprisingly high concentration of FDI in the north-west region of Bohemia (Hlaváček 2009: 30). Reinforcement of the north-west in addition to the north-east regions is the result of investment both into existing industrial companies and into the location of the so-called

incentive investors due to the investment incentives system which is primarily focused on regions with above average unemployment.

It is impossible to draw any conclusions regarding the success of the economic transformation based on regional differences in the inflow of FDI. The uneven deployment of FDI for higher investment demand and higher quality (e.g. research and development investment) further supports the regional differences and highlights the markedly successful "adaption" of the regions to new global economic conditions. It can be assumed that the differences will further deepen. It is expected that countries in Central Europe will see a growing number of investors in industries with higher added value and strategic services that are much more demanding on quality human resources and the general business environment. Therefore, it can be assumed that this investment will be especially directed to the most developed regions, i.e. foreign direct investment will further act as a factor for differentiating the regions.

Conclusion

It can be said that the mechanisms which integrate regional and local economies into global production chains are still strengthening and, therefore, the globalization processes actively influence all territorial levels of the Czech Republic. New forms of economic organization of individual regions are created within the regional economies and their arrangement due to globalization. Regarding development of the economy of the Czech Republic, globalization is closely associated with the process of economic transformation with differentiated impacts on regions. When closely looking at the districts of the Czech Republic, it is obvious that the investments are located highly unevenly. The differences in deployment of the foreign direct investment are associated with the size of towns when the regional centres such as Plzeň or České Budějovice, compared to remaining parts of the regions, show higher attraction for foreign investors.

Other differences in the inflow of foreign direct investment are related to the region's geographical position within the Czech Republic. Generally speaking, the higher the regional differences in the inflow of foreign direct investment, the more obvious are the globalization processes in the regional development process. Dependence of the regional economies on the world market grows via the sub-contractor relations. Therefore, the inflow of foreign direct investment is also an indicator of success of economic development and competitiveness of the region because successful export proves the ability of a region to succeed in the international competition that continuously increases due to globalization.

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Language Situation in Mexico in the Era of Globalization

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Abstract

The essay deals with the language situation in Mexico in the era of globalization. It is not focused, however, only on the present day situation and does not discuss only last couple of decades during which globalization has become an indivisible part of all societies in the world, but it also discusses the language situation in Mexico during different periods of its history. Based on this historical perspective the contribution intends to analyze the impact of globalization on Mexican native languages and to explain their current position in the Spanish speaking environment. The essay also takes into consideration the influence of English as a universal tongue of globalization and explains why the position of this language as a tool of globalization is weak in Mexico in comparison with Spanish.

Key words: Language, Mexico, globalization, English, history

Mexico is a country well known for its rich and impressive indigenous past as well as the present. The existence of dozens of native groups signifies the existence of dozens of cultures and also languages which have been spoken there since the pre-Hispanic period. It is, however, not possible to say exactly how many Indian tongues there are in the country. Some linguists consider one language to be a variant of another and some of them see it as an independent tongue. On the other side, some major native languages (as for instance Nahuatl) are geographically (and historically as well) so dispersed that in reality they are very different and speakers of them almost do not understand each other. That is the reason why some linguists consider these languages not to be one independent language but several languages instead. As a consequence, we can find estimates ranging from 60 native languages (Andrade 2000: paging missing) to more than 300 (Hingarová 2101: 267).

It is not the goal of this contribution to analyze the number of native languages in present day Mexico; rather we would like to discuss their situation and position in the time of globalization. Even though we can observe this process especially in economy, it also has very visible impacts on social and cultural dimensions of all societies in the world, including minorities and their languages. As it was mentioned already we can count several dozens of native tongues in Mexico, however, all of them belong to the group of minority languages and their most visible common characteristic is that all of them are endangered²¹, even those with most speakers (Nahuatl, Yucatec Maya, Mixteco, etc.).

²¹ Apart from Guaraní in Paraguay all of the native languages in both Americas are endangered as a result of insufficient support from the national governments. There is only one official language (of European origin) in these states which predominates in TV and radio broadcasting, literature, education and, of course, labor market. All of that lead speakers of native tongues to feel inferior to the mainstream society and to see their languages inferior and useless. And even though this has changed during the last two decades, it seems to be too late. The revitalization of native languages organized mostly by native educated elites is not very successful.

This situation is the result language policy of independent Mexico which has been creating a united Mexican nation in a united country for the last 200 years by force of Spanish as the only official language of the country. The idea of a united nation lead Mexican politicians to use various strategies in order to integrate minority native groups into the majoritarian Mexican society as we can observe in different parts of Mexican history (Spanish colony, Mexican republic before and after Mexican revolution and contemporary Mexico). The relatively liberal policy of the Spanish crown was substituted by the effort of independent Mexico to create a united Mexican nation by force of an official national ideology and language (Spanish) and by the suppression of indigenous languages. This policy has changed since the end of 1970s and even more since the beginning of 1990 when the constitution (1992) declared Mexico to be a multicultural and multilingual nation. But almost 200 years of intensive hispanization²² has rooted Spanish so deeply in native Mexican societies that in general we can say that there is almost no Indian in contemporary Mexico who does not speak Spanish²³. Therefore the declaration of Mexico as a multicultural and especially multilingual nation/state²⁴ looks like empty gesture in a situation when the process of hispanization seems to be irreversible.

The legacy of building the Mexican nation is not the only threat for Mexican native languages (and native groups and cultures, as well). That is to say, in the era of globalization it is not necessary to make direct (or indirect) political pressure to use only one official language. Instead, the economic and cultural opening of the country to the outside world makes native people (but not only them) use that language which enables them to find better paid jobs because their communities stopped being self-sufficient. That is the reason why they migrate to towns where they cannot speak other language but Spanish.

The presence of a powerful neighbor to the north (the USA where labor migration is also directed) has also brought about a new language situation. Instead of the revitalization of their mother languages native people in Mexico desire to learn English as a means of escaping poverty and reaching prosperity. The situation in the country, however, is different and English has not gained the position of the dominant language of globalization as it could be expected. This role belongs to Spanish and in spite of lot of English language schools and migration to the USA Mexican people (both Mestizo and Indians) do not master English. The opening of Mexico to the world by the neoliberal governments of the last two decades, of course, brought a strong influence of globalization (especially the USA) in Mexico but because of several reasons which we will discuss later the position of English as the principal global and most extended language is very weak in Mexico and the position of Spanish within Mexico is analogical to the position of English in the global context²⁵. But before we analyze the influence of globalization on the language situation in Mexico we consider important to explain the relationship between Mexican native tongues and Spanish since the conquest until the present.

²² We use the term hispanization (the term castilianisation can also be used) in a limited sense of imposing Spanish as a tool of communication instead of mexicanization which we also use but in a wider meaning including hispanization as well as acculturation and integration of native people to the modern and united Mexican nation.

²³ Of course, we still can find them. But most of them are advanced in age (more than 70 years old), younger generations are bilingual or they master only Spanish.

²⁴ In this case we use these terms as synonyms because the ideal of nation and state (that means national state) has been mixed together and speaking about the state in Mexico means speaking about the nation and vice versa.

²⁵ Apart from Brazil, of course, where this position belongs to Portuguese, and some countries in the Caribbean area where English, French and Dutch are spoken.

Spanish and native languages during the colonial era²⁶

Even though the conquest caused a cultural shock and a demographic disaster (mostly because of epidemics)²⁷, the colonial period of Mexican history does not represent a twilight of native cultures and languages. On the contrary, the Spanish Crown considered native Mexicans to be subjects of the king and as such they were supposed to pay taxes. We do not want to say that they were equal to the Spaniards living in the colony²⁸ but they were protected by the so called Laws of the Indies (Leyes de Indias) which defined their rights and duties. This attitude can be clearly visible in the language policy of the Crown which was strongly influenced by members of monastic orders²⁹ who were in charge of missionary work among the Indians and their conversion to the Roman Catholic faith. Friars understood the situation in Mexico correctly and they persuaded the king to allow evangelism in Indian languages, especially in the major ones such as Yucatec Maya, Mixteco but especially Nahuatl which the friars extended geographically more than it was in Aztec times and it turned into a lingua franca of Mexico. That is to say it was much easier for friars, who could not be very numerous³⁰ to learn native tongues than to teach the Indians Spanish³¹. Thus the friars started to study these tongues and the result of their effort can be seen in the form of numerous grammars and dictionaries of native languages, as well as in the form of chronicles which are indispensable in the study of Mexican pre-Hispanic and colonial history and anthropology. In addition, Nahuatl and other major languages were taught at the Royal and Pontifical University of Mexico in Mexico City. The division of the colonial society into the so-called Republic of Indians and Republic of Spaniards with clergymen and native nobility as mediators between native communities and colonial authorities also helped to isolate the natives and to preserve their languages and cultures, even though heavily influenced by their European/Spanish counterparts.

Relatively liberal language policy of Spanish monarchs changed in the second half of the 18th century. The reforms of the Bourbon dynasty forbade the use native languages for missionary purposes and only Spanish was allowed. Of course, it was not easy to implement this intention but the changed language policy was adopted by the Creole elites after the War of Independence.

Spanish and native languages in the 19th century³²

One of the main goals of the liberal governments of independent Mexico was to build a modern and united Mexican nation in accordance with European model of the epoch of

²⁶ The conventional date of the beginning of the colonial period is the year 1521 when Hernán Cortés conquered the Aztec capital Tenochtitlan. There were, of course, a lot of areas which were taken much later, some of them even in the 19th century (like Apache land in north-western Mexico), that is, long after the end of the colony in 1821 when Mexico gained its independence from Spain.

²⁷ It is assumed that there were about 25 million people living in Mesoamerica just before the conquest (Todorov 1996: 157). Fifty years later there were only 3 million of them (Hlúšek 2007: 30).

²⁸ The case of native elites was quite different because they became a part of colonial nobility with a special position in the colonial society and they were the first who accepted European customs (and Spanish language, as well).

^{29,29} Dominicans, Augustinians and later Jesuits but mainly Franciscans left a deep imprint on the Mexican church and especially during the first three decades after the conquest it was Franciscans who dominated the spiritual life of the colony.

³⁰ The approximate number of clergymen in the country can be derived from the Franciscan chronicler Toribio de Benavente Motolinía who writes about 60 Franciscans in Mexico in 1536 (Benavente Motolinía 1995: 85). Since there were fewer Dominicans and Augustinians than Franciscans, it is probable that the total number of ecclesiastics exceeded one hundred only slightly.

³¹ We also should keep in mind one of the conclusions of the Council of Trent (1545-1563) which permitted the evangelism of pagans in their mother languages.

³² We are referring to the period between 1821 and the Mexican revolution (1910-1917).

national revival. But meanwhile the creation of national states in Europe was accompanied by the oppression of national minorities and the exaltation of the state-forming nation, in Mexico the process was characterized by the effort to integrate native inhabitants of the country into the newly born nation represented mostly by its Creole elites and Mestizo people. Liberal egalitarianism led to the abolition of special Indian laws and to the dissolution of the communal ownership of land. The language policy elevated Spanish to the position of the national and only official language of the republic. Tongues of native Mexicans were branded dialects (dialectos)³³ and relegated to a secondary and inferior position vis-a-vis Spanish (lengua).

The Mexican constitution recognized only one nation (the Mexican) and one language (Spanish) and native peoples were to be integrated within it. Native languages stopped to receive any protection and Indians were to learn Spanish in order to become real Mexicans. Indian children were to be educated in Spanish and thereby become mexicanized. The problem lied in the monolingual character of this kind of education. Teachers sent from the center to native communities were monolingual (in Spanish) as well as their pupils (in their mother languages) and they could not understand each other. This approached inevitably failed and caused the exact opposite to what was originally intended - native communities started to be isolated and marginalized much more than ever before. And on the contrary, thanks to it the Indians have preserved their languages and unique cultures until now. Economic but also social and cultural marginalization, however, deepened their inferior position and to be Indian became synonymous with being backward, uneducated, poor and monolingual, as well³⁴.

Spanish and native languages in post-revolutionary Mexico

Post-revolutionary governments were aware of the failure of the integration efforts and therefore they changed the official policy towards native people. And although the idea of a united Mexican nation was not abandoned at all, the means to this goal were changed. The exclusion of indigenous communities was substituted by their inclusion into the mainstraem society through large investments in infrastructure and educational policy (especially bilingual education). Trained teachers mastering native languages started to teach Indian children in their mother tongues in order to teach them Spanish and thus to familiarize them with the culture and ideology of the Mexican nation. This approach was much more successful also because Mexican anthropologists and linguists were involved in it. As the employees of the newly founded National Indigenist Institute (Instituto Nacional Indigenista – INI, 1948) they worked in the service of mexicanization by researching the native cultures and languages. In the course of time the majority of native people stopped to be monolingual and they became bilingual. And even though Mexican authorities glorified the pre-Hispanic past, they did not abandon the idea of a united nation and Indian presence was considered to be a relic of the past which should be mexicanized in the name of progress. The result of this policy is visible in the creation of bilingual native generations slowly replaced by Spanish monolinguals.

³³ The identification of Indian languages as dialects began just after the conquest when Spaniards (including some friars) considered them to be so complicated that Spaniards thought they did not have any grammar structure and so they could not be real languages. They were, of course, mistaken which was proven very quickly by the linguistic work of the friars. To call these languages dialects was, however, adopted by modern Mexicans but with the shifted meaning of their inferiority towards Spanish. Two hundred years of their marginalization caused that even Indians look at their mother languages as inferior dialects.

³⁴ Our fieldwork in the Nahua communities in Puebla and Morelos shows a similar situation. To read more about this topic we recommend the excellent work of Judith Friedlander *Being Indian in Hueyapan* (1976, revised edition 2006).

Spanish and native languages in contemporary Mexico

Since the end of the 1970s but mostly since the beginning of the 1990s we can observe a slow shift in the official policy towards Indian people. The new concept became multiculturalism³⁵. The idea of a united Mexican nation became obscured by a multicultural rhetoric. Mexico as a multicultural and multilingual nation was declared in the constitution in 1992 and the change of language policy was crowned in 2003 by passing a law called General Law of Language Rights of Indian Nations (*Ley general de los pueblos indígenas*). The newly created National Institute of Indian Languages³⁶ (*Instituto Nacional de lenguas indígenas – INALI*, 2004) started to research indigenous languages in Mexico³⁷, to publish dictionaries, grammars and textbooks in them and for instance in 2010 it published the Mexican constitution in Nahuatl. The question is for whom. Even though we can observe strong efforts to revitalize native Mexican cultures and languages, bilingual education (which still prevails) caused that almost all of the Mexican Indians speak and use Spanish, even those who grew up in native language environments. This effort mostly comes from native intellectuals supported by government or non-government organizations who have never lived a rural life of their ancestors or familiars and who have lost contacts with the living native culture. Indians living in the countryside care about different things (like livelihood) and for example they do not see any reason to read the constitution in Nahuatl. So it seems to be too late to support Indian languages in a situation when all the country speaks Spanish.

The influence of globalization on the language situation in Mexico

Globalization is most visible in economy and Mexico is not any exception. The signature and ratification of the North American Free Trade Agreement (NAFTA) in 1994 opened Mexico to imports from Canada and the USA. Cheap agricultural products (often genetically modified) from US farms flooded the Mexican market and local peasants were not able to compete. Most of the maize, as a staple food of all Mexicans, is imported from the USA and rural people whose subsistence is based on maize cultivation are forced to look for another work. Together with the cancellation of the Agrarian reform in 1992 which distributed millions of hectares among landless peasants since the Mexican revolution, NAFTA caused far-reaching changes in the Mexican countryside, including native communities. Although labor migration to towns where only Spanish can be used has always been present in Indian villages, it has reached unprecedented levels. Labor migration to the north influenced social and language situation on both sides of the frontier. Mostly illegal immigrants founded Hispanic communities in the USA which do not speak English and do not become assimilated in the English speaking US environment³⁸. Mexican people brought with themselves their customs, culture and religion and even after ten years many of them are not able to communicate in English. Globalized economic but also social environment strongly influenced the language situation in Mexico, as well, because of English as a dominant language of the globalization process in the world. But the situation in Mexico is different and it can be analyzed at three, mutually connected levels.

The first level is the relationship between Spanish and native languages. Because of historical connections discussed above Spanish represents the dominant language not only in Mexico but in most of Latin America in general. Native languages, even though supported by Mexican governments for purposes to present Mexico as multicultural state, are endangered

³⁵ It is necessary to keep in mind that multiculturalism has always gone hand in hand with globalization.

³⁶ INI was dissolved in 2002 and substituted by the National Commission for the Development of Indigenous people (*Comisión Nacional para el Desarrollo de los Pueblos Indígenas*)

³⁷ It counted 364 of them (INALI 2008:38)

³⁸ And what is more, because of that it is possible to hear Mexican native languages from Los Angeles to New York. We will not exaggerate if we say that every Mexican, including Indians, has somebody in the USA.

more than in any era before. Searching for a job outside of the communities, native people stop speaking their mother languages and, of course, they do not teach their children born already in the towns to speak them because they consider it to be useless. From this point of view the result of a kind of virtual competition between Spanish and Indian languages is not surprising.

The second level is represented by the relationship between native languages and English. Indian parents prefer their children to learn English instead of their native tongue because of rational reasons. Even though many of them are proud to be Indians in these days³⁹, they do not consider the languages of their ancestors to be useful because, as they say, they need to speak English. That is to say, all of them count that they themselves or their children will cross the northern border one day to find a job in the USA and to support their families.⁴⁰ That is why they prefer English, although they do not reject their native language. But they mostly do not master it, only Spanish, and to learn it is not only difficult but not needed any more. So to continue in our virtual competition the result on this level talks for English even though the reality is not so unambiguous.

The last level is represented by the relationship between Spanish and English and we can openly say that the winner of this virtual competition is Spanish. This situation has several reasons. First of all we must mention the traditionally strong position of this tongue because of the colonial past. Spanish conquests created a vast space from the south of the USA to Tierra del Fuego which is, apart from Brazil and the Guyanas, united by language. From this point of view Latin America represents a global, Spanish speaking market which must be respected even by economy. That is the reason why Spanish as a universal language of Latin America became the language of globalization in this part of the world. English is simply not enough. For example in Mexico it is almost impossible to find inscriptions in English (except for tourist centers) and in spite of plenty language schools even many academically educated people do not speak English well. And it is not any surprise that rural people looking for a job do not have time to study English in the schools. In addition, they do not have money to pay for good teachers and the level of education in native villages is often insufficient. Therefore the expansion of English to Mexico is just an illusion and on the contrary expansion of Spanish to the USA is the reality. As we can see, linguistic globalization in Mexico has strengthened the position of Spanish instead of English and weakened the position of native languages. So if we wanted to conclude this virtual competition among discussed languages, we would have to announce the victory of Spanish.

Conclusion

The impact of globalization on the language situation of contemporary Mexico which we outlined in this paper has, of course, much wider consequences. Historical reasons caused the unequivocal predominance of Spanish and the decline of native languages. To speak about English as a universal language is not relevant in the case of Mexico and Latin America. The economic and social situation forces native people to leave their communities for the towns or even the USA where they must speak Spanish (even in the USA because living in Hispanic communities they do not need to learn English). It is not our purpose to predict what will happen in the future with Mexican native languages but the current situation points out that the use of native tongues is decreasing more than we could observe in any historical period before.

³⁹ There are special subsidies for indigenous communities which has lead to a paradoxical situation when Mestizo villages declare themselves Indian.

⁴⁰ Money earned and sent from the USA represents the second largest source of hard currency of the Mexican economy. The first one is the oil.

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The Failure of Track Two Diplomacy in the Georgian-Abkhazian Peace Process

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Abstract

Since the 1960s a large number of academics and former career diplomats have come up with the idea of holding informal workshops for relevant representatives of civil society from both sides of a conflict. Their activities started to be known as Track Two Diplomacy. The purpose of this kind of meetings was to set up an alternative space for the official peace process, which was until then negotiated only by political representatives of the both conflict parties. The need for a greater involvement of civil society and local NGOs, which should contribute to conflict transformation, received a new impetus in the period after the collapse of the bipolar world, which has brought a new wave of armed conflicts in the Caucasus. Although in both Abkhazia and Georgia, there is a flourishing civil society and EU countries and many European NGOs strongly support peacebuilding activities in Abkhazia, conflict transformation in this frozen conflict is not a step closer to resolution than it was seventeen years ago, when the peace process in Abkhazia began. This text will analyze the reasons for the failure of a track two diplomacy in the Georgian-Abkhazian peace process. This analysis is based on the data collected from journal articles and studies on conflict transformation published by western CSOs, such as Berghof Centre for Constructive Conflict Management, International Alert or Conciliation Resources. To assess the work of track two diplomacy, I rely on reports from the workshops, which were produced by the organizations or scholars involved in them and expert interviews with the civil society activists done in Abkhazia in October 2009.

Key words: Georgia, diplomacy, NGO, Abkhazia, conflict

Conflict in Abkhazia, de facto statehood and its consequences

Abkhazia is a small republic on the eastern coast of Black Sea. The disputes between Abkhazians and Georgians grew into an armed conflict at the beginning of the 1990s. The result was 15 000 dead people, a population decrease from the original 525 000 to today's 214 000 inhabitants,⁴¹ more than 300 000 refugees and a completely destroyed infrastructure. Abkhazians took control over the whole territory of historical Abkhazia, declared sovereignty and independence from Georgia. Officially, the war ended in the so-called Moscow ceasefire agreement in April 1994. Although signed seventeen years ago, the two key questions, without which no lasting peace can take place, have not yet been solved. The first question is

⁴¹ The last widely accepted official census took place in Abkhazia in 1989, when the region was inhabited by 525 000 people. Postwar estimates vary from source to source. The Abkhazian population census in 2003 reported that Abkhazia's population comprises 214 000 people. Some scientists and staff of the UN, however, consider this data slightly overestimated.

the political status of Abkhazia, the second question is the conditions for the return of refugees. Economic vulnerability is to a great extent connected with the prolongation of de facto statehood.⁴²

De facto statehood implies zero foreign direct investments and the absence of loans from international financial institutions and banks residing in countries that do not recognize such a de facto state. The de facto states' export opportunities are also restricted; however, this regulation can be partially evaded by the distribution through a commercial broker from a country that recognized such a de facto state or has a border with it. In the case of Abkhazia, goods as tangerines, kiwis and nuts are flowing to the European market from Russia, since there are no foreign business companies or non-profit organizations residing in de facto states.⁴³ In this respect the only exception are humanitarian organizations. Other organizations from a country that does not recognize the de facto state must have permission to operate in such a region from the parent state from which the de facto state struggles to separate. Transport is another complication as it is impeded by obstacles on the borders with the parent state and also by other countries' reluctance to open borders with an unrecognized country. Travelling for the citizens of such region is also very difficult. If the citizens do not own a passport of another state, travelling across the borders of their territory is impossible. There is relatively substantial wall of isolation separating citizens of a de facto state from the rest of the world. This fact can be reflected to a considerable extent in a lower economic level of each de facto state in comparison with its parent country. Most de facto states (except Taiwan) have lower GDP per capita as compared with their parent countries.

Theoretical starting point of "track two diplomacy" in peace process

In the context of the growing number of armed conflicts, since 1960s many academics, career diplomats and representatives of the emerging NGO sector⁴⁴ have spoken about the need of informal workshops, which should run parallel with the official peace process controlled by leaders of conflicting parties. For these initiatives Davidson and Montville (1981) started to use the term "track two diplomacy". From their point of view "track one diplomacy" is a technique of a state action carried out by professional diplomats, governmental representatives, international organizations or adversarial leaders who act in the capacity of their representative government. Reimann (2005) adds that official representatives of conflict parties cannot be only political leaders, but also military or religious leaders, who are trying to solve the conflict towards sustainable peace. To sum up, track one or official diplomacy refers to a technique of state action carried out by professional diplomats, governmental representatives, international organizations or adversarial leaders who act in the capacity of their representative government. On the other hand track two diplomacy can be defined as "initiatives parallel to the official diplomatic negotiations, carried out by private facilitators in the form of informal problem-solving workshops" (Azar and Burton 1986). Another definition of track two diplomacy is a decade younger and comes from Galtung who emphasizes the role of civil society in the conflict transformation process. In his words, successful conflict transformation needs to look underneath the surface to address the real causes of the violent outbreaks, which are hidden in the cultural and structural violence. And

⁴² De facto state is capable of performing sovereign legislative, executive and judicial power over its territory, it strives for independence, but lacks international recognition or it is recognized only by few other states. Among such states with full inner sovereignty that are on a long-term basis struggling for recognition of their independence (in terms of years) we may include Pridnestrovian Moldavian Republic, Abkhazia, South Ossetia, Nagorno-Karabakh, Northern Cyprus, Somaliland and Taiwan.

⁴³ Author interview with the Abkhazian freelance journalist, Sukhumi, October 10th 2009

⁴⁴ For example Edward Azar, John Burton, Leonard Carr Doob, Ronald Fisher, Johan Galtung, Herbert Kelman, John Paul Lederach, Joseph Montville, Harold Saunders and others.

this is not possible without the involvement of informal diplomacy carried out by active civil society (Galtung 1996).

Mikhelidze and Pirozzi (2008) argue that civil society organizations (CSOs) have access to parties directly involved in the conflict and thus potentially the ability to bring parties to a dialogue. They can also encourage the local population to engage in a long-term process of reconciliation. That is how a civil society can be an important force in the changing of a social climate within societies affected by a conflict, especially in situations when the highest political representatives of conflicting parties are not willing or able to retreat from their demands.

In the case of a persistent or frozen conflict, the role of CSOs should lie in an effort to create open and democratic communication channels which should diminish the gap between society and state leadership. The importance of civil society in creating democratic and open communication channels can be designated as vertical permeability between top leadership, internal peacebuilding CSOs and the society (Lederach 1997: 39). This vertical permeability represents uninstitutionalized ties within one society. But for conflict transformation is equally important, if not even more important the relationship to those on the "other side". From this need of confidence building between the conflict parties, the concept of peace building was born. Peace building in post-conflict reconstruction requires an influential civil society in the vertical direction and properly connected non-profit organizations that are active across the ceasefire line. Under this approach long-term peacebuilding process involves direct or mediated interaction between the parties to prepare positions to negotiate agreements on important topics on the political level (Darby and MacGinty 2000: 8).

The concept of peacebuilding includes a wide range of activities across the society levels (from decision-makers to the grassroots level). At the lowest level, an education for peace, reconstruction programs or public awareness about the protection of human rights and democratic values can be considered as peacebuilding activities. At the middle level there is an attempt of peacebuilding to support democratic culture, education, political organizations, training in conflict transformation and organizing reconciliation workshops. At the highest level, major non-profit organizations can organize meetings with members of parliament or government and recommend steps to implement peacebuilding policies into national strategic framework.

The main task of peacebuilding is to achieve positive peace and a stable social equilibrium in which new conflicts will not escalate into armed conflicts. Although peacebuilding is often supported by foreign funds, in order to be successful it must grow from local society. Peace talks are indeed in most cases carried out at the political level. However, up to now track one diplomacy did not achieve tangible results in conflict transformation of de facto states. So if the way leading to a long-lasting peace through top-down processes was not found, conflict transformation has to be attempted by a bottom-up process. In this sense, the involvement of local civil society in peacebuilding becomes of crucial importance in conflict transformation.

Track two diplomacy in Abkhazia

Abkhazia is an example that without a political settlement, transformation of the conflict via "track one diplomacy" is in an impasse. Potential for conflict transformation thus can be seen in building up a civil society, which should try to democratize the society and try to find a bridge leading to reconciliation with the other side of the conflict through peacebuilding projects. Civil society in Abkhazia underwent an interesting development which could be divided into three basic stages: (1) the formation of civil society (1991-1997), (2) the involvement in policy dialogue (1998-2005), (3) the concentration on domestic issues (since 2006).

At the time of disintegration of the USSR, movements supporting national rights were created in all the republics of the union. While such movements elsewhere have been mainly anti-Russian, in Abkhazia, the People's Forum Aidgylara profiled against Georgia. Many of today's prominent civil society activists began their career in the Abkhazian public space in Aidgylara. After the war, strong anti-Georgian feeling within Abkhazian society gave credibility to civil society activists. As a result, even non-profit sector in Abkhazia was very anti-Georgian.

During the war and the years after, Abkhazian CSOs engaged mainly in humanitarian activities. The most common form was post-conflict reconstruction and psychosocial stabilization of victims' families, women, orphans and invalids. Civil society in Abkhazia did not emerge by external pressure from the donor community, as in many other former Soviet republics, but emerged naturally as a response to a war and postwar humanitarian needs. This remains a source of strength, internal sustainability and wider support for the civil society in Abkhazia.

On the issue of political dialogue with Georgia, the civil society started to engage in 1998, when the so called Schlaining process began. The name is derived from the Austrian city of Schlaining, where the meetings between the Abkhazian and Georgian civil society representatives took place. The purpose of these meetings was aimed at finding possible ways for conflict transformation. Between 1998 and 2004, there were more than twenty meetings of Georgian and Abkhazian civil society representatives. The organization of such meetings was initially started by Berghof Research Center for Constructive Conflict Management, later the role of the organizer was taken by Conciliation Resources. A series of meetings were also organized by Paula Garb from the University of California Irvine in collaboration with Heinrich Böll Stiftung. From the beginning negotiations resulted in joint written reports about the possibilities of solving various contentious points of the conflict, and gradually it led to a network of cooperating non-profit sector representatives who met regularly and tried to build up mutual trust and understanding.

One of the organizers of these meetings, Oliver Wolleh, says that in case of Abkhazia, the civil society sector played more important role in debates about the transformation of the conflict than in Georgia (Wolleh 2006, 54). Due to the high degree of hatred towards Georgians in the Abkhazian society, even participation of Abkhazians in meetings with Georgians was considered as quite controversial. Abkhazian CSOs had to justify their participation in the dialogue with Georgia, arguing that they are acquainting the Georgian society with the Abkhazian official view. In many respects, the CSOs acted as ambassadors informing the world about the opinion of the Abkhazian government.⁴⁵

The situation has changed dramatically since 2006, when the peace process at the official level stalled. Abkhazian officials see the problem in the growing pressure for restoration of territorial integrity from the Georgian regime. Saakashvili's government wanted quick results, not meetings with only plain talks. This view is not based only on the Abkhazian side, but it is also confirmed by the Georgian side. As one Georgian civil society representative explained: "The government wanted everything at once: accession to NATO, good relations with Russia, and reintegration of Abkhazia and South Ossetia. There was little patience for dialogue and long-term rebuilding of trust. The Georgian government wanted actions, not talks, to drive the conflict resolution process. But this only increased the mutual mistrust between Georgia and Abkhazia" (Popescu 2010: 9).

Since that time, the CSOs in Abkhazia have increasingly focused on local political and social issues. This trend was facilitated by the fact that in 2005, when Sergei Bagapsh was

⁴⁵ Author's interview with an Abkhazian independent journalist and participant of the Schlaining process. In Sukhumi, October 9th 2009.

elected to the post of President of Abkhazia, gradual process of democratization began. This approach was reflected in the government which started to support civil society and political pluralism much more than the previous Abkhazian government. But cooperation on peacebuilding projects with the Georgian side wilted. Since 2006, not a single project that would lead to cooperation between Abkhazian and Georgian CSOs was supported from domestic sources.⁴⁶ The government's priority became the support of CSOs in their activities focused on the integration of physically or mentally disabled into the society and development activities for the youth. This trend, when non-governmental organizations have been increasingly concerned about domestic issues, was further highlighted after the August war, which led to Russia's recognition of the independence of Abkhazia.

The personal testimonies of several representatives of the Abkhazian CSOs indicate that since that time there is almost no real effort for cooperation with the Georgian CSOs. A member of the Abkhazian parliament added to this topic: "From the perspective of many Abkhazians the conflict was resolved. In the context of safeguards guaranteed by Russia, real danger of Georgian aggression passed. And since even the most moderate Georgians disagree with the independence of Abkhazia, it makes no sense to devote time and energy to joint seminars on conflict transformation. Therefore at the moment, the effort of Abkhazian civil society is focused on domestic issues, such as administrative reform, media law, judicial reform and protection of property rights. These topics are very important in building a democratic state based on a respect to human rights."⁴⁷

Abkhazian independent media, such as "Chegemskaya Pravda", "Grazhdanske Obshestvo" or "Studio Re", have very limited possibility for positive effect on conflict transformation. According to the interview with a freelance journalist of Chegemskaya Pravda, only a few Abkhazians read Georgian newspapers. The cooperation between journalists from Abkhazia and Georgia is very small and even that minimum that exists is not published in Abkhazia because of fear from social condemnation. In the prevailing social discourse, the cooperation with Georgians still bears a mark of betrayal. In Abkhazian media, Georgia is depicted as an aggressive regime, trying to achieve unification by force. Therefore, articles advocating the need for reconciliation initiatives with the Georgian side do not appear in Abkhazian newspapers.⁴⁸ The Georgian media dominated discourse is marking the regime in Abkhazia as a criminal entity used by Russians to fulfill their geopolitical interests. These stereotypes have become fairly established and the media are thus rather widening the psychological gap between Abkhazians and Georgians, than playing a reconciliation role.

Perhaps even more problematic is the dialogue through the Church. After the war, the Abkhazian Church unilaterally broke away from the Georgian Orthodox Church and a dialogue and common activities have completely ceased. If the Abkhazian Church cooperated with the Georgian Church, it would demonstrate that Abkhazia is still part of Georgia. Disputes escalated in 2009, when the last Georgian priest had to leave Abkhazia. The Georgian Patriarch Ilya II, who repeatedly asked for the opportunity to visit Abkhazia did not gain admission. In September 2009 Vissarion Appia, the head of the Abkhazian Eparchy of Sukhumi, asked Moscow and Tbilisi for approval of autocephality of the Abkhazian Orthodox Church. Patriarch Ilya II from Tbilisi and Moscow Katholikos Kirill disapproved the request, so unilateral declaration of Abkhazian Orthodox Church came later that year. The New Abkhazian president, Alexander Ankvab, said he strongly supported the independence of the Abkhazian Orthodox Church, and other solutions are unthinkable (von Twickel 2011). It is obvious that in the case of Abkhazia, the Church is not a possible channel for reconciliation and restoring trust between the parties.

⁴⁶ Author's interview with an Abkhazian civil society activist in Sukhumi, October 8th 2009.

⁴⁷ Author's interview with a member of Abkhazian parliament. Sukhumi, October 8th 2009.

⁴⁸ Author's interview with an Abkhazian freelance journalist. Sukhumi, October 11th 2009.

Conclusion

After a stalled peace process on the level of track one diplomacy, there is a visible dead end also in the unofficial peace process on the level of track two diplomacy. The impact of civil society in Abkhazia in the area of conflict transformation is very limited. When the de facto statehood of Abkhazia was stabilized and population began to view the conflict as resolved, the already limited activity of CSOs in conflict transformation over the line of ceasefire eroded. In Abkhazia a new strategy has been recently developed. Various authors call it 'democratization for recognition' strategy (Broers 2005, Popescu 2006, Caspersen 2008). The point is that leaders of de facto states are convinced, that if their entity undergoes democratization, it will receive legitimacy in the eyes of the international community, and that recognition of external sovereignty is only a matter of time. This strategy is clearly reflected in the activities of local CSOs. They are starting to focus more and more on domestic issues connected with democracy. Under this orientation the CSOs in Abkhazia are able to meet the vertical dimension of peacebuilding, but they are an inadequate tool for the needs of a horizontal peacebuilding process. It shows that the positive impact of civil society on conflict transformation in Abkhazia is considerably limited. That does not mean that the involvement of civil society in conflict transformation does not make sense, rather it says that in the case of Abkhazia, civil society activities can currently only complement, not substitute properly designed political strategy for a gradual conflict transformation.

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Global Metropolises: Places Where the Process of Modernity is Most Visibly Materialized

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Abstract

The paper is concerned with concepts that used to account for several notable features of the modern, globally interconnected, and urbanized world. It starts with a fictional image and advances the concepts of the process of modernity, consisting of urbanization, modernization and capitalism, and the concept of global metropolis. It proposes to treat the network of global metropolises, and especially their core areas, as spatially discontinuous but nevertheless socially closely interconnected 'one-world' city. These core areas are surrounded by ancillary metropolitan regions, while the 'rest of the worlds', the peripheries, are taken as reservoirs of resources. The one-world is then taken as the ultimate infrastructure, as the world that connects all the rest of the diverse social worlds, it is the crossroads of the worlds and a background or context that needs to be taken into consideration in all discussions of modernity. The concept of infrastructure is also developed to distinguish the 'deep' infrastructure of language, social practices, standards or codes from the 'overt' infrastructure of public roads, pipelines or institutions.

Keywords: global metropolises, one-world city, process of modernity, infrastructure, codes, social practices.

Fictional introduction

I would like to start this paper about modernity and contemporary metropolises somewhat unusually, with a quote from *The Fall of Hyperion*, a science-fiction novel written in 1990 by Dan Simmons:

"I wandered down the long, gradual slope to the River Tethys, past the dock where an incredible assortment of river craft disgorged their passengers. The Tethys was the only webwide river, flowing past its permanent farcaster portals through sections of More than two hundred worlds and moons, and the folk who lived along its banks were some of the wealthiest in the Hegemony" (Simmons 1990: 12).

The quote illustrates, in a cosmic scale, the idea of the core of the 'one-world', consisting of multiple places (cities, planets), interconnected by a perfect network (farcaster portals are gates that allow instantaneous travel between places where they are installed) – even a river, with no spring and no estuary, can flow through it. The network of portals is the basic (and almost unseen) infrastructure of the Hegemony: a constellation of habitable planets in the galaxy that were terraformed (colonized) by humans. Interestingly enough, shortly after the dawn of this cosmic age, the 'Old Earth' was gradually consumed by a black hole that had arisen by 'an accident' that followed the discovery of farcaster portal technology. Other notable feature of the portals is the fact that people do not understand this technology: farcaster network was developed and is ran by artificial intelligences (AIs) that are mutually dependent on that part of humanity that lives under the Hegemony. And Hegemony makes

total war upon the other part of humanity, the Ousters, those that chose to live outside the portals, in the outer space, and without the support of AIs.

The fictional universe, portrayed by Simmons, has much more features that may interest us, but let us stick to this sketch and use it for shedding light on the structure of the contemporary world. I am going to argue that the basic and ever more pronounced distinction is between 'one-world' in the core and 'multiplicity of worlds' on the periphery. While the scale of the one-world is global, the scale of peripheries varies – from neighborhoods and communities through cities and regions to the whole nations.

Discourse of modernity

Modernity is a process that comprises three other, mutually entangled processes – urbanization, modernization and capitalism. Let's go through these three processes one at a time. Urbanization is indeed a process of the materialization of social structure, of ideas and of identities. The discourse of modernity bluntly says that dreams may come true, it is possible to bring them down to earth, to materialize them. Modern cities are presented as a proof of this bold claim. And they are, in a way, the world that our predecessors dreamed of: many of them lived in a world of scarcity, so they dreamed of abundance; others lived in slavery or in subjection, so the modern cities are places of freedom. At least some of them. Or, to be correct, some of their parts. This is the dividing line between the one-world, where dreams come true, and the rest of the worlds that were built or used in order to fulfil those dreams.

All the modern 'worlds' are purposefully and rationally constructed. Even the fantasy and science fiction worlds are made this way: they serve, among other things, as a reservoir of dreams. But the discourse of modernity says that the only world that really matters is a material world, the one world, the only world that "really exists". The rest of the worlds is there only to serve, these worlds are either tools, reservoirs of resources or simply irrelevant. In fact, the worlds that are not servants should not rather exist at all – if only because they are capable of disproving the modern story. And therefore, the managers of one-world usually, rationally, in order to construct and safeguard their most precious one-world, make war on those uncontrollable other worlds: to subdue or to destroy them.

The second constitutive process of modernity is modernization: a process of change. It is really hard in a discourse of modernity to criticize that which is termed modern. For instance, pointing at something and saying "this is not modern" (meaning particular social practice, building, land-use segment of society) starts the legitimation of a process of change. It almost equals to strongly saying that "this is tabula rasa" and it is therefore reasonable to modernize it, develop it, change it to "something useful", simply to connect it to the modern world-system. Being disconnected, being off or out is definitely something that is not modern. But what exactly is modern in a particular time, at a particular place or society that is the issue of intense debate and a reason for social struggle. And a truly modern society is institutionally arranged for an accommodation of such debates and struggles. Demanding change is profoundly modern.

Within the core of a discourse of modernity lies the imperative: "You have to be modern!" and "Change yourself!" Although it is never precisely discernible what is modern at a particular time, place or circumstances, it is sure that you have to find it out and change yourself, the environment, the others or the relations in accordance with the needs of the modern system. Those that will find out best and change accordingly will be rewarded by the system and drawn closer into its core, closer to the one-world. The rest will be marginalized and pushed out to the peripheral other worlds.

Finally, the third element of the process of modernity is capitalism. It rests on an assumption that "more is better" and that is why capitalism is inseparably linked with growth

and the desire for profit. For the development of the concept of capitalism, let's quote David Harvey:

"Capital is a process and not a thing. It is a process of reproduction of social life through commodity production, in which all of us in the advanced capitalist world are heavily implicated. Its internalized rules of operation are such as to ensure that it is a dynamic and revolutionary mode of social organization, restlessly and ceaselessly transforming the society within which it is embedded" (Harvey 1989: 343).

"First: capitalism is under the impulsion to accelerate turnover time, to speed up the circulation of capital and consequently to revolutionize the time horizons of development. But it can do so only through long term investments (in, for example, the built environment as well as in elaborate and stable infrastructures for production, consumption, exchange, communication, and the like).

Second: capitalism is under the impulsion to eliminate all spatial barriers, but it can do so only through the production of a fixed space. Capitalism thereby produces a geographical landscape (of space relations, of territorial organization and of systems of places linked in a 'global' division of labor and of functions) appropriate to its own dynamic of accumulation at a particular moment of its history, only to have to destroy and rebuild that geographical landscape to accommodate accumulation at a later date" (Harvey 2000: 19).

Put differently, Harvey says that capitalism is a process that produces its own time-space, much in the same way that Lefebvre (1991) writes about the production of social space, but he also says that change is inherent to the process of growth and capital accumulation.

One-world: visible and invisible

One of the most visible features of the modern world is the fact that it is urban. Cities provide the ultimate human living environment and cater for all imaginable human needs and wants. But cities are also the engines of modernity: they embody distinctions and display all that can be achieved and possessed in the material world. But not for everyone and not in every city: and this disparity is a powerful source of 'social energy' that capitalism releases and utilizes.

I would like to argue⁴⁹ that it was a process of modernity that has produced the urban and globally interconnected world and that global metropolises embody the contemporary results of this process. These metropolises clearly illustrate all three above mentioned aspects of the process of modernity:

1) they are vast material places: enormous number of people and resources have been mobilized in order to construct them – the infrastructure (streets, roads, railways, pipelines and power lines, various institutions such as courts, schools, police or hospitals) as well as the architecture (houses, public buildings) and production facilities (factories, offices).

2) The structure, character and especially size of these metropolises changed rapidly during the last decades and centuries: in these cities for the first time on a city-wide scale all the inventions that are today seen as indispensable for the functioning of such big settlements (such as paved streets, water supply, sewerage, public transportation, street lighting, elevators or communication services) were introduced. Although the technologies and uses of time-space are changing rapidly, the structure of cities, once it is laid out, is considerably stable – as well as the overall population. However, the stable structure of cities and of territories accommodates even very profound changes (of government, land-use, structure, direction and composition of various flows of commodities).

3) Global metropolises show a steady growth in population and in size of build-up area (cities that were in different times considered the archetypes of modernity changed): from the

⁴⁹ For precise meaning of the terms 'process of modernity' and 'global metropolises' as well as for the argumentation see Holubec (2011).

17th century Amsterdam, through the 18th and 19th century Paris and London, early 20th century New York and Chicago to the contemporary mega-urban regions: BosWash corridor along the eastern coast of the USA and Taiheiyō Belt (Shinkansen corridor) in Japan being only the earliest examples.

Due to the successive waves of improvements in transportation and communication technologies, it becomes very difficult to delimit the extent and population of each metropolis. At the dawn of modernity, global metropolises were among the first cities that spread behind the walls and during the course of time, these metropolises leapt several times over whatever administrative boundaries there were in place. But nowadays, even the continuous build-up area is not a clear sign of the boundary of a city: while geographers dispute the delimitation of functional urban areas (defined by commuting patterns) or local labor markets, demographers and public authorities strives to distinguish and count citizens, inhabitants and migrants. Manuel Castells speaks about the emergence of a new spatial form – metropolitan region:

"The metropolitan region arises from two intertwined processes: extended decentralization from big cities to adjacent areas and interconnection of pre-existing towns whose territories become integrated by new communication capabilities" (Castells 2010: xxxiii).

Metropolitan regions are indeed part of the concept of the global metropolis and illustrate what is happening with cities in general: they are nowadays rather region-wide structures. But conceptually I propose to treat the network of global metropolises (for instance those cities listed in GaWC 2008), and especially their core areas, as spatially discontinuous but nevertheless socially closely interconnected one-world city, similar to the image of a cosmic promenade along the River Tethys, mentioned in the introduction.

While the city centers of global metropolises together with several other featured places and with the international passenger transport infrastructure (airports and hi-speed rails) are a visible part of a one-world city, displaying all the wealth. The invisible infrastructure of this one-world is probably even more important because it facilitates the daily 24-hour functioning of the modern one-world: stock exchanges and news channels are working continuously as well as services in the cores of global metropolises. Geography of the modern world that is embodied in global metropolises is no longer measured in miles and meters but in hours and minutes. For some people the one-world is every time and everywhere within their reach and the principal gate into this one-world is their credit card and ID card or a computer connected into the internet. But for the majority, although the one-world is present on a TV screen and they are directly influenced by it, it is gated.

The deeply hidden infrastructure of the one-world consist of the most fundamental and common practices, languages, values, rules, standards and codes that we usually do not even notice as an infrastructure (for example: equal exchange, binding treaties, human rights, basics of world languages, use of money, traffic regulations, internet communication protocols). But they are the basis upon which all the more complex infrastructure that sustains the daily existence of billions of people living urban environments is built. There is the pervasive global culture, both elite and popular, with all of its standards, design, entertainment, ads, food or clothing that delimits the extent of the one-world. It is the common practices and codes that matter, this is what distinguishes the core of the one-world, surrounded by its ancillary metropolitan regions, from the multiplicity of peripheral worlds (with their diversity of languages, habits and local cultures).

The scale of globalization: one-world that connects

What is a scale? It is the relation of one part to another and of parts to the whole. Or, the scale is simply relation to an etalon (standard). If we intend to dig into the scale of globalization, we should delimit the whole and the parts that matter in this relation or define an etalon. In the previous talk about one-world and about multiplicity of worlds, we referred

especially to social worlds. When all social worlds are gathered together we get the human world – that is one of the possible wholes. But there is also the universe in which the human world is embedded.

My suggestion is to treat the modern one-world as the middle-world, the central world, the crossroads of the worlds, the etalon. The one-world is situated in between the multiplicity of social worlds – it connects them together – but it places itself also in between the human world and the universe – because only modern science is allowed to talk about universe or about the relation between people and nature. One-world is situated also in between the real (material) world and fictional worlds – the connection is commercial (to sell the author's rights), scientific (fiction is treated as a dream that was not yet realized) or semiotic (everything can be treated as 'text'). And finally one-world is also the present world – it is situated in between various past and future worlds: while historians and screenwriters construct the worlds of medieval Europe, ancient China or pre-Columbian America, scientists, philosophers and novelists construct the scenarios, utopias or fictions.

So, what is in this context the meaning of globalization? Globalization is a process in which different parts of the globe (i.e. Earth taken as human world) are being connected together. But I argue here that they are connected via the one-world. Globalization is therefore the process of construction of the one-world at the crossroads of all the worlds that have been discovered or constructed so far.

Taken from a different perspective, one-world is the ultimate infrastructure – that is able to connect everything with everything else. It seems useful to develop further Manuel Castells's concept of the network society (Castells 2010) that deals with the entanglement of various networks that connect the nodes (a node can also be a 'world' as conceptualized here) and his notion of switches (nodes where different networks intersect). One-world, consisting of the network of global metropolises, can, therefore, be taken as such a switch where different worlds meet.

Back to the scale of globalization: although it seems that a sense of any meaningful whole has been lost in the contemporary phase of the process of modernity, there is a center – modern one-world – that is the ultimate reference. It is a reference that cannot be omitted from any considerations, plans or serious talks. It is the background and the context of our lives. This is what I hear in that almost trivial saying "think globally".

But the subtitle of the conference is also "act locally, change individually". This brings us back to the idea of one-world as the infrastructure that connects and to the idea of deep infrastructures consisting of practices and codes. "Change individually" I read as an invitation to change the practices that are harmful, unsustainable or inhuman – that may be difficult but even you can do it. What is really difficult is to change the codes. Why? Because they are deeply embedded in the structure of cities, in land-use, in language, in the devices we use and in socially enforced habits. But if we want to change not only particular local cell in that robust framework of our modern world, we need to focus on codes, language, standards and social rules.

Acknowledgement

This research has been supported by SGS grant No. SGS11/104/OHK1/2T/11 "Changes in the usage of territory and concomitant negative effects".

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Public Service Broadcasting, Cultural Policy and Cultural Globalization – Building a Model to Examine How Public Service Broadcasting Can Help a Nation Negotiate and Compete with Global Culture

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Abstract

Americanization, regionalization, and globalization are all considered as causes of cultural anxieties for many nations. A model is built to explain cultural globalization by demonstrating that globalization is a process of negotiation and competition if nations can engage in strategies for integrating with global culture. In this model, five variables -identity, cultural policy, technologies, system, and cultural paradigm shift - can be strategically applied to achieve the following three governmental goals: preserving national and local cultures from foreign nations' cultural domination, building reputation of national cultural brands, and competing on local and global markets of cultural products with foreign nations. Based on an analysis of different cultural practices of several nations' PSBs, this paper explores when a domestic cultural paradigm shift might happen. This paper provides evidence to argue that the scale of cultural exchange market is important to both glocalization and globalization.

Key words: public service broadcasting, cultural policy, globalization, cultural negotiation

Introduction

From the perspective of cultural globalization, European nations such as the United Kingdom and France expressed their preoccupation with "Americanization" of the entertainment industry for radio broadcasting and cinema by 1930 (Camporesi 2000; Grantham 2000). Americanization was regarded as an invasion (Grantham 2000) and a threat to national traditions and culture at that time (Camporesi 2000). One famous exponent of this argument is Hebert Schiller. He asserted that when Europe with four hundred years of experience of commercial and industrial development is increasingly unable to maintain autonomous national communication systems, less developed and newly independent nations are even less capable of resisting the pressure of the modern world system (Schiller 1979).

Cultural imperialism and dependence theories have been criticized by their oversimplification of cultural globalization. More studies discuss alternative interpretations and found empirical results to explain cultural globalization. The transculturation of modernity is "as a result of mediation by the nation-state, local interests and the needs for local identity, foreign culture is not imposed but indigenized" (Chan and Eric 2000: 4). Other scholars illustrated various phenomena of cultural globalization such as regionalization (like the so-called Korean Wave), hybridization or glocalization (Straubhaar 1991; Iwabuchi 2002, 2004). The increasing interdependence of the world television market seems to bear a strong regional flavor. "The rise of Japanese popular music in East Asian markets indicates that media globalization is not only promoting global homogenization and local heterogenization, but also (supra-national) regionalization" (Iwabuchi 2002: 119). A "Cultural Policy

Strategies" model is proposed by focusing "on the strategies used by nations, global cities, and cultural organizations to cope with, counter, or promote cultural globalization" (Crane 2002: 4). Several nations' empirical successful cases of negotiation and competence in global culture should be explored. Five factors are discussed below.

Collective identity

Governments of several countries, such as New Zealand, have reasserted the importance of public service broadcasting as part of their push to develop the national identity⁵⁰. After the collapse of Japan's and Germany's military regimes in 1945, the broadcasting system (Germany's ARD and Japan's NHK) were designed to fulfill social rather than economic objectives (Sili 1992: 64). National identity can be related to profits and the concept of the public can be found in popular culture.

There are several factors related to this concept. First, these national public broadcasters' can maintain enough market shares to claim the impact on the local market (over 50% ratings). Second, their programs are locally produced and can help their nations to compete with programs imported from other nations. Third, these local programs can deepen audiences' national identity or cultural identity when these programs were produced locally and themes of these programs are relevant to the audiences' daily life or historical collective memories in their nations. Fourth, when these programs were exported, it is not only economic meanings that TV programs exported to other countries but also cultural meanings such as the nation's image, values and beliefs were sent to regional or global audiences (Silj 1992).

In many nations, the most cited medium used by people is TV. According to the UNDP data, there are 548 televisions per 1000 people in developed countries and 240 televisions per 1000 people in the world⁵¹. What is selected and shown on TV helps audiences articulate who they are and what the world is like. The Internet is taking a large market share of advertisement from TV stations; however, for example in South Korea TV broadcasting companies remain the most important cultural industry category with a share of 38.8% in 2002⁵². In addition, much of the internet content is related to TV production. Values, belief, custom, tradition, the public sphere or fashion are transmitted, exchanged, reinforced and preserved by their presentation in TV daily programs. According to a study conducted in Latin American, Antola and Rogers (1984) found that locally produced programs remain first in the order of preference, followed by imports from other Latin American countries and programs from the United States. Straubhaar (2003) found that in East Asia such as Japan, South Korean and Taiwan, there was an increasing trend for the percentage of prime time television occupied by nationally-produced programs from 1962 to 2001. In contrast, there was a decreasing trend for the percentages of prime television occupied by US-produced programs in the same period.

Cultural Policy

Many public broadcasters such as the BBC state that their objectives are to inform, entertain and educate the public for their nations. Many of them such as the NHK also add another objective: sharing culture globally. In the NHK's 2003 annual report, the company also aims to share Japanese culture with the world and to present a Japanese perspective on

⁵⁰ Media release by A New Future for Public Broadcasting. Available at <http://www.newfuture.govt.nz/media.html> Media release by A New Future for Public Broadcasting. Available at <http://www.newfuture.govt.nz/media.html>

⁵¹ The State and Progress of Human Development, United Nations Human Development Report, 2002, UNDP, <http://222.undp.org/hdr2002>

⁵² 文化金礦 花建(2003-287). 文化金礦：全球文化產業投資成功之謎, 花建, 海天出版社

global issues. Some PSBs are leading TV stations nationwide and their programs are extremely popular domestically and internationally.

There are successful cases and unsuccessful cases in terms of negotiation or competition on the cultural market. Some of public broadcasters' budgets and market shares are very low (such as Taiwan's PTS and the U.S.'s PBS). In contrast, some national public broadcasters still have a large market share in a multi-channel TV environment such as Japan, South Korea and Britain. An example of some successful cases of good-quality drama programs in Asia includes *Oshin*, *Winter Sonata*, and *Da Tsa Jin*. The drama *Oshin*, which was telecast in 1983, broke record after record in the history of the Japanese TV series. Its average audience rating for the year was 52.6 percent, and the highest rating for a single episode of "*Oshin*" was 62.9 percent. According to the NHK's report, by 1998 *Oshin* had been telecast in 54 countries. *Winter Sonata* created a "Korean Wave" when it was shown in Japan, Taiwan and China. According to the NHK's survey conducted in 2004 across Japan, *Winter Sonata* improved the Japanese view of South Korea and boosted an interest in Korean language and culture⁵³. The NHK reported that 38 percent of the respondents had seen the drama, 26 percent of those who watched the drama said their view of the country had improved and 22 percent said their interest in South Korea had increased. For *Da Tsa Jin*, the drama program was very popular in South Korea and the rating of its final episode was over 55 percent in South Korea⁵⁴. When it was shown on the Taiwan's cable television, its ratings won over all other local or foreign TV programs played in the prime time slot. This phenomenon problematized the presumption that local audiences prefer local TV programs than foreign TV programs.

System

Several public service broadcasters have produced successful TV programs that attract global and regional audiences. Korea's, Japan's, and Great Britain's PSBs are good examples. Funding, budgets and public trust are important to maintain public broadcasters' independence and autonomy. South Korea's KBS obtained only 38.5% of its funding from TV license fees and 55.3% from advertisement in 2002.⁵⁵ The KBS has many successful TV programs exported to China, Taiwan or even Japan but its major sources of income are from advertising. If South Korea's KBS is a good example of the importance of ads income as a source of financial independence, Italy's RAI might be a negative example. According to the 1991 RAI's annual report, 35% of its income came from advertising and 58% came from license fees. Because of a fierce competition of broadcasters for audiences, RAI's programming became more commercial, with more purchase of foreign programming. Kramer (1993) described that there was a strong criticism of RAI for importing foreign entertainment. By 1981 Italy had become the largest market for U.S. programming.

Another aspect to take into consideration is the relationship between the public broadcaster's budget and its market share. In fact, a greater budget for production of public service broadcasting does not guarantee a higher market share and program export. For example, Germany's public broadcasters have a higher budget than any other nation but Germany has a higher cable usage rate. As a result, their market share (27.4% in 1999) is lower than that of the BBC channels (total BBC television and radio share: 43.4% in 2003/4). Although Japan's NHK has a higher budget than South Korean's KBS, KBS has higher market share (39% in 2002) than NHK (18.9 % in 2001).

⁵³ Kyodo News, 12/04/2004, Available at Yahoo news, <http://asia.news.yahoo.com/041204/kyodo/d86oh50g0.html>

⁵⁴ United Daily news available at 2004/09/14, available at http://club.stars.udn.com:8080/eland/eforum?func=read_article&board_id=351&article_id=1042645690400%40UDNStarForum&scope=date&num=9&gid=KOREA&state=N

⁵⁵ Taiwan's PTS President's report in 2002. (Chinese version).

NHK, the BBC, KBS and many public broadcasters emphasize that gaining the trust of the audience is very important, since their major financial sources are public or governmental. However, in some nations such as France and Italy, the national public broadcasters had a history of intervention in their operation by governments or political parties (Vedel and Bourdon 1993, Kramer 1993). Autonomy and independence of PSBs are important to gain public trust. To achieve this goal, financial independence is an important factor. Picard (2001) examined the performance of 16 national public broadcasters and found that their perception by the audience is slightly negatively correlated with their performance and state funding. Biltreyst (2004) indicated how public service broadcasting companies can construct an "aura of trust" by building a feeling of quality, reliability, honesty, competence, and good intention. Trust may influence market share. However, the relevant concepts such as audiences' ideology and public broadcasters' credibility and reputation should be considered to explain how audiences observe a public broadcaster's image.

Technology

From the 1920s to the early 1980s, most of Western European nations adopted the monopoly of public television as their TV system, except for the United Kingdom (the first commercial channel ITV appeared in 1955) and Luxembourg. Public television not only predominated in Europe but also in Japan (NHK), Canada (CBC) and Australia (ABC) (Norris 1991). "In 1980, Western Europe had 36 public and only 3 commercial TV channels" (Norris 1991: 91). However, in 1997 the predominance of public service monopolies had been challenged by the pressure of open markets and the development of new technologies such as cable and direct satellite broadcasting. While some scholars announced a decrease in market shares held by public broadcasters, another study showed that public channels maintained approximately 42 percent share of the television audience in 1997 (Norris 2002).

How might the robustness of multichannel systems, cable and direct satellite services in a nation be related to public broadcasters' market share? It appears that they are inversely correlated. However, other variables should be considered carefully such as cable service fees, program quality of public broadcasting and audiences' viewing habits. In reaction to the fragmentation of the audience, BBC and KHK offered a digital service. NHK began digital terrestrial TV broadcasting in December 2003. In the BBC's case, BBC Three was launched in February 2003 as a mixed-genre digital channel aimed at young adults. According to the BBC's annual 2003-2004 annual report, the BBC Three regularly reaches over a fifth of its core audiences of 25-34 year olds each week. Its genres include current affairs, comedy, animation and science. According to the BBC, to date, digital television is available in more than 54 % of homes with a significant contribution from Freeview, the BBC-backed digital service. With the convergence of media, famous public broadcasters such as the BBC and NHK attract Internet viewers worldwide by offering multimedia, high quality information and more selections of languages. For example, in the NHK WORLD Web site, service in 22 languages is offered and in the BBC WORLD Web site, Internet surfers can choose from among 43 languages. According to the BBC's 2003/4 annual report, monthly page impressions rose to 279 million in March 2004 and this represents more than 16 million individual monthly users.

Cultural Paradigm Shift

Based on the analysis of different cultural practices of several nations' PSBs, this paper explores when a domestic cultural paradigm shift might happen. A paradigm shift of cultural consumption indicates that a nation's domestic cultural products have a bigger market share than foreign ones compared to the past. For domestic markets, sometimes hybridization is not good enough for locals' cultural needs because "we the people" want to share with "our"

national identity by telling "our" own version of history and truth. This paper demonstrates what we can learn from these nations' strategies of winning the cultural paradigm shift. This paper provides evidence that the scale of the cultural exchange market is important for both glocalization and globalization.

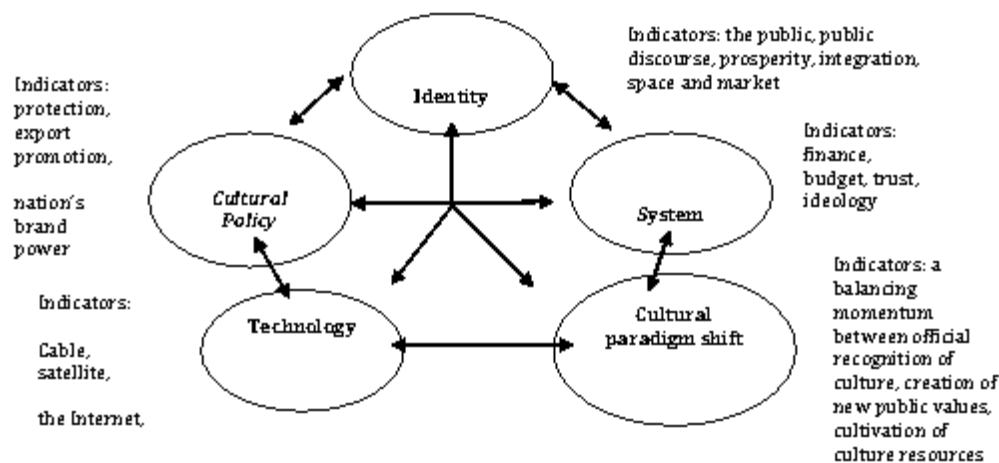
In the late 1990s, the spread of Korean popular culture mainly in neighboring Asian markets and even the United States, Egypt, and Iraq is another example of culture paradigm shift (Youna Kim 2007). South Koreans watch more local films than films produced by foreign companies. Public broadcasters of France, the United Kingdom and Japan all designed a specific channel that focuses more on art and music to preserve national culture.

Public broadcasters' TV programs can cooperate with governmental foreign policy. Japanese government established JAMCO to subsidize Japanese TV programs to developing countries (Iwabuchi 2002: 221). According to the NHK 2003 annual report, NHK has provided 36,488 programs to 138 countries and regions. Another good example will be PBS's Sesame Street. Sesame Street has lasted for 35 years and franchised in 120 countries. Sesame Street was praised for becoming an agent of American foreign policy.⁵⁶

Conclusions

This article uses five variables to examine how public service broadcasters can play a role in a nation's cultural policy in the context of globalization. [Figure 1] Indicators are used to measure whether goals are well achieved. It is not possible to choose a conflict approach to totally resist globalization. The best way for a nation is to use a strategy to build a good system for the globalization of its own cultural products.

Figure 1. A model of how a public broadcaster can play a role in the process of negotiation and competence to achieve three goals in the context of cultural globalization



To Achieve Three Goals: protecting national and local cultures from domination by other countries, creating and maintaining international images of the country, globalizing national or local cultures.

⁵⁶ Ottawa Citizen, November 11, 2004

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Developing Global Mindset Onboard. Challenges of the Ship for World Youth Program of Japan

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Abstract

The Ship for World Youth (SWY) program, operated by the Cabinet Office, Government of Japan, for the past 23 years, is a program that involves youth from 18 to 30 years of age from Japan and countries around the world. It aims to promote cross-cultural understanding and global cooperation among youth by exchanging knowledge and experiences, and developing their leadership skills through open dialogue and practical learning activities while they live onboard for 43 days.

The study examines how the 22nd SWY program in 2010 tried to connect intercultural communication theories to onboard practices for participants to develop global mindsets in a unique closed environment; limited space, time pressures, different languages and behaviors, with which to adjust were some of the challenges. It gives one aspect of an educationalevaluation using the Intercultural Development Inventory (IDI) (Hammer 1999; Hammer and Bennett and Wiseman 2003; Hammer2007) to evaluate participants' development of cross-cultural sensitivity, which is the fundamental mindset for global education. The result of the IDI showed the participants' growth through intercultural interaction; the participants were guided to shift from absolute dualism (inwhich right or wrong are clearly marked) to contextual relativism (in which one evaluates any position by its appropriateness to a defined context) and went beyond. The participants had to be responsible for creating their own humanistic guidelines, making personal choices, which are believed to be the crucial attitude to work successfully in global contexts.

Key words: international youth program, cross-cultural sensitivity, global mindset

Background of the "Ship for World Youth" (SWY) Program

The Ship for World Youth (SWY) program, operated by the Cabinet Office, Government of Japan, is a program that involves youth from Japan and countries around the world. Each year, approximately 140 Japanese youth and a similar number of youth from overseas (12 youth from 12 different countries) board the SWY for a 43-day journey⁵⁷.

In 2010, with approximately 280 participants, the 22nd SWY left Yokohama port on January 22nd, visited Dubai and Chennai for three days each, and returned to Tokyo Bay on March 5th. For residential space, each participant shared a cabin with two other participants from other countries. Many challenges were faced by participants, such as communication gaps, differences in life style and personality, not to mention cultural and language differences, although most of the participants were fluent enough in English to carry out discussions. The program literally isolated youth from the Internet, mobile phones or even a

⁵⁷See the appendix

TV, and forced them to cooperate and train themselves to be leaders in the future society. They had to solve problems and challenges within this limited space on the ship.

Cross-cultural understanding as a discussion course

One of the structured activities onboard and the most focused curriculum was the course discussion. Seven different themes were offered for these discussions: Youth Development, Volunteerism, Education, Environment, Corporate Social Responsibility, United Nations, and cross-cultural understanding. All participants were assigned to one course, based on their theme choice for the most part (some arrangement was done to even numbers). This study focuses on the participants of the Cross-cultural Understanding course (CCU hereafter), as I was requested to be the advisor (the person who facilitates and teaches the CUU course) this year. During the voyage, seven sessions of the course were held. Participants implemented what they learned in the course during their daily lives onboard the ship.

The participants

The CCU course had 42 participants (from ages 18 to 30 years). Among them, 20 were overseas youth, with one or two from 12 different countries (Australia, Bahrain, Ecuador, Egypt, Greece, India, Kenya, Oman, Sri Lanka, Turkey, UAE, and Yemen) and the rest were Japanese participants. Among the 42 course members, 27 were female and 15 were male. All of them had either graduated from or were still attending universities, the length of stay in countries other than their own ranged from 0 to 2 years (each person), and the average length was 1.5 months. Most of their former cross-cultural learning/training experiences were limited to courses at their universities. None of them had taken specific training for cross-cultural communication or cross-cultural understanding. The type of exposure to "cultural others" varied; some of them were interacting/working with cultural others in offices or universities, and some explained, "I do not recognize any foreigner in my daily environment." Some common aspects of the CCU course participants were their keen interest in the subject of cross-cultural understanding and their desire to work effectively with cultural others after the program. In short, participants were not those who were already knowledgeable about or had experiences in cross-cultural settings. The common language on the ship and in the course was English, and most of their language skills were sufficient enough to handle discussions on various topics related to cross-cultural understanding.

Main learning objectives and theoretical frameworks

The main objective of the course was to find individual answers for better cross-cultural understanding. The main course questions were: what is cross-cultural understanding and how can we be successful with it? I used three main key words for the CCU course: empathy, suspension of negative judgment, and acceptance. These are described as follows.

Empathy

Empathy has been recognized as one of the key elements in communicating across cultures (Bennett 1986a; Bennett 1986b; Broome 1991; Calloway-Thomas 2009). Participants reached a common recognition that empathy was the key for cross-cultural understanding; it was important to put oneself in the other person's shoes.

Suspension of negative judgment

Besides empathy, another essential concept for CCU was to "suspend judgment," or avoid an attitude of value judgment (Ataman 2005). Since the program had youth from many different regions, countries, and religions, with intense everyday interactions, this was the attitude on which I wanted to focus.

Acceptance

Acceptance is one of the fundamental concepts for diversity training (Sonnenschein 1999). Acceptance can vary from "a tendency to recognize patterns of cultural difference in one's own and other cultures" (Hammer) to "acceptance of or adaptation to cultural difference" (ibid). In this CCU course, the focus was to "indicate a worldview that can comprehend and accommodate to complex cultural differences" (Hammer and Bennett 1998).

In this diverse multicultural context, it was important to give participants some framework to develop their attitudes toward cultural sensitivity, so the Development Model of Intercultural Sensitivity (Bennett 1986a) was introduced for this course, where "acceptance" was considered to be a crucial step to an ethno-relativistic attitude. Throughout the program, participants were encouraged to reflect upon their own learning strategies and to apply their experiences to Kolb's model of the experiential learning cycle (Kolb 1984).

Cultural Assimilator

"Cultural Assimilator" was used as one of the methods to teach how to decipher cultural interactions or conflicts happening onboard. It was first developed in the 1960s for the U.S. Office of Naval Research to train sailors and ambassadors of the U.S. Since Cushner and Brislin published their book *Intercultural Interactions* (1986), the technique has been used for various training occasions (Landis and Bhagat 1996; Bhawuk, Podsiadlowski, Graf and Triandis 2002; Shaules and Katsura 1998).

The cultural assimilator technique involves one episode or a story called a "critical incident" that involves two parties from different cultural backgrounds and beliefs (usually a typical belief of that culture) (Wang et al 2000). However, one unique cross-cultural learning aspect aboard the ship was the context of "cultural general" (Cushner 1996) approaches; there was no particular "host culture"⁵⁸ to which to adapt so the participants would establish their own multicultural rules for working together. Many concrete incidents arise during this type of program that allow participants to discuss these concepts, but incidents that embarrass participants should be avoided.

After using cultural assimilator the question becomes, "Now that I know the reason, what can I do to 'accept' the cultural values of this other person and still live happily in the same cabin together?" The participants' discussion was guided to the conclusion that there is no one "correct" answer, but both parties have to communicate when a similar incident happens. One could still say you are not comfortable sharing a toothbrush with someone, even after recognizing someone's reason. Cultural acceptance does not necessarily mean you "agree" with the value (Bennett 1986). The two parties could also establish rules when needed. Communication was always noted as the key to expand participants' views of "common sense", which is the first step toward the acceptance of other cultural values. Participants were encouraged to use their own cultural experiences in their daily lives onboard to apply the model of the Experiential Learning Cycle with DIE analysis.

DMIS theory

The growing discovery and awareness of the participants was guided through the stages of the Developmental Model of Intercultural Sensitivity (DMIS) introduced by Bennett (1986a, 1986b, and 1993). The way the individual interprets the cultural experience and places it into her/his worldview can be seen as a result of the complexity of cognitive structure. Hammar and Bennett (2003) state that "The DMIS constitutes a progression of worldview 'orientations toward cultural difference' that comprise the potential for increasingly more sophisticated intercultural experiences" (Hammer and Bennett 2003) with five stages. In other words, if the

⁵⁸Although, Japanese law was enforced onboard for legal matters.

intercultural experiences and training are successful, the participants' worldview would progress from "Denial", "Polarization", "Minimization", "Acceptance", and then to "Adaptation"⁵⁹.

In general, cross-cultural training requires the trainer to observe three dimensions of the participants, as it also requires handling complex situations (Paige and Martin 1983). Those dimensions, as applied to this course, would be: 1. Behavior requirements, 2. Culture learning focus, 3. Risk of failure and/or self-disclosure. When introducing the DMIS model, the level of the risk of self-disclosure should be monitored, as the model can be taken as judgmental and a threat to participants (Shaules 2008). Fortunately, the CCU course had very open-minded and potentially accepting youth, so it did not require too much effort for me to create a safe learning environment. Nevertheless, I acknowledged that for some participants this would be a distinctive learning experience that might make them uncomfortable if their beliefs and values were challenged.

Evaluations of the course

IDI

To determine the education measurement of the CCU course, the Intercultural Development Inventory (IDI), which is based on the theory of DMIS, was used. IDI was developed by Hammer and Bennett (1998) and is currently in its 3rd version of the computer-based edition. For an onboard activity without PCs, the IDI version two was used, which is a 50-item paper and pencil instrument that measures six stages of DMIS. It has been translated into twelve languages, and the participants were able to choose between the English and Japanese versions. The 42 CCU participants took the inventory twice, three days before the onboard program started (Jan. 18, 2010) and three days before the program finished (March 2, 2010).

Results from IDI

The results are summarized in the following table. In Table 1, Perceived Sensitivity indicates "how you rate yourself in terms of intercultural sensitivity" (Hammer and Bennett 1998); in other words, it is a person's idealistic worldview that does not include the person's actual development. On the other hand, Developmental Sensitivity indicates a person's "developmental" intercultural sensitivity that is "adjusted to show the effect of ethnocentrism on the development of ethno-relativism" (ibid.); this is the way a person can actually rate him/herself on intercultural sensitivity. The result shows the overall increase of both "Perceived" and "Developmental" scores by percentage.

The second section, Worldview Profile, indicates the changes of a person's actual development within each stage of DMIS. The actual "Profile" explains (ibid.):

DD (denial–defense) Scale: Indicates a worldview that simplifies and/or polarizes cultural difference.

R (reverse) Scale: Indicates a worldview that reverses "us" and "them" polarization, where "them" is superior.

M (minimization) Scale: Indicates a worldview that highlights cultural commonality and universal issues.

AA (acceptance–adaptation) Scale: Indicates a worldview that can comprehend and accommodate complex cultural differences.

EM (encapsulated marginality) Scale: Indicates a worldview that incorporates a multicultural identity with confused cultural perspectives.

⁵⁹ The current DMIS model is slightly different as the instrument to measure the sensitivity (IDI) was upgraded from v.2 to v.3. http://idiinventory.com/pdf/idi_sample.pdf

Table 1: Changes measured by IDI (group average, n=42)

	Before the program	After the program	Change before and after the program
Intercultural Sensitivity (out of 145)			
Perceived Sensitivity	120.00	124.48	3.1 % ↑
Developmental Sensitivity	88.94	96.50	5.2 % ↑
Worldview Profile (out of 5)			
DD(denial-defense) Scale	3.92	3.92	0%
R(reverse) Scale	3.56	3.78	4.4 % ↑
M (minimization) Scale	2.78	3.00	4.4 % ↑
AA (acceptance-adaptation) Scale	3.43	4.00	11.4 % ↑↑
EM (encapsulated marginality) scale	3.80	4.00	4 % ↑

The calculated numbers in Table 1 show the average scores of the 42 participants. When the figure is larger than 3.66, developmental issues in this area are said to be "resolved"; these are shown in bold-face numbers. If the figure is between 2.33 and 3.66, developmental issues in that area are "in transition." The figures lower than 2.33 indicate that developmental issues in that area are "unresolved." For this group, none of the issues were in the "unresolved" condition.

Results showed that the participants' development on the DD (denial–defense) Scale did not seem to change, the R (reverse) issues are resolved, but the M (minimization) Scale went up, although it was still in the "in transition" stage. From this result, the developmental change in the AA (Acceptance–Adaptation) Scale is the largest. However, when the profile is further broken down to detailed clusters, it disclosed the particular challenges of this program.

Table 2 shows each scale (except for R Scale and EM Scale) broken down to clusters, and further, the Denial Cluster and Adaptation Cluster have two categories under each of them. Among them, "Avoidance of interaction with cultural difference" in the DD (Defense–Denial) Scale decreased by 6.6%, although, it stayed in the "resolved" area. This is the only category where participants' development moved backwards. It is almost as if participants decided to back off from their initially active interactions.

Table 2: Detailed changes measured by IDI (group average, n=42)

	Before the program	After the program	Change before and after
DD (Defense-Denial) SCALE	3.92	3.92	0%
<Denial Cluster>	4.00	4.00	0
Disinterest in cultural difference	3.75	4.00	5 ↑
Avoidance of interaction with cultural difference	4.33	4.00	- 6.6 ↓
<Defense Cluster>	3.83	3.83	0
R(Reverse) SCALE	3.56	3.78	4.4↑
M(Minimization) SCALE	2.78	3.00	4.4↑
<Similarity Cluster>	2.80	2.80	0
<Universalism Cluster>	2.75	3.25	10 ↑↑
AA (Acceptance-Adaptation) SCALE	3.43	4.00	11.4 ↑↑
<Acceptance Cluster>	3.60	4.20	12 ↑↑
<Adaptation Cluster>	3.33	3.89	11.2 ↑↑
Cognitive frame-shifting	3.25	3.75	10 ↑↑
Behavioral code-shifting	3.40	4.00	12 ↑↑
EM (Encapsulated marginality) SCALE	3.80	4.00	4↑

Minimization was also an area that participants found difficult to develop. If a person was not used to collaborating with people from so many different cultures, it was understandable that they kept focusing on avoidance of conflict. One way to avoid conflict would have been to enforce the area of "minimization" by focusing on commonalities, which kept the participants in the "In transition" phase.

The development of the AA (Acceptance–Adaptation) Scale is more significant than the other developmental scales. This result shows that the overall targeted educational goal of SWY was achieved in both cognitive and behavioral development.

It is assumed that participants accepted each other's cultural differences and interactions through different tasks and daily activities by living onboard. Nevertheless, they wanted to somehow avoid close interactions with each other from time to time. As formerly mentioned, this program is unique in the sense that no one can physically escape from the closed environment of the ship for 43 days, and additionally, everyday life was filled with the expectation to interact with people from different cultures during the discussions and volunteer activities.

Discussion

The overall result shows that this program could not simply give seven sessions on "cross-cultural understanding" and expect participants to feel that they "understood" each other. In order to improve results, a number of pre-departure seminars also need to be given, plus full support for those who face culture fatigue, and a more structured CCU curriculum should be provided to all the participants, not only those who take the CCU course. If those who took the course and learned some theories to monitor themselves gave the above results, then I wonder what would happen if all participants took a CCU course. Nevertheless, this program has been known as a life-changing event for most participants of the past twenty years, and keeps its high reputation in and out of the country.

For many participants, the environment onboard was tougher than they had expected. No personal space for privacy, challenging language barriers, limitations on food choices, pressure from the group work, conflict in leadership styles, inexperience in cross-cultural interaction, false expectations, time restrictions, and more would make most young people in the world fairly frustrated. Nevertheless, they have their pride and responsibility as representatives of their countries, and moreover, this is a program they chose to join. Knowing that they cannot complain about the environment, they had to choose how much interaction they were willing to undertake, and how they would be willing to stretch their limits to accept whatever "weird" behavior their peers demonstrated. It was quite commendable that all of them not only survived, but left the ship with strong peer bonding, carrying ideas for post-program collaborations across the world. As Seelye (1996) quoted from Perry (1970), when a person shifts from dualism (in which right or wrong are clearly marked) to contextual relativism (in which one evaluates any position by its appropriateness to a defined context), then one will go into "commitment in relativism", where "it is possible to accept the viability of many points of view but one makes personal choices which are grounded in a critical assessment of context. In this stage, one becomes responsible for creating one's own ethical guidelines and making personal choices" (ibid.). Indeed, this program challenges participants to use their ethical guidelines, and if the individual didn't have much experience of their everyday beliefs or cultural values being challenged, one could have easily felt threatened when they had to choose their actions based on their ethical guidelines. The choice may not have been the same as their cultural peers would have made, which could create further confusion for that person. I observed that the Japanese participants particularly struggled with this since they are used to following a group decision but now had to develop their own ethical guidelines; and this is the direction for further education and training for youth development in this world of globalization.

Several remarks made me believe in the enormous possibility of the participants' capacity to change. One very religious Muslim participant told me in the early days of the program that Islam was the only way to save "poor" and "confused" people in the world, and he thought it was his mission to save the world. He was pretty serious and somehow judgmental about the

other participants' behaviors. His IDI scale showed "unresolved" in the DD and M scales before the program started. During the program, his comments became positive as he was really enjoying the variety of people and thoughts. His worldview changed so much that he even worried about his re-entry culture shock at the end of the program. His IDI scales shifted to "resolved" in DD and AA, with an M scale "in transition." One cannot deny the power of religious beliefs and those beliefs may sometimes make a person stay at the Minimization stage. Nevertheless, my experience on the ship with the young participants convinced me that the openness and flexibility of youth is the power of the world.

Current issues of the SWY program and future direction

The biggest challenge of this SWY program is that no one except for its alumni association (as NPO) has full continuing experiences of this program. The administrative staffs from the Cabinet Office of the Japanese government, who are in charge of the program onboard, do not have the educational or training background to fully understand the cross-cultural struggle of participants. Not only that, their stint for overseeing the program is limited to two years, hence there is no commitment to the program thereafter. Advisors are mostly one-timers with no connection to each other and with limited information passed on from the previous years. It could even be a miracle that this program has kept its good reputation among the participants' countries, which gives even more credit to the quality of the participants. It is time to restructure this program incorporating long-term and short-term educational goals.

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Geopolitical Conception of Globalization in the Interpretation of Alexander Dugin

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Abstract

The paper analyzes A. Dugin's interpretation of the globalization processes. This Russian geopolitician calls contemporary globalization "unipolar" and from the binary understanding of the world he describes it as the product of "the Sea Civilisation" (thalassocracy), led by the USA. According to Dugin, the natural barrier of its diffusion is the acceptance of geopolitics of Neo-Eurasianism, which can be applied to those parts of the world that are objects of unipolar globalization. Tolerable is the emergence and assertion of "potential" globalization, which is based on a cultural dialogue. Behind these ideas it is possible to identify the promotion of Russian nationalistic ideas, of which the author is a constant proponent.

Key words: globalization, geopolitics, Neo-Eurasianism, Dugin

Introduction

Globalization is an object of interest of various scientific disciplines. The challenges with which the humanities are confronted due to globalization have also been reflected in the renaissance of geopolitics, attempting to contribute to the understanding and explanation of the dynamics of the processes occurring on the global scale. These tendencies have been markedly mirrored in the focus of geopolitical thinking and formation of its new movement – critical geopolitics, incorporating elements from critical theory, poststructuralism and postmodernism into its research (Potulski 2010: 38). At the same time, the approaches of classical geopolitics that try to reflect the development of the world and in consequence the interpretation of globalization are flourishing. Dealing with changes that currently occur on the global scale, geopolitics has become a part of the scientific discourse.

In this context, a geopolitical conception of globalization formulated by the contemporary Russian scholar Alexander Dugin (*1962) has captured our attention. This controversial persona of Russian political and intellectual scene is familiar to most of the experts dealing with Russia and the perspectives on its position in the current world.

Alexander Dugin and the core of his geopolitical thinking

A. Dugin can be characterised as a geopolitician, philosopher, political scientist, and sociologist. He is also considered an important journalist and political commentator. In the context of the focus of our paper, it is essential to emphasize his great influence on Russian geopolitical thinking after the dissolution of the Soviet Union. His statement that "geopolitics

is not only a science, but foremost an ideology that is serving political elites" has been very influential (Potulski 2010: 48).

Since A. Dugin has an important position on the Russian political and intellectual scene, it is vital to analyse his works and ideas, often presented in mass media and on Russian political websites, including web presentations "Arctogaia" and "Eurasia". He is a prolific author of many publications (most famous of which are "Konservativnaya revolutsiya", "Puti absolutu", "Nash put'", "Osnovy evraziystva", "Geopolitika postmoderna. Vremena novykh imperii"). His book "Osnovy geopolitiki. Geopoliticheskoe budushchee Rossii", published in 2000 has become a core study literature at some universities and military colleges.

At the end of the 1990's, Dugin has become involved in the political life of Russia. He became an advisor of the chairman G. Seleznev in the State Duma of the Russian Federation and simultaneously was working in various institutions of this legislative body (e.g. in the Center of Geopolitical Analyses). Besides that, he was lecturing to the members of General Staff of the Russian Army. Since 2000, when V. Putin became the president of the Russian Federation, Dugin has changed his attitude towards the ruling regime; he has left the radical opposition and became a supporter of Putin's policy. For a short period he also worked as the President's advisor (Eberhardt 2010).

Dugin became markedly involved in the academic milieu in 2008, when he became the professor of M. V. Lomonosov Moscow State University. Even today, he still holds various executive functions there. His ideas could be hence promoted within his educational and research activities at this prestigious university.

The evaluation of Dugin's conceptions of contemporary and future development of Russia and the world as such is rather contradictory. His opponents, inter alia, blame him for right-wing extremism, or even for the fascistic and ultranationalistic core of his conceptions, mostly those presented in the 1990s. Dugin's political and geopolitical constructions are criticized for their selective approach as well as for not using the knowledge of various scientific disciplines, while constructing theories. Nevertheless, Dugin has many followers and supporters from the political circles as well as from the prominent mass media.

A German expert on Russian issues states that when a political commentator like A. Dugin was able to penetrate higher power spheres with his ideas, editorial offices of influential mass media and study programs of important educational institutions of Russia, it is generally a bad sign for the future of the country and predominantly for its relations with the West (Umland 2009: 127). According to P. Eberhardt (2009: 223) it is necessary to admit that Dugin's opinions besides noticeable dogmatism are usually compact and exhaustingly reasoned. Dugin's writings are captivating and he shows a profound methodological and factual knowledge.

Within geopolitical thinking, Dugin has established and developed an ideological stream linked to the ideas of Russian Eurasians called Neo-Eurasianism. Dugin has been promoting his geopolitical conception also in practical politics. In 2001, he founded Eurasia, a movement which was later transformed into a political party. Since 2003 he has been involved in the international Eurasian group.

Neo-Eurasianism in Dugin's interpretation spreads paligenetical ideas about the rebirth of Russia as a Eurasian empire. This idea is rather attractive for high-ranking Russian politicians and scholars, as well as for the students (Shekhovcov 2009: 124). According to Dugin, Russia was created by Providence to fulfill great goals, predestined to become a leader of the countries endangered by the domination of the West. From the perspective of the position of Russia in global affairs, Dugin considers as the principal aim of Neo-Eurasianism the creation of a multipolar world "in which the nations, states and civilisations will dispose of their own

destiny" (Dugin 2011b). The precondition for the fulfillment of this aim is a revision of contemporary globalisation in the context of Neo-Eurasian geopolitics.

The central part of Dugin's neoclassical geopolitics (influenced by the ideas of H. Mackinder and C. Schmitt and presented in his core work *Osnovy geopolitiki. Geopoliticheskoe budushchee Rossii*) comprises a bipolar view of the functioning of the world. According to Dugin, the history of the humankind is formed by an irreconcilable fight between the Land (tellurocracy) and the Sea (thalassocracy), ergo between "the Land Civilisation" and "the Sea Civilisation", or world powers dominating these two phenomena. This is according to Dugin (2011c) "an absolute truth of geopolitics" which lies in the contradictory interests of Russia and the USA. These naturally emerge also from the ideological and cultural contrasts of the Land and the Sea. While the Sea or the Western civilisation promotes liberal patterns, materialism in the life of an individual, capitalistic relations and general globalism, the Land or the Eurasian civilisation is characterised by the spiritual values, collectivism and solidarity in interpersonal relations (Eberhardt 2010: 224). The Sea is in Dugin's opinion the vehicle of contemporary globalisation.

Dugin's interpretation of globalization

From the ideological viewpoint, Dugin identifies thalassocracy with Atlanticism, which, from the position of the Land, should be opposed by Neo-Eurasianism. The main task of Neo-Eurasianism is to explain the necessity to create a unified Eurasian space under the leadership of Russia. The objective of Atlanticism is then to implement such a model of globalization that will create a unipolar world, subordinated to the individual power of the USA and pro-American forces in Europe. In this context, the USA does not take a role of a nation state but a "supranational locomotive of globalization" (Dugin 2007).

According to Dugin (2011a), geopolitical processes enable to identify contemporary globalization as a subjective process, which is connected with the achievements of one of the two antagonistic global forces (that is thalassocracy). Such globalization is from his point of view a process that is confirming the establishment of the US hegemony in the world, where the American value system, institutions and economic organisation are superordinate to the rest of the world. "The end of the history" thus means "the end of the Land" or "the end of the East".

Dugin (2011d) depicts contemporary globalisation as a process, which is imposed on the rest of the world in the form of Western political, economic, cultural, technological and informational model. Depending on the attitude towards this trend, the countries are integrated into the global system and they lose the remnants of their sovereignty. If they oppose it, they become part of the "axis of evil" (according to G. Bush Jr.'s terminology). Economically, this globalization is based on the acceptance of the liberal model, whereas politically, on the assertion of the liberal-democratic system. Therefore it is a liberal globalization-universalisation of liberal ideology, of which the USA together with the NATO are the subjects. The other parts of the world are only its objects (Dugin 2011e). Dugin calls this model of globalization "unipolar globalization", which is in his opinion the chief enemy of Neo-Eurasianism.

From the perspective of tellurocracy it is necessary to notice that despite the weakening of state sovereignty, a number of countries still completely or partly refuse contemporary globalisation. These states are becoming the allies of "the Land". In this context, Dugin uses China as an example (the country is hesitating between "global" and "land" identity, whereas it is selectively choosing from the global strategies only those reinforcing its position as a sovereign geopolitical subject). The list of such countries includes those, which were by the Atlanticists labelled as the "axis of evil" – Iran, Cuba, North Korea, Venezuela, Syria etc. According to Dugin, they can be considered "privileged zones for the spread of the Land

Civilisation" (Dugin 2011a). Besides that, it is possible to identify countries, which despite their involvement in globalization processes contain such cultural and ideological features that are in contrast with the interests of their ruling elites.

Dugin (2011d) offers an alternative, more acceptable model of globalization which he calls "potential globalization". It is only a theoretical project so far, which is widespread in the humanities circles of the developed countries. Unlike the contemporary model of globalization it is not about the assertion of one universal model of values but about the dialogue of various subjects – states, ethnic groups and confessions. This globalization can be named as multipolar, because it does not occur within the whole planet, but within one civilisation only.

Russia is a natural opponent of unipolar globalization. It comprises the main part of the Heartland (in the sense of Mackinder), a territory with a key importance for the consolidation of Eurasia, or "the Land Civilisation". As long as an independent Heartland still exists (in a current state), there is also a theoretical and practical basis for the realisation of an adequate reaction of the Land to the impacts of unipolar globalization (Dugin 2011a).

The answer of tellurocracy to the challenges of unipolar globalization is multipolarity in the context of theory, philosophy, strategy, politics, and practice. According to Dugin, the philosophy of multipolarity was already created, but countries controlling unipolar globalization are not able to accept it. In the political practice, it is about the creation of a multipolar club of countries, from which Russia cannot be omitted. The formation of the multipolar world should thus be the main aim of the Russian policy, which should strive for the creation of geopolitical alliances in concentrated circles around the Russian territory (Laurel 2009: 82).

Neo-Eurasianism is aware of contemporary globalisation challenges and offers a recipe for their overcoming. For the fulfillment of this aim it is essential to mobilise the potential of the whole Eurasian continent. According to Dugin (2001), elements of various movements have to be united to unite various confessions and ethnic groups in one strategic block that is compact enough to compete with Atlanticism. From the perspective of Neo-Eurasianism, the establishment of the Shanghai Cooperation Organisation in 2001 is an example of resistance to unipolar globalisation.

The philosophical and geopolitical project of Neo-Eurasianism is therefore an alternative to the new world order, which is formed by contemporary globalization (Dugin 2011e). When we take into consideration the formula of S. Huntington "the West against the Rest", then Neo-Eurasianism offers a view of the current global situation from the position of "the Rest" (Dugin 2007) – i.e. from the position of the "objects" of globalization. Neo-Eurasianism is therefore an alternative to the American supremacy, which is promoted by the means of unipolar globalization and is applicable to the rest of the world, not only to the Eurasian continent (Larjuel 2009: 82). The Atlantic order is incompatible with the Eurasian order. Sooner or later, according to Dugin (2011f), a geopolitical conflict between these two poles will arise and will be sharpened. The responsibility for this conflict will not be born either by the politicians or by the military oriented "hawks" on both sides; however, it will be the result of an objective geopolitical logic of the binary organisation of the world.

Dugin in one of his latest papers (2011g) connects the issue of "unipolar" globalization with the emergence of critical geopolitics, which he also calls "soft geopolitics". It is based on the approach of its creators (G. O'Tuathail and J. Agnew), according to whom the basic principle of geopolitics – dualism of "the Land" and "the Sea" is no longer relevant and as an imperialist concept it has to be dismissed. Dugin claims that the task of critical geopolitics is to conceal thallassocratic character of globalization and distract the attention from the real geopolitical structure of the world, in which the Sea gradually undermines the Land. Hence

the acceptance of critical geopolitics in the form proposed by O'Tuathail and Agnew means identification with the unipolar form of geopolitics.

Conclusion

Dugin's thoughts can be interpreted as an attempt to promote Russia to the status of a superpower. However, to achieve such goal it is necessary to act strictly pragmatically. In his work *Osnovy geopolitiki. Geopoliticheskoe budushchee Rossii* Dugin claims that for the weakening of the USA dominance, Atlanticism, and liberalism it is necessary to look for allies according to the principle that the enemy of my enemy is my friend. Such allies are the countries of the so-called "axis of evil" club, Iran predominantly. The elimination of the power of the USA and the West implies the formation of the Eurasian block of countries, mainly from the Eurasian imperium, under the lead of Russia. It is also necessary to unify forces with Germany or with Japan and China. The multipolar model of globalization should thus help Russia to renew its superpower position, or to create a great land territory through the alliance system, neutralising the power of Atlanticism.

Dugin's concepts can be characterized as utopian. The contemporary political, demographic and economic power of Russia does not allow for their implementation either at the global or at the continental scale (Eberhardt 2010: 236). Despite that, such thoughts are attractive for Russian politicians who dream about the integration of the Russian society and about the renewal of its imperial power. This is the source of Dugin's ideas and their popularity not only amongst politicians and nationalists but also among Russian intellectuals.

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Regional Inequalities on Different Scales in the Information Age: The Case of Hungary

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Abstract

The achievements of information technology are usually attributed to the seemingly equalizing processes of globalization by making every places and everything accessible. However, it is only a theoretical and macro-scale phenomenon. Lower scales (regional and local patterns) reflect on the other hand real (empirical) inequalities in the information age, and different answers for countries, regions and localities. The paper deals with possible ways of exploring inequalities in the context of the information and communication technologies on different (global, regional and local) scales, while concentrating on selected problems of the spatial levels. It also explores how national and regional strategies influenced the development of society in this globalized network context. According to the opinion of the professionals of regional development agencies the effectiveness of strategies are questionable. However, there were some good examples (e.g. the network of telecottages) of regional (local) information society development, which had on the other hand not much connection with the aforementioned strategies. As a result of the not always perfect development solutions, inequalities still exist both when we look at Hungary as a global participant and within Hungary as a set of regions and localities competing for better information society performance.

Key words: information and communication technologies, information society, regional inequalities, digital divide, Hungary

Introduction

It is already well known that information and communication technologies (ICT) both created new possibilities of connections as well as brought new dimensions of competition in the globalized world of the information age. As a consequence, Hungary recognised the necessity of focusing on new challenges of global and regional competitiveness, namely on national and regional development questions of information society, as well as on the elaboration of regional or local strategies based on information and communication technologies. The strategies were created both in order to improve the overall development level of the information society in Hungary and also with the aim of decreasing the tensions within different social groups of the country. This second goal was substantiated among others by positioning Hungary, its regions and its localities in different development rankings of the information age and by discovering the possible answers appropriate for both the advanced and disadvantaged regions. It is assumed that the large-scale globalization trends should be balanced (and fine tuned) by regional and local actions.

The geographical aspect of digital inequalities in the information age

The global technological change in the last decades has brought to the surface a new and important dimension of inequalities, namely the balancing and/or unbalancing effect of the information and communication technologies (ICTs). Some believe that ICTs have the possibility to abolish former geographical boundaries, by making accessible any kind of information at any place and anytime, creating a borderless planet, a friction-free economy or a weightless or spaceless new world (e.g. Cairncross 1997). This rather utopian theory based on the idea of pervasive globalisation is criticized by theoreticians who do not believe in the death of distance or in the end of geography. These parallel theories stress the existing importance of geography, drawing attention to the still existing social, physical or infrastructural inequalities in the information age and the significant and measurable regional disparities of ICT-related topics. The two theories exist together and explain the globalisation trends and the regionalization processes of today as challenges and answers of the information revolution.

When speaking about regional inequalities in an information society, new and somewhat complex definitions appear in scientific and policy documentation. The expressions "the digital divide" or "the digital gap" are used by researchers of information society to describe the specific inequalities in this environment. The digital divide is a multidimensional phenomenon. As a global divide, it refers to the inequality in internet access between industrialised and developing societies, as a social divide, it concerns the gap between the information rich and poor, and as a democratic divide, it signifies the difference between those who do, and those who do not, use the toolset of digital resources to engage, mobilise and participate in public life (Norris 2001). In the background of ICT-based differences there are (also) general social distinctions, namely income, education, gender or age differences of the population. We should note that the digital divide cumulatively reinforces the existing social inequalities. According to the definitions of the OECD, the main feature of the digital divide is the difference of accessibility, which exists between individuals, households, and economic and geographic regions, and which is determined by different variables of the economy and society (OECD 2001).

The regional level of built up infrastructure as well as distance from access points of networks is usually more unfavourable in geographically peripheral places. Accessibility is a central category of the geography of the information society. Infrastructure differentiates society and space and reinforces regional differences. Centre-periphery relations become palpable in urban-rural differences when cities become nodes of information and communication networks and the density of connecting services and activities is also the highest at these places. As a result of later adaptation certain social groups (peripheral regions) stay behind. In phases of the ICT-adaptation process different types of inequalities can be discovered. In the early adaptation phase, when only few apply ICT, differences can be seen in accessibility, in the phase of diffusion differences are between users and non-users, while in the phase of saturation differences in quality can be emphasized. As a result, ICT-based inequalities can be more or less measured by the society's adaptation level.

Regional inequalities on different scales

As a consequence, we may expect to find several forms of inequalities on different spatial levels. It is assumed that the processes of the last decades have not led either to equal situation on the global scale or equality on regional scales; however, ICT's effect on global uniformity is considerable.

Many of the global ICT indices tried to discover the development level of countries by collecting and analysing a group of relevant variables. Several different models and examination methods emerged recently in connection with global inequalities. Using some

standard methods of investigation of global inequality, this paper explores international differences of competitiveness of information economy and society. This multivariable examination tried to create an index in the modern technology and information oriented world, which can properly explain the differences originating from social, economic and infrastructural effects. Each of the four predetermined components of the calculation contains two indicators: Infrastructural bases (PCs per capita, Internet hosts per 10000 people), Social grounds (compound school enrollment ratio, literacy rate in adult population), ICT in society (Internet users per 100 people, cell-phone subscribers per 100 people), ICT in economy (computer, information, communication and other commercial services as percent of commercial services, e-commerce revenues as percent of the GDP) (for more details see Jakobi 2009: 415).

By applying the simple Bennett-methodology (Bennett 1954) each country's performance in the information world could be classified from the best (100 %) to the worst (0 %). The results reveal a great global division, namely the global digital gap. In this dimension of competitiveness higher values can be observed in the case of the United States (81,9 %), Iceland (73,9 %), The Netherlands (71,3 %) and Sweden (70,9 %), while the lowest is shown by countries like Afghanistan (6,5 %), Niger (7,1 %) or Mali (9,1 %). The lowest values could possibly be observed in North Korea, where no public internet is available at all. For many developing countries, the development of information society is especially important. It is not by chance that Taiwan, Malaysia or even Israel score high in our index. In this context Hungary is among the developed countries, that is, on the "lucky" side of the digital divide, however not among the bests. This country is typically in the second line of the ICT-developed world.

Regional models of the spatial structure of information society can offer insights into the basic dimensions of regional inequalities. In order to get a more detailed picture of unequal spatial structures, estimates for lower regional levels have to be prepared. Regional models could take into account the region's own structural disproportion e.g. the deviation from the average level of infrastructure or education, and could also show the differences between regions. As per the results of Hungarian calculations on the regional level strong spatial concentration of ICT infrastructure, services and social adaptability seem to be justified in Hungary. The region of Central Hungary robustly differs from other parts of the country, while differences among other regions are more varied but with relatively low standard deviation. This reflects another significant geographical dimension of the information age: the strong spatial concentration of ICT-related activities.

The regional pattern of the development level of information society could be discovered and tested on even lower spatial scales. The calculations made by a methodology similar to the aforementioned complex index of countries revealed results of an important feature of the spatial structure of information society development, namely the definite difference observed by city-hierarchy, which is reflected by the above average attendance of urban areas. Another significant feature was the lagging of the eastern part of the country. Regional differences between eastern and western parts of the country, particularly the lagging of the Great Plains regions was remarkable. At the same time maximum values of the index were located mostly in the agglomeration of Budapest, in metropolitan regions (Győr, Debrecen), as well as in the neighborhood of Lake Balaton, whilst the minimum values of the index could be connected mostly to small regions of East Hungary. The results reflect the location of the competitive and the marginal small regions within the country, and therefore serve as a good foundation for selecting intervention regions of ICT-policy. Additionally, other calculations confirmed that inequalities between regions are constant, or in other words the patterns of digital divide in Hungary are rather stable.

The answers of regional development policy

The recognition of the existence of ICT-based inequalities and the necessity of managing ICT-based development came to the light also in policy making. It can be asserted that the development of the information society has to take advantage of the opportunities given by the information and communication technologies, as well as to manage the changes caused by these appliances to a positive direction for the society and minimize potential negative effects. As a consequence, the first plans, programs or strategies took shape already at the beginning of the 1990s in order to act upon the new environment and requirements of the information age.

The Hungarian approach to the development of the national and regional information society followed basically the EU trends. The European strategic documents had a significant influence on Hungary's information development policy. Hungary recognized the necessity of the development of the information infrastructure relatively early, real information development program was however created only in 2001 (National Information Society Strategy), which was later developed into the most important document of the Hungarian Information Society Strategy in the autumn of 2003. This national strategy formulated both 10-15 years long plans and accentuated programs for 2004-2006. The document's main structure of goals was formulated in accordance with the strategies of the EU, highlighting topics like the enhancement of economic competitiveness, the improvement of the quality of life, or the broadening of the application of ICTs, which represent an infrastructure-oriented way of development. The real – empirical – operation of the development policy of information society raises some questions at the same time. As far as the main aspect of the policy is concerned, it seems that information society development is not the principal direction of horizontal development, but only a side-line, therefore information society development acts were only done when they coincided with development directions of other branches.

The regional side of the Hungarian Information Society Strategy is represented by Regional Information Society Strategies. The main goal of preparing IT strategies was the determination of tasks, which could be made during information society development more efficiently on the local or regional level than on the level of central administration. As a result of the 66/2004 governmental order, regional development councils received 140 million HUF (5.6 million EUR) to accomplish information society development programs in accordance with the expectations of the Ministry of Informatics and Broadcasting. The aim of these projects was to formulate regional strategies (or to actualize the previously prepared ones), and prepare program and project proposals promoting information society, which could be served as bases for applications to EU tenders, as well as for the creation of a regional monitoring system.

All the regional strategies attempted to put emphasis on the reduction of regional disparities within their area. The documents, however, do not specify causes and patterns of inequalities in detail, rather they are based on main conclusions of research materials. Regional Information Society Strategies formulated typically the same strategic aims (development of information infrastructure, implementation of e-government, creation of knowledge based economy and society etc.), since they had to fit in with national development strategies. However, according to our experiences generally the more developed a region, the more significant shift can be seen from infrastructure development to the direction of human resource development. A declared aim of the Hungarian Information Society Strategy is the "reduction of cultural distances arisen from geographical and inherited disadvantages", i.e. the abolishment of the digital gap, which appears directly or indirectly in every document also on the regional level. The solutions can be very diverse, but it is good

that regional strategies try to achieve the declared goal not only by infrastructure development, but also or rather with tools of human resource development.

Since the 2004-2005 completions of regional strategies it was rightly expected that ever-broader results of information society development would be seen. Real experiences of development policy are however not so reassuring, since the aims and thoughts formulated in regional strategies did not come true or became realized only indirectly. Some critical opinions have emerged.

The development of information society in itself is not treated as a main line of development according to the opinion of some regional agencies. They prefer to use a market approach to development in general. Other regions on the contrary would certainly deal with information society development as a special line of development, but have neither material nor labor resources to carry it out. It seems that the attitude of regions to information society development is ad hoc, like in the case of other development processes. A specialized organization for information society development is therefore needed to lead and coordinate the diverse projects occurring at the national, regional and local levels.

In spite of some failures, the regional information society development efforts are not forgotten. There are also success cases such as the system of telehouses covering almost all rural areas of Hungary (Figure 1.). This useful tool made it possible to offer access to information networks to rural populations with information network facilities by creating low cost or completely free ICT access points (offices and public places). Typically, telehouses and telecottages (basic service telehouses) were built in small village areas in rural regions, rather than in urban spaces (even though some of them were located in cities, including Budapest). To conclude, it is important that Hungary recognised the necessity of the reduction of disparities originating from the global technological development of ICTs, but the way to overcome the divide could have been more effective.

Figure 1. Location of telehouses and telecottages in Hungary as good examples of the reduction of ICTs inequalities (www.telehaz.hu)



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Globalization and Post-Socialism at the Regional Scale: The Cases of Western Balkans and Slovenia

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Abstract

The scientific appeal of theorizing globalization lies in its range, its spectrum, but also in its unembraceability. Supposedly, one can perceive the global effects of a given analytically isolated phenomenon, but can hardly imagine globalization in its wholeness. For instance, it is easy to understand that we all, individually, by our ways of life, more or less contribute to greenhouse gases emissions. Thus we, individually, locally, regionally and in its final consequence globally, affect the whole planet. On the other hand, it is much more complicated to think of globalization per se – of it as a unifying process. The deconstruction of globalization proposed in this paper aims at causes, rather than effects, in providing alternative optics for theorizing and analyzing globalization. It applies the globalization paradigm to explain certain, in lay perspective very well known phenomena. Western Balkans and Slovenia serve as case studies for elaborating the effects of globalization in post-socialist space in both EU and EU-candidate settings, as well as vice versa: how local and regional processes influenced, enforced and reinforced the omnipresent phenomenon of globalization. It also emphasises the ambiguity of 'glocalization' in exploring more informed explanations. Here, the Local in its broader sense is seen and shown as a promoter and as a counterpart of the Global.

Key-words: globalization, definition of globalization, post-socialism, capitalism, capital accumulation

Introduction

Globalization defines this new era
The world smaller each day a miniature tierra
A unification of a world culture
The often dominate west behaves like a vulture
Technology and info crosses the great divide
When oh when will it ever subside
And do we really want it to?
Has the time come for us to pay our due?
A huge demand for Homogenization
Turning the world into one giant nation
Increasing interconnectedness as well
One by one barriers fell⁶⁰

⁶⁰ A poem composed by students in the Liz Taylor's geography course on globalization in 2008. Source: <http://geography101.wordpress.com/2008/09/02/globalization-a-working-definition/>.

What is globalization? Many answers and aspects are embraced in the poem above. Generally, the work of students brings forth views, perceptions, and understanding more resistant to social structuring processes compared to the later stages of someone's career. In 2008, a group of students had been working on a definition of globalization. The group published a comprehensive set of short phrases or rather premises on the definition of globalization. The students worked out a tentative definition of globalization in the following way:

1. The increasing entwining of cultural systems and ideologies.
2. The consolidation of corporate power.
3. The free movement of economic goods and services across national borders.
4. The homogenization of cultures and economic systems.
5. The advancement of technological systems to facilitate global networks of communication.
6. The sharing of products between cultures.

They alternatively composed a poem, which provided us with some crucial understanding of globalization in the lay-scholar nexus. It is significant that they developed different starting points in theorizing globalization. On the other hand, it is significant that students were attending the same course, but were parts of different study perspectives of globalization. To describe globalization, the student poets used terms such as new era, information technology, unification, homogenization, world culture, miniature, irreversible strength of globalization, the bridging of the great divide, indebtedness, etc. This case is a great preface into our discussion on globalization since it reveals how diverged are the views on globalization and how relatively well are students equipped to analyze the globalization phenomenon.

It is very important to understand that the key notions connected to theories and definitions of globalization are inevitably enrooted in space and time. If we are to speak about the acceleration of processes, and about the intensification of their impacts, we implicitly uncover the difficulty in defining the term globalization. Moreover, comparing various definitions, one may conclude that a single definition is almost impossible. In other words, it seems that a great bulk of definitions explain little or nothing in terms of understanding the contemporary world. Encyclopedias commonly offer broad inclusivistic definitions. For instance, the Stanford Encyclopaedia offers the following definition of globalization:

"...most contemporary social theorists endorse the view that globalization refers to fundamental changes in the spatial and temporal contours of social existence, according to which the significance of space or territory undergoes shifts in the face of a no less dramatic acceleration in the temporal structure of crucial forms of human activity." (Scheuermann 2010)

Still, it utterly overlooks some very important aspects of the globalized world, labelling them as "pundits' definitions" (ibid.). According to Scheuermann, globalization could not be appropriately defined in terms like free market, economic liberalization, westernization, Americanization, Internet Revolution, or global integration.

"In popular discourse, globalization often functions as little more than a synonym for one or more of the following phenomena: the pursuit of classical liberal (or "free market") policies in the world economy ("economic liberalization"), the growing dominance of western (or even American) forms of political, economic, and cultural life ("westernization" or "Americanization"), the proliferation of new information technologies (the "Internet Revolution"), as well as the notion that humanity stands at the threshold of realizing one single unified community in which major sources of social conflict have vanished ("global integration")" (Scheuermann 2010).

On the contrary, globalization should be understood exactly in these 'popular' terms, for it is their consequence. Nevertheless, the global processes are far from being so simple to label

them according to simple causal relationships. A dialectical approach appears as more useful to tackle the complicated relationships of globalization (cf. Harvey 1989: 41).

Definitions: reversing the perspective

As regards the definitions of globalizations, it is useful to analyze one of more engaged definitions of globalization. Among numerous options, the OXFAM's definition appears to be suitable for such an analysis. The OXFAM (Oxford Committee for Famine Relief) is an institution established in 1942 for the prevention of famine throughout the war-time UK. Since then, it has evolved into a huge organization with global ambitions of making the world more just. Curiously, their definition is very much neo-liberal:

"[Globalization is] A process of rapid economic integration driven by the liberalisation of trade, investment and capital flows and by rapid technological change. [...]. It affects the clothes we wear, the music we listen too, the food we eat, the jobs we do and the environment we live in."⁶¹ (emphases added)

When talking about globalization, we often disregard a very frequent use of terms such as global and globalizing. Actually, the very two words enable us to look at globalization in a different perspective. All its vagueness and ungraspable nature leads to a vast array of definitions with hardly any common denominator. To understand it more profoundly, one should reverse the perspective instead of compiling more and more subchapters into definitions, or even into a single one.

The reversed perspective in our case may look like posing a null hypothesis question: Is there a counter-globalization, or is there an anti-globalization? As in his keynote speech at the Globalization conference in Ostrava in September 2011 Paul Routledge pointed out in the case of Bangladeshi farmers occupying/retrieving land, there are many movements with very different local, regional, and global extensions. In other words, though many of deprived groups tend to act actively against the globalization of capital exploitation, they actually (re)act upon the same principle. Now, can we define anti-globalization, counter-globalization etc. separately from the definition of globalization? Very unlikely, since it is clear that e.g. alter-globalization means globalization as well, though under different premises.

The great (world/global) economic crises – caused (by or because of) globalization?

If the history of the capitalist mode of production shows us that with every crisis the capital and the capitalists get stronger, what are we to expect from the current global crisis? Where does capital move now? Where are the remaining refuges for the evolving capital? Are the BRIC-S⁶² countries the only escape route, or are there another ways of accommodating the omnipresent depression? And if the capital does go to BRIC-S in order to provide more capital, where shall it stop? Is there a turning point ahead? How far is it? What does it mean when Putin at the annual meeting in Davos in 2009 said that the current crisis is like a perfect storm – a device of multiplying power? Can there be another crisis, or is this the last one before the global collapse? Many questions but few answers.

Where to from here? A need for an alternative approach

When running the Google search for "globalization", one may find as much as 12 million hits dealing one way or the other with the definition of globalization. Many definitions are discipline-specific. Still, there is no reasonable need for an all-embracing definition of globalization. Instead, we should investigate the possible impacts of things, meanings etc. (be they local, regional or global) as they become entangled in global flows and affairs.

⁶¹ <http://www.geographypages.co.uk/global.htm>.

⁶² BRICS are Brasil, Russia, India, China, and South Africa.

What do we gain from a uniformed definition of globalization is another crucial question. Most of the attendants of the Ostrava 2011 conference are geographers and the central idea of the conference was very much in-line with the need of refocusing our attention to more tangible problems appearing across space and time. We should be more aware of the mechanisms enforcing the globalizing effect of things, meanings etc.

Globalization is not a single and unifying process. Instead, it is rather a kaleidoscope of faltering possibilities. It is a summary process, to draw from Anthony Giddens' "Consequences of Modernity" (cf. Giddens 1990: 70-78). Instead of constructing an all-encompassing definition, we should rather begin by deconstructing it. If the definition of globalization explains nothing, we may, however, use it at least as a descriptive tool.

In order to understand the notion of globalization better, we can use a comparison between the structuralist and network-based approaches. What do we mean when we speak about the globalization of a singular economic system? Are we addressing the extent of uniformity, which could be measured at local, regional or at global scale? It is a need of defining the relationship between the globalizing and the unifying. The presented dichotomy reveals that it may be very misleading to use the term globalization when we are referring to the unifying processes. Thus it might appear that globalization reveals nothing new. Instead, we might profit from distinguishing properties or elements of a chosen process and then scrutinizing their effecting ranges. That it, something might (or to some degree, or not at all) spread all over the globe.

The exhaustion of mineral and other natural resources, the degradation of the natural environment, as well as the climate change, all of them call for such a radically different perspective. We very much adopted a range of explications; indeed, we improved our understanding on why things work the way they do, but we really do need to work on how things may be done in order to prevent the planet from destruction underpinned by enormous global effects of human actions.

As we have shown, there are various groups of possible definitions or possible appropriations of globalization. All of them are used for some purpose, be it in support of, or in opposition to, certain globalizing effects of a process or a thing. According to the majority of definitions, the main driver of globalization is capital or, better, the owners of capital engaging in maximizing their profits in order to extend or to enlarge their capital. To quote Vester's idea in his famous book *Ballungsgebiete in der Krise [Urban Systems in Crisis]* (1976), the capital and its owners are caught in a "positive recurring snare". To unknot this *circulum vitiosus*, there is an urgent need to establish a "negative recurring snare", which serves us as protector from hoarding per se. But, as far as the contemporary global developments in the political arena are concerned, there is a very little room to do so.

To catch a glimpse of the understanding of how powerful the drive for capital accumulation is, let us now compare two opposing views⁶³, one from managerial and the other from a laborer viewpoint.

"We sell 600,000 shirts a year. Every shirt costs £50, but the shirts cost only £5 to make in Asia," said Doug Hall, the chairman of Newcastle United FC in 2008.

"We get 11 pence an hour for an 11-hour day, six or seven days a week," said Melanie, a Filipino worker in one of the textile factories.

Another example of the relationship between a manufacturer and a worker is shown in the following pair.

"If they knew I was in a trade union I'd be sacked, maybe beaten up," said Hasina, a Bangladeshi worker.

⁶³ Source: <http://www.heureka.clara.net/gaia/global02.htm>.

"We have a factory in China where we have 250 people. We own them; it's our factory. We pay them \$40 a month and they work 28 days a month. They work from 7:00 AM to 11:00 PM with two breaks for lunch and dinner. They all sleep together, 16 people to a room, stacked on four bunks to a corner. Generally, they're young girls that come from the hills," said Irwan Gordon, the President of AvaLine.

The first pair reveals the blatant robbing of workers in terms of overtime work and petty payment. A brief calculation shows that the Club collects about £30,000,000 on one side, and spends 'only' £3,000,000 for buying the shirts in Asia, thus providing about £27,000,000 per annum only from reselling the shirts to their 'tifosi'. But, what are the gains at the manufacturer's side? Say that there is an average of 10 produced shirts per worker per day, which is according to Harris (1997) a conservative estimate, the manufacturer may suck out of the very worker about 3,120 shirts per annum, given that he or she works six days a week. The direct cost of such a worker would not exceed £400 per annum. On the other hand, the manufacturer may collect as much as £15,600 per annum from the products made by a single worker. Naturally, there are many other costs involved in the production, but still, the discrepancy is incredible. Say that the global brand carrying manufacturer somewhere in Asia employs 1000 workers; its income of £15,600,000 wouldn't be anywhere near of that of the retailer. Furthermore, the ratio between the worker's wage and the retail price of one shirt is 1:41.

And the second pair confirms the inhumane conditions in such a new developed style of exploitation and humiliation of workers very likely under the age of 18. What kinds of globalization do these enslaved hard workers experience? What are the benefits of globalization for them? So we briefly examined two cases that confirm the idea that the foremost important driver of globalization is an ongoing capital accumulation which shows a spiral nature of "positive recurring snare" in both its accelerating speed and its narrowing grounds of possible future action.

The case of Slovenia and Western Balkans

Post-socialist countries have had diverse experiences with globalization due to their specific experimentation with socialism. For example, some countries such as ex-Yugoslavia exercised a completely different form of organized socialism than the Soviet Union, called "self-management socialism" (see Josipović 2011). Hence, the ways post-socialism has evolved across Central and Eastern European countries are so different. In the following section we will offer an alternative perspective on the processes going on in Slovenia and Croatia. Even though Slovenia was and still is the most successful post-socialist country in terms of GDP, there have been many changes in the post-socialist countries of Europe since the last great crisis emerged. According to the World Bank, Slovenia has lost its dominant position among the socialist successors (see Table 1).

Table 1: GDP by countries, 1990, 2008-2010

	1990	2008	2009	2010
Croatia	59.6	58.3	59.4	59.1
The Czech Republic	38.7	76.7	75.3	78.5
Slovakia	25.5	67.4	67.1	70.4
Slovenia	100.0	100.0	100.0	100.0
Czechoslovakia	34.3			

Source: World Development Indicators. World Bank. 2011

Once well ahead of the others, the "free market" Slovenia is now only a step ahead of other post-socialist countries (e.g. Croatia, the Czech Republic, and Slovakia). In fact, the difference between the four countries narrowed after the emergence of the crisis (Table 1). Slovenia is a country with the highest rate of investments into the emerging markets in the Western Balkans, Eastern Europe, etc. The investments totalled to \$7 billion before 2009. In about a year the Western Balkans stock-exchanges crashed by more than 60% (e.g. Dragonja 2010). The consequences of this crash were far reaching for Slovenia. The lack of financing of new investments in the Slovenian economy is a direct consequence of the weakness of the banking sector which caused a credit crunch. So, the drivers of the current economic crisis are very different compared to other post-socialist countries. Instead of being abandoned by foreign capital, Slovenian firms and enterprises exhibit huge losses, which affected the banking sector and the state. Slovenia found itself in a position of being vulnerable because of its own foreign investment, not because of the withdrawal of foreign companies from Slovenia reportedly for high costs of labor.

Conclusion

With the term globalization we mostly refer to global processes. We are much less aware of the possibly different forces which produce so many local-specific effects as well as so many localized scenes of action and agency. As the analysis showed, we should follow the principle of globalization's built-in ambivalence. This ambivalence is more easily perceived when we define things and processes as globalizing on the one hand or as globalized on the other. Such setting of the theoretical framework may prepare us better for spatial-specific analyses of globalization effects.

The scientific appeal of theorizing globalization lies in its range, its spectrum, but also in its unembracability. Supposedly, one can perceive the global effects of a given analytically isolated phenomenon, but can hardly imagine globalization in its wholeness. For instance, it is easy to understand that we all, individually, by our ways of life, more or less contribute to greenhouse gases emissions. Thus we, individually, locally, regionally and in its final consequence globally, affect the whole planet. On the other hand, it is much more complicated to think of globalization per se – of it as a unifying process. The deconstruction of globalization proposed in this paper aims at explaining, rather than describing. It draws attention to the drivers of globalization.

A brief comparison of selected data in the case of Western Balkans and Slovenia confirms that by defining a locally-oriented paradigms of globalization may bring us into a dead end street. The effects of globalization in the post-socialist space in both EU (Slovenia) and EU-candidate (Western Balkans, Croatia) settings showed that the regions and localities took upon very different toolkits in fighting globalization. The governments of Slovenia and Croatia introduced a variety of measures aiming at reducing the social transfer and heavily increasing the financial support for banking sector. While pretending that nothing could be done, the governments enabled both countries to slide into new series of internal instabilities. Our analysis refocuses onto the dialectics between the effects and the causes, showing how capital is being continuously reorganized spatially and temporally. Henceforth our further analyses should be oriented in this direction.

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The Contribution of Public Investment in Tourism Sector to the Third World Tourism Destination Countries' Market Share in the Global Tourism Market

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Abstract

Globalization refers to a restructuring process of cross-border flows of capital, people, knowledge, information and other resources, which leads to an increasing integration of economies, societies and civilizations. Like many other sectors, travel and tourism are among the many causes and results of the global flows of resources in an overwhelming globalization process. To keep on track with the competition in the global tourism market, governments are configuring their macroeconomic policies to accelerate visitors' interest in traveling to their countries. This paper aims to verify if public investment significantly enhances tourism performances, which is measured as the market share of tourist arrivals and tourism receipts in the world tourism market of Third World countries. The econometric analysis of panel data of 1995 to 2009 was applied to this empirical research. The results support the fact that public investment has proven to be one of the effective strategies in stimulating tourism performance of Third World countries.

Key words: tourism, globalization, public investments, Third World

Globalization refers to a restructuring process of cross-border flows of capital, people, knowledge, information and other resources, which leads to an increasing integration of economies, societies and civilizations. Like many other sectors, travel and tourism are among the many causes and results of the global flows of resources in an overwhelming globalization process. They have become a significant component of the contemporary world economy; especially of the Third World countries (i.e. those in East Asia, the Pacific, South Asia, the Middle East and Africa). Owing to its enormously rapid and continuing growth, with a potential contribution to the destination economy, and a rise in market share for many Third World tourism destinations in the global tourism market, governments of these countries have made an intensive promotion of these specific localities. Through sheer effort and energy, they have poured all resources to make their tourism destinations to be more attractive and competitive for tourists' value consumption. To keep on track with the competition in the global tourism market, governments are configuring their macroeconomic policies to accelerate visitors' interest in traveling to their countries. This paper aims to verify if public investment significantly enhances tourism performances, which is measured as the market share of tourist arrivals and tourism receipts in the world tourism market of Third World countries. The econometric analysis of panel data of 1995 to 2009 was applied to this

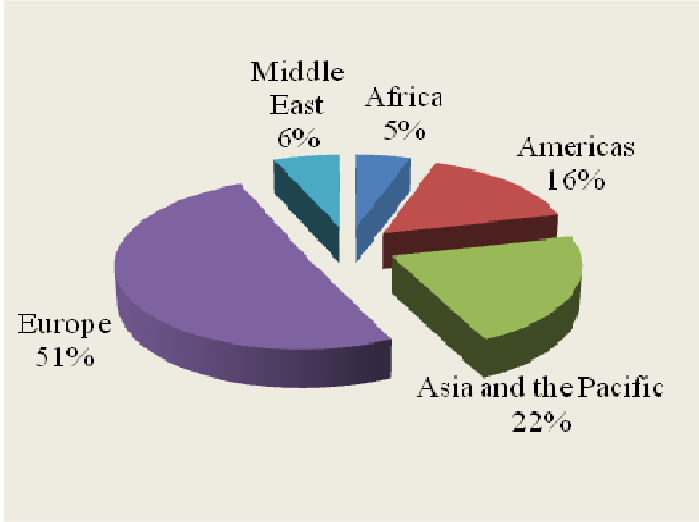
empirical research. The results support the fact that public investment has proven to be one of the effective strategies in stimulating tourism performance of Third World countries.

Introduction

Globalization has spurred and restructured the process of international flows of capital, people, knowledge, information and other resources, thus leading to an increasing integration of economies, societies and civilizations. The driving forces of globalization have made an impact on tourism, and on the travel and hospitality industries - these industries highly depend on the progress of communication and transportation; they play a significant role in shaping the development of tourism in becoming globally competitive. The indicators of tourism industry growth are characterized by flows of travelers and receipts, the increase of tourism markets, the rapidity into which different destinations are drawn into tourism development, and the increase in holiday destinations. They all reflect the progress witnessed in telecommunications, finance, and transportation, which take on an instrumental role in the globalization of tourism (Mowforth and Munt 2003).

The global travel and tourism industry of the 21st century is flourishing rapidly. It is becoming one of the leading industries in the service sector. Unlike manufacturing industries that are too much focused on production, the travel and tourism industry refuses to be indifferent to global trends. As a matter of fact, travel and tourism is among the many causes and results of the global flows of resources in an overwhelming globalization process. Such activities have caused tourism to be considered as one of the world's most competitive industries. It has grown in the past few decades and has been regarded as one of the world's major trade categories. According to the WTO 2011 report, tourism exports account for as much as 30% of the world's exports of commercial services and 6% of overall exports of goods and services. The overall international tourism export reached US\$ 1 trillion in 2010, or close to US\$3 billion a day – it was up from US\$ 851 billion in 2009 (UNWTO 2011b). Based on the current available data by the World Travel and Tourism Council (WTTC), tourism's contribution to the world GDP is estimated at some 5%. Apart from acknowledging its contribution to foreign exchange earnings, it is also praised for generating employment. Tourism's contribution to employment tends to be slightly higher and is estimated at 6-7% of world employment. This is largely attributed to a rise in global wealth, liberalization of international airspace, affordability of flights, and access to internet as a travel searching tool.

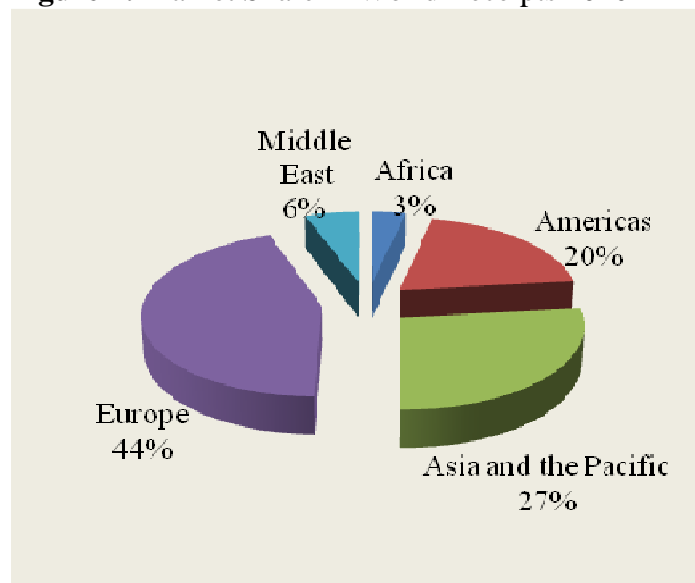
Figure 1: Market Share in World Arrivals 2010



An overview of the global tourism industry and the examination of changes, performance and trends in this industry have shown the fact that tourism in the past several decades has experienced a continued expansion and has been promoted as a key driver of socio-economic progress through the export revenue earned, the creation of jobs and enterprises, the integration of countries at the global and national level, and infrastructure development. Over time, an ever increasing number of destinations have evidently opened up apart from the traditional destinations of Europe or Americas.

The share in international tourist arrivals received by emerging and developing economies has steadily risen from 31% in 1990 to 47% in 2010 (UNWTO 2011b). Several countries depend, to a substantial extent, on tourism: the Pacific island developing economies' share of tourism in their GDP ranges from around 20% in Fiji, French Polynesia and Samoa, to almost 50% in the Maldives, and to 57% in Palau (United Nations 2010). It is therefore no wonder that governments in many destinations of emerging or developing countries have for years looked toward the tourism industry as: a) a potential source of income and employment, b) the means to assist their economic development through establishing appropriate and adequate tourism development initiatives and the number of legislative and regulatory supports, as well as through investing in the physical infrastructure that greatly facilitate the development in tourism and encourage the private sector as well as foreign and multinational corporations to enhance investment in this industry.

Figure 2: Market Share in World Receipts 2010



As tourism industry is one of the main sectors in developing regions, the revolution in their tourism development resulted in the large share of capital investment in their tourism industry. Certainly, the developing and Third World countries in particular need to take into account the role of investment in the tourism sector on their tourism performance. In other words, establishing the role of public and private sector investment in tourism development strategies is the key to an understanding of how the expansion in the tourism sector may be related to (public) investment in tourism. This paper aims to verify if the public investment in tourism significantly enhances tourism performance, measured as the market share of tourist arrivals and tourism receipts in the world tourism market, of the Third World countries. Third World, the technologically less advanced, or developing, nations of Asia, Africa, and Latin America, are generally characterized as poor, having economies distorted by their dependence

on the export of primary products to the developed countries in return for finished products (Kasdan 1973; Hermassi 1980; Reitsma-Kleinpenning 1985; Cole 1987).

Data, methodology and empirical specifications

Subject to the availability of data, 85 countries in the Third World, classified into three groups according to the World Bank classifications, namely, low income countries, lower middle income countries, and upper middle income countries⁶⁴, are in the sample, as given in the Appendix. Annual data for the period 1995 to 2009 are organized in panel data format. The countries in the sample were selected based on data availability. Tourism data; tourism arrivals and tourism receipts, exchange rate (Ex), and inflation (Inf) are taken from the World Development Indicator (WDI) database, while government expenditure in tourism (Gov) and capital investment (Cap) are taken from the World Travel & Tourism Council (WTTC) official website. In this study, the relationship between public investment and tourism indicators is examined by employing panel data analysis including panel unit root test, fixed-effects and random-effects models in a single equation and a panel data system.

Empirical Specification

The panel specification of this study can be summarized in the following form

$$Y_{it} = \alpha + \beta_1 GOV_{it} + \beta_2 CAP_{it} + EX_{it} + CPI_{it} + \mu_i + \eta_t + \varepsilon_{it} \quad (1)$$

where Y_{it} denotes two indicators of countries' tourism performance in global tourism market, namely the share in the world tourist arrivals (TA) and the share in the world tourism receipts (TR), GOV_{it} is the share of public investment in GDP, CAP_{it} is the share of capital investment in GDP, EX_{it} is exchange rate, CPI_{it} is consumer price index, μ_i and η_t are the country and time specific effects, respectively, ε_{it} is a serially uncorrelated measurement error, and the subscripts i and t refer to country and period, respectively. As changes in the value of either macro prices are typically in proportion to its current value, it is common practice to consider them in log form. As a result, all variables presented here are in natural logarithm form.

Empirical Findings

To estimate the impacts of explanatory variables in question on the countries' tourism performance in world tourism market given in equation (1), panel data of N ($N=85$ for the entire sample, $N=15$ for low income countries, $N=31$ for lower middle income countries, and $N=39$ for upper middle income countries) was used over T ($T=15$) time periods. Observations on TA_{it} and TR_{it} are random outcomes with a probability distribution conditional on observations of a set of exogenous variables X_{it} in which GOV_{it} , CAP_{it} , EX_{it} , and CPI_{it} are included. Differences between countries are examined using fixed and random effects models. To test between the fixed and random effects models, Hausman's test is used where the null is

⁶⁴The World Bank classifies countries into four income groups. These are set each year on July 1. Economies were divided according to 2008 GNI per capita using the following ranges of income:

Low income countries had GNI per capita of US\$995 or less.

Lower middle income countries had GNI per capita between US\$996 and US\$3,945.

Upper middle income countries had GNI per capita between US\$3,946 and US\$12,195.

High income countries had GNI above US\$11,906.

that the country effects are uncorrelated with other regressors in the model. If the null is rejected, the fixed effects model is preferred. For the purpose of avoiding problems that are spurious, various panel unit root tests have been applied to this study. Specifically, we first needed to test if all panel series contain unit roots prior to the estimation of the impacts of public investment on countries' tourism performance. Engle and Granger (1987) argue that the direct application of OLS or GLS to non-stationary data yields spurious regression. This regression tends to produce performance statistics that are inflated in nature, such as high R² and t-statistics, which often lead to commit a high frequency of Type I errors (Granger and Newbold 1974). The results of panel unit root tests for all variables suggest that all series are well characterized as I(0) process. These results allow us to use fixed and random effects models for estimation equation (1).

The relationship between tourism performance indicators and two investment variables are examined using a linear specification of panel data framework. This approach allows inclusion of country-specific effects, as well as time-specific effects. Estimation method, fixed effects (FE) and random effects (RE) are used to estimate the parameters. The regression results are given in Table 1 and Table 2.

Table 1: Results from the Fixed-Effects and Random-Effect Models with the Share of Tourist Arrivals in the World Arrivals (TA) as Dependent Variable

Model 1: TA	Low income		Lower Middle income		Upper Middle income		Entire sample	
	FEa	RE	FEa	RE	FE	REa	FEa	RE
Gov	0.836 *** (0.135)	0.785 *** (0.129)	0.801*** (0.068)	0.738*** (0.065)	0.614*** (0.083)	0.589*** (0.064)	0.769*** (0.048)	0.702*** (0.043)
Cap	0.444 *** (0.169)	0.440 *** (0.159)	0.291*** (0.077)	0.245*** (0.072)	0.333*** (0.079)	0.287*** (0.065)	0.313*** (0.052)	0.299*** (0.043)
Ex	0.0002** (0.00013)	0.0002 ** (0.00010)	0.00002* (0.00001)	0.00003 ** (0.0002)	0.00005 *** (0.00002)	0.00005 *** (0.00002)	0.00004 *** (0.00001)	0.00004 *** (0.00001)
CPI	0.00044 (0.00064)	0.0003 (0.00063)	-0.0005 *** (0.00009)	-0.0005 *** (0.0001)	- 0.00007 (0.0003)	- 0.0001 (0.0003)	-0.0004 *** (0.00009)	-0.0005 *** (0.00009)
CONS	-31.843 *** (2.576)	-30.830 *** (2.242)	-28.325 *** (1.501)	-26.310 *** (1.261)	-25.320 *** (1.392)	- 23.953 *** (1.157)	-28.068 *** (0.933)	-26.522 *** (0.762)

Note: ***, **, * denote significance at the 1%, 5% and 10% levels, respectively. Standard-errors are given in parentheses. "a" indicated a preferred model.

Table 2: Results from the Fixed-Effects and Random-Effect Models with the Share of Tourist Receipts in the World Receipts (TR) as Dependent Variable

Model 2: TR	Low income		Lower income	Middle	Upper Middle income		Entire sample	
	FE	REa	FE	REa	FE	REa	FEa	RE
Gov	0.734 *** (0.203)	0.657 *** (0.186)	0.572 *** (0.083)	0.594 *** (0.079)	0.568 *** (0.102)	0.563 *** (0.071)	0.576 *** (0.063)	0.569 *** (0.053)
Cap	0.003 (0.255)	0.089 (0.229)	0.168* (0.093)	0.219** (0.088)	0.041 (0.097)	0.064 (0.072)	0.078 (0.067)	0.213*** (0.053)
Ex	0.0001 (0.0002)	0.0002 (0.0001)	0.00004 ** (0.00002)	0.00003 ** (0.00002)	0.0001 *** (0.00002)	0.0001 *** (0.00002)	0.00002* (0.00002)	0.00002 (0.00001)
CPI	- 0.001 (0.0009)	- 0.001 (0.0009)	- 0.0003 *** (0.0001)	- 0.0003 *** (0.0001)	- 0.001 *** (0.0004)	- 0.001 *** (0.0004)	- 0.0004 *** (0.0001)	- 0.0004 *** (0.0001)
CONS	- 22.341 *** (3.895)	- 22.405 *** (2.987)	- 21.821 *** (1.827)	- 23.167 *** (1.553)	- 17.163 *** (1.710)	- 19.144 *** (1.297)	- 20.121 *** (1.222)	- 22.438 *** (0.914)

Note: ***, **, * denote significance at the 1%, 5% and 10% levels, respectively. Standard-errors are given in parentheses. "a" indicated a preferred model.

The estimates reported in Table 1 and Table 2 have the anticipated signs and are highly significant. The estimates for model 1: TA suggest that all explanatory variables are highly significant in both fixed-effect and random effect models across the three groups of countries, with the share of public investment in GDP (GOV), and the share of capital investment in GDP (CAP), and exchange rate having positive effects, while consumer price index negatively affects the share of tourist arrivals in world tourism market. The estimates in Table 2 present similar implications on the impact of all variables on the share of tourism receipts in the world tourism income. The share of public investment has a relatively high significant impact. When the entire sample is taken into account, the estimates of all variables are statistically significant and have the expected signs. Among these estimates, the magnitude of the coefficients of the share of public investment is the largest in both models (models of TA and TR). As mentioned earlier, tourism is involved in the process of globalization and all destinations worldwide have been competing for the larger market share in the world tourism market. Therefore, further considerations should be made on the impact of public investment on tourism performance indicators in a multi-equation model where the error terms across individual groups (or equations) are likely to be contemporaneously correlated. Seemingly Unrelated Regression for panel model will provide more efficient estimates.

Table3: The Coefficients of panel-data system estimated by Feasible GLS and OLS with panel-corrected standard errors (PCSEs): the share of tourist arrivals in the world tourism arrivals as a dependent variable

Variables	Feasible GLS		OLS with panel-corrected standard errors
	Homoskedastic Panel	Heteroskedastic Panel	
Low-income Countries			
C	-27.398*** (2.126)	-26.815*** (1.962)	-27.398*** (3.108)
GOV	0.453*** (0.086)	0.437*** (0.082)	0.453*** (0.116)
CAP	0.542*** (0.116)	0.527*** (0.103)	0.5421*** (0.132)
EX	0.00029*** (0.000089)	0.00031*** (0.000084)	0.00029*** (0.000071)
CPI	0.00085** (0.00043)	0.00089** (0.00043)	0.00085 * (0.00045)
Lower-Middle Income Countries			
C	-20.871*** (1.344)	-21.654*** (1.239)	-20.871*** (3.163)
GOV	0.391*** (0.06059)	0.417*** (0.0539)	0.391*** (0.108)
CAP	0.241*** (0.06813)	0.265*** (0.069)	0.241** (0.116)
EX	0.000051*** (0.000015)	0.000047*** (0.000012)	0.000051*** (0.000016)
CPI	-0.00038*** (.0000706)	-0.00043*** (0.00014)	-0.00038*** (0.00014)
Upper-Middle Income Countries			
C	-20.772*** (1.536)	-21.755*** (1.337)	-20.771*** (4.053)
GOV	0.342*** (0.0732)	0.365*** (0.065)	0.342** (0.138)
CAP	0.294*** (0.069)	0.3175*** (0.060)	0.294*** (0.1019)
EX	0.000044* (0.000024)	0.000049* (0.000027)	0.000044* (0.000024)
CPI	-0.00029 (0.00021)	-0.00013 (0.00018)	-0.00029 (0.00023)

Note: ***, **, * denote significance at the 1%, 5% and 10% levels, respectively. Standard-errors are given in parentheses.

Table 3 and Table 4 report empirical results from feasible generalized least square (FGLS) regression and OLS with panel-corrected standard errors regression. Focusing at the results, where the share of tourist arrivals in the world tourist arrivals, reveal a dependent variable shown in Table 3. In our sample, we found that most coefficients vary only little when the methods are changed. In other words, these two methods exhibit the similar results of all

explanatory variables, consistent with earlier empirical works. Under FGLS regressions, two assumptions about panel structure (homogeneous and heterogeneous panel) and serial correlation (panel-specific AR(1) serial correlation) are established to identify the role of public investment in particular as well as with other factors on the share of tourist arrivals in the world arrivals. As seen in low income countries, regardless of whether panel structure is concerned, public investment and capital investment have great significant impacts on the share of tourism arrivals. The similar findings are found in lower middle income and upper middle income countries as well. Two methods provide strong evidence for the hypothesis that public investment is conducive to the greater performance in terms of tourist arrivals. The results confirm a crucial role for public investment rather than capital investment for these two sub-samples as well as the entire sample. As for the exchange rate and consumer price index, the impact on the dependent variable is very small, but significant in all cases except in the upper middle income sub-sample. As clearly seen from FGLS estimates, the greatest impacts on the share of public investment are found in low income countries.

Considering the estimates obtained by OLS within panel-corrected standard errors regressions, the empirical findings show the consistent results with those obtained from FGLS regression. The coefficients for public investment show the highest statistically significant impacts on the share of tourist arrivals, except in the case of low income countries. These estimates are highly significant at 1% significance level. Based on the estimates obtained from two methods-FGLS and OLS, low income countries appear the greatest impact of public investment on the share in the world arrivals, while the other two groups of country show the slightly less impacts on the share in total world arrivals, and the estimates in both groups are roughly the same, and significantly so.

Turning next to Table 4, where the share of tourism receipts is treated as a dependent variable instead, the general findings are similar to when the share of tourist arrivals in world arrivals is the dependent variable. The impacts of all explanatory variables are again demonstrated in the FGLS and OLS with panel-corrected standard errors regressions. The role of public investment on the share of tourism receipts is confirmed by its estimates which are strongly significant in all cases and appear as the expected signs. According to the estimates from FGLS regressions, lower middle income countries and upper middle income countries show the greater impacts of public investment, while public investment in low income countries exhibits a relatively less impact than capital investment. However, there is only a minor difference between the magnitudes of the coefficients of these variables. Evidently, the impact of public investment on the share of world receipts for upper middle income countries is extensively the highest in comparison with the other sub-samples. Finally, we further look at the results based on OLS within panel-corrected standard errors regressions. Public investment yields the highest impacts only in lower middle income countries and upper middle income countries. Comparing the impacts of public investments across the three groups of countries, public investment enormously enhances countries' tourism performance in the world tourism market in terms of tourism receipts for upper middle income countries, lower middle income countries and low income countries, respectively.

Table 4: The Coefficients of panel-data system estimated by Feasible GLS and OLS with panel-corrected standard errors (PCSEs): the share of tourist receipts in the world tourism receipts as a dependent variable

Variables	Feasible GLS		OLS with panel-corrected standard errors
	Homoskedastic Panel	Heteroskedastic Panel	
Low-income Countries			
C	-20.903*** (2.796)	-18.309*** (1.570)	-20.903*** (1.973)
GOV	0.248** (0.122)	0.191** (0.076)	0.248** (0.121)
CAP	0.375** (0.159)	0.292*** (0.084)	0.375*** (0.109)
EX	0.000248* (0.00014)	0.00026*** (0.00009)	0.00025* (0.0001)
CPI	-0.000726 (0.00058)	-0.00048*** (0.00039)	-0.00073 (0.00045)
Lower-Middle Income Countries			
C	-19.199*** (1.648)	-19.222*** (0.7691)	-19.199*** (1.767)
GOV	0.465*** (0.078)	0.358*** (0.041)	0.465*** (0.089)
CAP	0.071 (0.085)	0.201*** (0.045)	0.071 (0.116)
EX	-6.82e-06 (0.00002)	-7.41e-06 (0.000011)	-6.82e-06 (0.00001)
CPI	-0.00014 (0.00009)	-0.00016 (0.00011)	-0.00014 (0.00011)
Upper-Middle Income Countries			
C	-19.547*** (1.966)	-17.786*** (0.752)	-19.512*** (1.705)
GOV	0.519*** (0.095)	0.335*** (0.039)	0.520*** (0.072)
CAP	0.085 (0.093)	0.193*** (0.037)	0.082 (0.053)
EX	0.00012*** (0.00003)	0.00006 (0.00006)	0.00012* (0.00007)
CPI	-0.00095*** (0.00028)	-0.0008*** (0.0002)	-0.00095*** (0.0002)

Note: ***, **, * denote significance at the 1%, 5% and 10% levels, respectively. Standard-errors are given in parentheses.

Conclusion

The main aim of this paper is to evaluate the impact of public investment on tourism performance indicators, namely the share of tourist arrivals and the share of tourism receipts in the world tourism market, of countries in the Third World within the panel data framework. Subject to the availability of data, the annual data of 85 countries in the Third World, classified into three sub-samples according to the World Bank criterion over the period 1995-2009, are organized in a panel data format. The empirical analysis is carried out through fixed effects and random effect models as well as a multi-equation panel-data procedure. The fixed effects and random effects estimates indicate the significantly considerable positive impacts of public investment on the share of tourist arrivals and the share of tourism receipts. To select an appropriate model, the Hausman test had been implemented. Fixed effects model is

more preferable when all sub-samples are integrated. However, the general results of the impacts of all variables are not subjected to which type of model used.

The role of public investment on countries' tourism performance indicators is further analyzed by the fixed-effect panel-data system. The findings make it apparent that the public investment has a positively significant role on two tourism performance indicators in all groups of countries for any of the approaches employed regardless of which tourism performance indicators are chosen as a dependent variable. Based on FGLS regressions and OLS with panel-corrected standard errors, the estimates for all explanatory variables have expected signs and are highly significant in all three groups. In most cases, public investment has the greatest impact on two tourism performance indicators. When the share of tourist arrivals in the world tourism market is in concern, public investment in low income countries tends to bring about the greatest amount of impact. In contrast, public investment in upper middle income leads to a substantial impact on the share of tourism receipts in the world tourism receipts.

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Appendix

The Classification of Countries in the Study

Low income countries	Lower middle income countries	Upper middle income countries
Bangladesh	Angola	Albania
Benin	Armenia	Algeria
Burkina Faso	Belize	Antigua and Barbuda
Cambodia	Bolivia	Argentina
Congo, Dem. Rep.	Cameroon	Azerbaijan
Ethiopia	Congo, Rep.	Belarus
Haiti	Egypt, Arab Rep.	Botswana
Kenya	El Salvador	Brazil
Kyrgyz Republic	Fiji	Bulgaria
Madagascar	Ghana	Chile
Mali	Guatemala	China
Mozambique	Honduras	Colombia
Nepal	India	Costa Rica
Tanzania	Indonesia	Dominican Republic
	Lao PDR	Ecuador
	Moldova	Grenada
	Mongolia	Iran, Islamic Rep.
	Morocco	Jamaica
	Nicaragua	Jordan
	Nigeria	Kazakhstan
	Pakistan	Latvia
	Papua New Guinea	Lebanon
	Paraguay	Libya
	Philippines	Lithuania
	Senegal	Macedonia, FYR
	Sri Lanka	Malaysia
	Swaziland	Maldives
	Syrian Arab Republic	Mauritius
	Ukraine	Mexico
	Vietnam	Montenegro
	Zambia	Namibia
		Panama
		Peru
		Romania
		Russian Federation
		Thailand
		Tunisia
		Turkey
		Uruguay
		Venezuela, RB

Local Action Groups as an Example of Sectoral Partnerships at the Local Level

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Abstract

The idea of sectorial partnership has recently become widely discussed in relation to decision-making processes at the local level. However, its effectiveness, impact and utility in the development of territorial units are not explored enough. The general purpose of this paper is to describe the introductory results of a research project which aimed at investigating mechanisms of building sectorial partnerships in Local Action Groups (LAG). Multi-sectorial partnerships are a key element of the EU Program – LEADER, which supports bottom-up approach consisting of the selection of the best local development strategy and its implementation by the LAGs. LEADER was designed to improve the socio-economic situation in the rural areas, and incorporates a territorial-based approach, multi-sectorial integration, shared decision making processed, and the creation of innovation and strategic plans. By the territorial-based approach I refer to such an approach which focuses on a specific, selected territory with horizontal integration of local activities and multi-sectorial development of the rural areas. It also contributes to a more effective use of endogenous resources such as natural, cultural, technological, and human which can bring economic value for the territorial units, but need to be mobilized and secured.

Key words: rural areas, local development strategy, LEADER approach, regional policy

Introduction

In recent years, sectoral partnerships have become a very popular form of supporting local unit development. At the same time they became an interesting research subject which draws the attention of different academic disciplines. The interest in sectoral partnerships springs from their novelty in local development and the potential of the cooperation of diverse actors with their special and unique resources, possibilities, knowledge, experiences and convergent goals. Such cooperation might magnify the benefits which are impossible for the individual actors to gain by themselves (Potter 2008: 13-14).

Theoretically, sectoral partnerships seem to have a simple structure. All they need is a systematic interaction between representatives of the different social sectors, identification of common goals and division of responsibilities. Obviously, this kind of partnership is much more complicated. The main goals of sector representatives are very often completely different. A serious problem can also be the issue of bearing responsibility and risk taking for decision-making, its implementation and common action. For each sector the consequences of such ventures might be different, especially for the public sector. Increasing sectoral partnership changes the way which the public services systems function and change the model of governance in territorial units involving new actors in a sphere which was so far reserved only for public subjects (Meadowcroft 2007: 197).

A brief characteristic of sectoral partnerships

The concept of sectoral partnership presumes cooperation of different subjects who have similar goals. Considering this explanation in connection with territorial units the following common goals should be pointed out: the socio-economic development of local units, an improvement of local governance and a higher level of public services (Furmankiewicz and Królikowska 2010: 65). Sectoral partnerships cannot only be taken as a form of cooperation. The idea of a partnership seems to be more complex because of complicated relations between those partners. But undoubtedly collaboration constitutes the essence of partnership (Furmankiewicz and Królikowska 2010: 65).

There are also contradictory opinions on sectoral partnerships as a form of social participation. Following Z. Woźniak's perspective, sectoral partnerships are the perfect form of social engagement since they go beyond traditional participation guaranteed by institution of a democratic system. They create possibilities for active participation in territorial unit issues on every step, beginning with the identification and evaluation of its needs to the planning of provision systems and community problems solutions (Woźniak 2002: 100-120). M. Furmankiewicz has pointed out that the significant feature of new-created partnerships is the occurrences of strong (durable) connections, consensus and long-term decision-making and transparency (Furmankiewicz and Królikowska 2010: 45). Elsewhere J. Meadowcroft reminds us that partnerships are actually a representative structure, but refused to treat them as an institution of participatory democracy. He claims that sectoral partnerships only involve specific groups of people who might influence other members of the local community. Therefore, direct participation in created partnerships is limited (Meadowcroft 2007: 197).

The fundamental precondition of a functional territorial partnership is a guarantee of the equality of involved parties. In practice, it is very difficult to ensure partners equality, because of its diversity, which is determined by versatile resources, possibility of acting and expectations placed on the partnership. According to J. Meadowcroft the strongest members of the partnership are the representatives of the economic sector in view of their financial resources and possibilities of influencing the public sector. Private sector representatives are interested in keeping a good investment climate and stabilizing the labor market. Having financial resources and economic knowledge guarantees them full access to active participation in the decision-making process. The material means are the main reason of inequality in comparison with the social sector which is characterized by limited financial resources, shortage of staff (based only on volunteers), and deficiencies in material resources. This situation can generate stronger aspirations for the realization of particular interests. However, at local level the dominant role is still reserved for the public sector representatives. Superior positions of local authorities are clearly visible in relation with the social sector representatives. NGO's, in light of their financial and organizational weaknesses, in fact are dependent on local governments and local leaders (Śpiewak 2008: 151).

The equality of sectoral partners is strongly related with the reciprocal confidence of cooperating subjects. This characteristic seems to be natural in long-term common activities. Nevertheless, the establishment of new partnerships needs to be formalized. But this may distort and even destroy the grassroot model of creating partnerships. Following M. Furmankiewicz and his definition of partnerships, it is necessary to clarify what is meant by sectoral partnership. The sectoral partnership is a relation which occurs between sectoral representatives, which includes common action and cooperation, assumes equality of rights and duties, partners' autonomy and mutual tolerance (Furmankiewicz and Królikowska 2010: 46, see also Googins and Rochlin 2002: 130-131).

Sharing goals does not guarantee the durability of a partnership, but definitely can be a supporting factor. As a matter of fact, the participation of partners in a decision-making process and mutual trust are the basis of a partnership. Both take a long time to become

established. Therefore sectoral partnerships can be treated as a center of building mutual reliance between founding members.

Local Action Groups and the idea of the LEADER approach

Local Action Groups (LAGs) are a perfect example of sectoral partnerships which function in rural areas. The short history of LAGs in Poland makes it difficult to evaluate their effectiveness. It is possible to point out that the LAG approach is an example of effective and instrumental partnership, which was established to create and implement local development strategies. However, sectoral partnerships are not spontaneous grassroots community organizations and they do not have as their primary goal the increased participation in the decision-making process at the local level (Furmankiewicz 2006: 130).

The origin of LAGs is associated with the implementation of the LEADER approach in EU member states. It was created in the early 1990s as tool for the recovery of rural European areas. During the 1970s and 1980s, the European Common Agricultural Policy succeeded in stimulating agricultural production, but simultaneously had some negative effects (social, economic and ecological) which had not been known before in these rural areas. Among them we find the declining numbers of small agricultural producers who were replaced by specialized companies, an increasing level of unemployment, and depopulation of rural areas as well as the appearance of internal tensions and a growing atomization of the rural community.

Initially, the LEADER approach was an experiment (initiated in the Scandinavian states) used to suppress negative trends in rural areas. Gradually, it became an important model of rural development, based on bottom-up initiatives and rural community commitment (Adamski 2008: 88-89). The additional value of the bottom-up approach was to strengthen the coherence of implemented projects, increase the quality of governance and contribute to the consolidation of social capital in rural areas. The anticipated results of the local strategies implementation by LAGs include the efficient use of local resources (both human and natural) as well as the accommodation of needs expressed by different entities located in a given area.

The implementation of the LEADER approach started in EU member states in 1991. Originally, LEADER was as a European Initiative, and was implemented in the individual member states separately. Till the end of 2006 three rounds of LEADER were accomplished.

Beginnings of the LEADER approach in Poland

In Poland, LEADER started in 2004 under the Sectoral Operational Programme "Restructuring and modernization of food sector and rural development 2004-2006", the Pilot Leader + Programme (PPL+) and implemented as a Measure 2.7. The PPL+ was made up of two schemes. The Scheme I was especially important for establishing sectoral partnerships. It was implemented until 2006 and aimed to support the process of creating Local Action Groups, allowing local communities to take part in the analyzing process of the development potential of rural areas as well as preparing Integrated Rural Development Strategy (IRDS) on that basis. Until the end of 2006, under the Scheme I, 167 projects were selected for implementation (from 249 applications). From among applying subjects, the most active were local authorities. Their projects amounted 67 per cent of total number of applications (Śpiewak 2008: 140).

The activities financed under the Scheme I should have helped the integration of local partners in building mutual trust and create foundations for a common ground in the future. The Scheme I includes three groups of activities directed at rural areas: the first group comprised information, trainings and promotion activities according to the LEADER, the second group comprised the creation of Integrated Rural Development Strategies, including indispensable technical support such as analysis and experts' report preparation, and the third

group provided consultative and advisory activities which were crucial in the creation of partnerships.

The multi-sectoral partnership formula gave a special emphasis on the LEADER program, at the same time introducing new methods of governance in local units. Actually, the sectoral partnership formula guaranteed members of the rural community the possibility of formal participation in decision making and implementation processes at the local level (Goszczyński 2008: 114). The interesting aspect of the Scheme I realization in Poland was that it engaged approx. 40 per cent of the population located in rural areas. According to the selection criteria of the prepared strategic documents, it has to be noted that the most significant were the experiences and qualifications of local action group members as well as earlier LAG achievements.

LEADER approach in Poland during 2007-2013

LEADER implementation during 2007-2013 shall contribute to the improvement of the quality of life in rural areas by the development of the public services and the creation of alternatives agriculture. Slow structural changes in the agricultural sector, as well as a significant number of farm producers called for the introduction of new supporting instruments, including planning tools and innovations. New program areas offer investment-oriented measures, such as "Adding value to basic agricultural and forestry production" and "Modernisation of agricultural holdings" with the aim of contributing to the technological development in rural areas through the improvement of the production quality, brand and innovative products creation. The quality of life in rural Poland is closely associated with the fate of local agriculture. That is why such a great emphasis is placed on the modernization and diversification of agricultural enterprises, in addition to the improvement of living conditions in relation to the quality of the environment, natural resources, and infrastructure.

A part of the activities financed by LEADER during 2007-2013 period includes the diversification of economic activities by supporting the development of micro-enterprises in rural areas. Such projects create new opportunities for the rural population, affected by high levels of unemployment. The most important tasks include: improving the value of local products, developing the tourism industry, creating trade chains, providing advisory services, as well as other services and increasing the level of alternative energy use to protect the natural environment.

To overcome the high level of unemployment in rural areas, LEADER provided support for activities which would raise skills of rural communities, enable the access to the labor market and create non-agricultural jobs. The Polish National Strategic Reference Framework 2007-2013 estimated that in 2013 the number of people working in the agricultural industry will be 11 people per 100 ha. Simultaneously, the important aspect of rural areas in Podkarpacie region (apart from the creation of the new economic functions and improvement of living conditions) is to restore, protect and maintain the variety of landscape and natural resources, including the preservation of the good and ecological condition of water and soil, richness of habitats, biodiversity as well as the cultural heritage of the region.

The new formula of LEADER for the period 2007-2013 in its axis 4 included such elements as the creation of local development strategies in selected rural areas and the establishment of local action groups as multi-sectoral partnerships (characterized by bottom-up approach to organize rural communities and deal with local issues). Ultimately, the axis 4 of the Rural Development Program 2007-2013 (LEADER) was designed to become the foundation for the axis 3 of this program, aiming at the improvement of the quality of life in rural areas and diversification of the rural economy (Borek 2007: 16). The total LEADER support for 2007-2013 came to 787.5 mln euros.

An important modification connected with new programming period was the progressive formalization of the application procedure. Currently, the formation of new local action groups requires the fulfillment of a wide range of official procedures. One of them is to establish the partnership as a legal person (according to the Polish legal system). The feasible solutions are foundations, associations or unions of associations with a transparent management and decision-making structure (Adamczyk, Gąsiorek and Pomin 2006: 5).

Another requirement of LEADER was to include all the social group representatives in decision-making bodies. Therefore, for the economic and social partners, as well as the representatives of the local community (including all groups such as farmers, women, etc.) at least 50 per cent participation in decision-making process should be guaranteed. Introduction of this condition aimed to prevent the elimination of social and economic partners and suppress the predominant position of the local authorities. At the same time, this regulation seems to indicate the lack of trust in self-reliant management (including coping with formal issues) within the scope of created partnership structures.

The general, statutory goal of the created LAGs should be active participation in rural development. To achieve this, local partnerships are required to possess the economic, human, administrative, and technical potential as well as a supply base to work out and implement the local development strategies. There are both administrative as well as demographic limits to the creation of LAGs which open this source of funding only to municipalities with fewer than twenty thousand inhabitants (Adamczyk, Gąsiorek and Pomin 2006: 16-17). LAGs cannot overlap.

The creation of LAGs needs to be approved by the regional authority and this approval is a condition for drawing support within the framework of the Rural Development Program 2007-2013. The power of regional authorities, manifested in LAGs' selection process and evaluation of the projects, weakens the idea of a bottom-up partnership. Strict rules of LAG functioning, introduced in the new program period of LEADER, have undermined some of the founding principle of the program - grassroots, participatory development. Furthermore, the excess of control and protection mechanisms (such as par representation in decision-making bodies and the necessity of regional authority's acceptance of planned activities) reduce the confidence of social capital located in rural areas. That's why LAGs should be treated as an incubator of social capital, but not its source (Goszczyński 2008: 115).

Summary

Multi-sectorial partnerships are a key element of the EU Program – LEADER, which supports bottom-up approaches consisting of the best local development strategy selection and its implementation by the LAGs. LEADER was designed to improve the socio-economic situation in rural areas, using a territorial-based approach, multi-sectorial integration, shared decision making processes, and the creation of innovative and strategic planning. Although LEADER is far from being perfect, it certainly contributes to a more effective use of endogenous resources (natural, cultural, technological and human) and promotes the overall socio-economic development of rural areas.

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The Influence of the Global Economic Crisis and Local Context on Decision-Making of Industrial Companies

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Abstract

This paper addresses the recent world economic crisis whose scope and impacts clearly showed the increasing coherence of the global economy. The authors of the text use as an example the South Moravian companies of electrotechnical, mechanical and vehicle manufacturing industries to refer to the fact that a decision-making capacity of individual companies plays an important role in an increasingly globalized economy. Managements of companies deciding about anti-crisis measures are naturally compelled to react to global economic development, but in their final decision, they take into account national, regional and local specificities of the territory in which the companies operate.

Keywords: global economic crisis, the South Moravian Region, electrotechnical industry, mechanical and vehicle manufacturing industry, companies, decision-making

Introduction

The increasing interconnection of national economies in the current world represents a process known as economic globalization. Since 1960s, especially multinational companies have gradually become its bearers, as their primary characteristic is an ability to operate outside (or beyond) of nation-states. Many such companies dispose nowadays of even greater economic importance than some countries. Aoyama, Murphy and Hanson (2011: 122) directly state that "economic globalization is being driven by the geographical dispersal of markets, the functional integration of production activities, and the increasing interconnections and interdependencies between people and places in the world economy". Giddens (2003) considers the volume and speed of global links in the 21st century as unprecedented, creating entirely new opportunities but also threats.

And one of these threats significantly manifested itself several years ago in the world economy, which was hit by a global economic crisis (the largest since the Great Depression in 1930s). Its causes can be found in the mortgage crisis in the U.S. between 2007 and 2008, which eventually led to a global financial crisis in the autumn of 2008. It gradually turned into an economic recession which also rapidly spread worldwide and caused a significant decline in economic performance - especially in the manufacturing industry. Therefore, millions of people lost their jobs, a number of companies went bankrupt and the remaining firms faced significant problems. It seemed that the world economy had begun to stabilize and return to a standard development during the years 2010 and 2011, but large government budget deficits raise fears of another wave of a global economic crisis.

Disproportionately over-indebted economies, whose debts exceed even more than half of annual GDP, are represented especially by economically developed countries where the headquarters of most multinational companies dominating the current globalized economy are located. Massey (1984) pointed out the relationship between the hierarchy of regions and the hierarchy of companies and their headquarters from which the different decision-making and planning powers derive subsequently. Markusen (1985) mentioned the crucial importance of different behavioral strategies of corporations in various stages of product cycles and prosperity (Blažek and Uhlíř 2002). Approaches such as the Global Production Network emphasize different priorities in the times of business growth, profitability and economic development, and add that even within the same industry, firms differ in terms of their strategic priorities (e.g. selective attitudes of companies to product, process and functional upgrading - see Pavlínek and Ženka 2011), attitudes to the workforce or the nature of relationships with suppliers (Henderson et al. 2002). This approach pays attention to the distribution of power within the chain of companies involved in the production of a product (from research to marketing and distribution) and the process of value creation and transfer (Henderson et al. 2002). The asymmetry in the management and decision making is described within the network, when the dominant firms (flagships) control resources and decision-making power in the network (Ernst 2003).

The paper aims to demonstrate on firms from the model South Moravian Region (SMR) that even in the case of the global process modified by local specificities, the dealing with its manifestations is a question of decision-making skills, procedures and practices of individuals, or managements of companies. The paper is part of the project "The impacts of global environmental change in the landscape sphere of the Earth" (PROGLEZ) at the Institute of Geography, Faculty of Science, Masaryk University, which is funded by Masaryk University (MUNI/A/0966/2009).

Methods

The first part of the paper uses some of the findings of the "Employment Survey" - an annual survey of economic subjects of the SMR organized since 2003 by the Regional Office of the SMR. The surveys seek to obtain detailed information about the structure of employment and its annual and predicted development. Despite its voluntary nature, surveys involve a relatively representative sample of companies and numbers of employees. Only about 20% of the South Moravian companies with more than 20 employees are not involved in the surveys and the overall share of employees covered by the surveys exceeded at least 2/5 (in the manufacturing industry even 1/2).

The development in individual industries according to the number of employees was quantified on the basis of the survey findings, and then electrotechnical (36 firms) and mechanical and vehicle manufacturing (35 firms) industries (firms for which it was possible to obtain data for the number of employees at least for the years 2007 and 2010) were selected for a more detailed study at the company level. It was based on an analysis of the information contained in the final (annual) reports of companies and their web presentations, newspapers and thesis of one of the authors (Šerý 2010). The narrowing of the analysis only to the manufacturing industry was purposeful, as the global economic crisis manifested first (and very strongly) at these industries and rather secondarily transferred into the service sector.

Labor market during the crisis

The labor market of the SMR is one of the more problematic among the regions of the Czech Republic (CR), the unemployment rate as well as the number of applicants per vacancy exceed the average of the CR in the long term. While at the end of 2007, the South Moravian labor market exhibited positive trends, the first impacts of the global economic crisis already

started to appear in 2008, such as the rapid decrease in the number of vacancies by 40%. Therefore, the year 2007 was chosen as the beginning of the studied period in the present paper.

The economic recession became more pronounced during 2009. The dramatic annual increase of job seekers by more than 50% has not been recorded since the beginning of the transformation of the Czech economy and the possibility to find a job significantly narrowed due to the low number of vacancies. The unemployment rate even exceeded 10% in the SMR. In the following year, the characteristics of the labor market even worsened, but the tempo clearly slowed. The year 2011 finally witnessed a drop of the unemployment rate once again below 10 percent in the SMR, but the number of vacancies still remains very low. Job opportunities however strongly differentiated - while the unemployment rate did not rise above 10% during the crisis in the districts Brno-City and Brno-Country, in Znojmo and Hodonín reached 17% with more than 45 job seekers per vacancy (in Brno-City only 13).

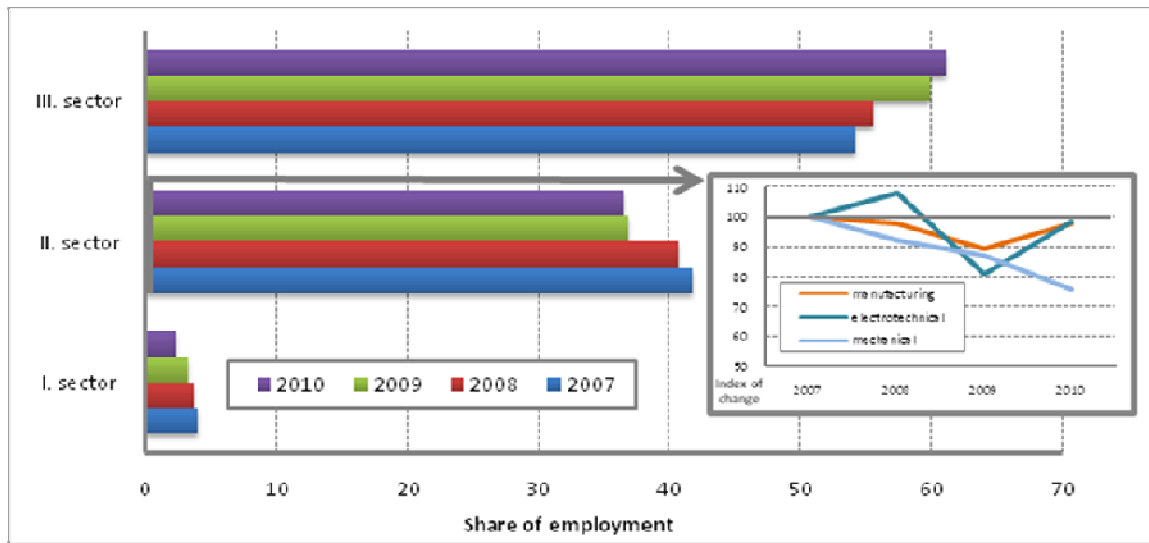
Manufacturing industry and employment of the South Moravian Region

The secondary sector ensured approx. 2/5 of all jobs, but especially in the last two years, this sector faced an important decrease as a consequence of the global economic crisis. A constant increase of jobs has taken place in the tertiary sector in the region over the past two decades; it accounted for 61% of all jobs in the last quarter of 2010, thus exceeding the level of the CR. Apart from traditional manufacturing and electro technical industries (now largely internationalized), branches focusing on computer technology, telecommunications, software development and other hi-tech branches of the service sector develop dynamically in the region currently.

The majority of employees in companies operating in the monitored electrotechnical and mechanical and vehicle manufacturing industries is concentrated in Brno - other centers are important secondarily (see Figure 2). Although there are no longer many giant companies with thousands of employees (e.g. Zetor, Zbrojovka Brno or Královopolská engineering plant), there still are several companies employing more than 1 000 people (Tyco Electronics, ABB, or European Data Project).

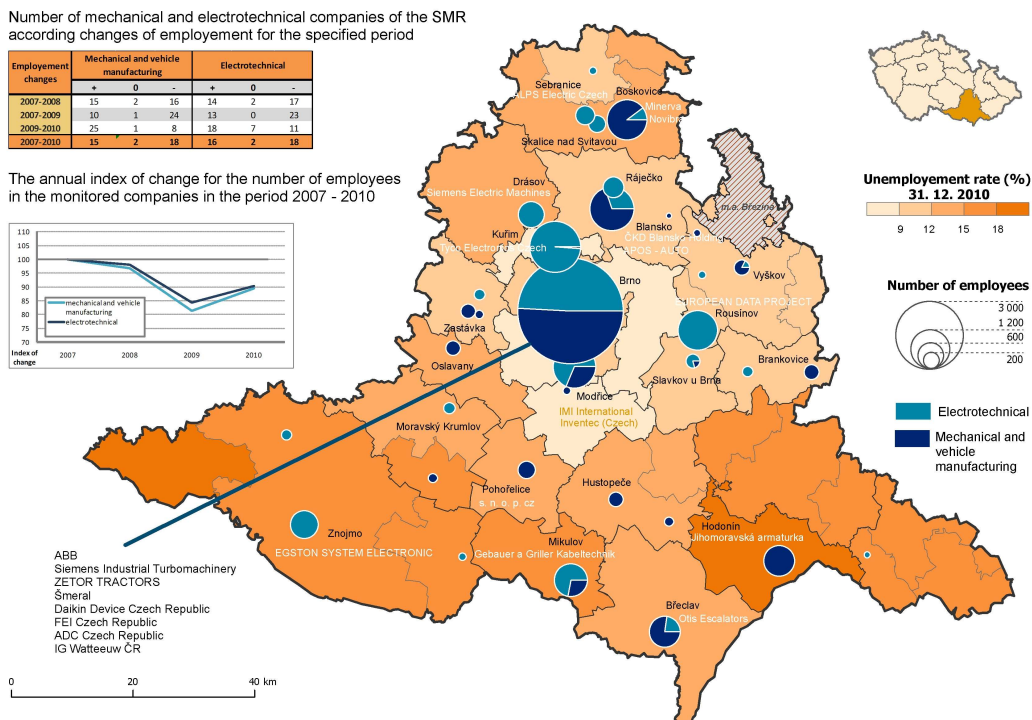
Employment Surveys show that the importance of electrotechnical and mechanical and vehicle manufacturing industries, as well as the manufacturing industry generally, decreased in the time of the crisis. While employees in the mechanical industry still represented 7.5% of all workers captured by the survey (6.6% electrotechnical) in 2007, by the end of 2010, their number went down to only 4.5% and was already lower than in the electrotechnical industry (5.6%). The intensity of the decline of this industry was comparable to the overall tempo of decrease of the manufacturing industry, but still the decline of mechanical and vehicle manufacturing industry was more rapid.

Figure 1: Share of employment in sectors, changes in selected industry in the SMR in the period 2007 - 2010 according to the Employment Survey



In 2008, no significant dismissal of employees took place in the case of the monitored companies, but at the end of 2009 the number of employees fell by almost 1/5 in the mechanical firms and by 15% in the electrotechnical companies (the dismissal of more than 1.5 thousand people in each industry). In 2010, the negative trend of the layoff of workers reversed and some jobs were created again, but the number of jobs reached only 90% of the 2007 level (in both industries). This trend is evident in the attitudes of individual companies towards dismissing or hiring of new employees. While firms dismissing their workers prevailed in the period 2007 – 2009, a reversal was observed in the last year (fig. 2).

Fig. 2 Electrotechnical and mechanical and vehicle manufacturing industry in the SMR in the period 2007 - 2010 according to the Employment Surveys



Responses of companies to the crisis - individual attitudes and examples

The economic crisis affected more or less all companies in the SMR (although it differed in intensity, duration and specific factors) - the decline of orders was significant which then reflected in lower sales and profits. The manufacturer of power plant boilers Alstom Power Brno recorded a drop of orders by 38% in the fiscal year 2009, which ultimately led this firm to the decision to close its plant in Brno. The volume of orders of the engineering firm Antreg Vyškov dropped to the 2004 level and significant declines in orders were reported also from EDP Rousínov, the metallurgy and engineering company Kovolit Modřice, Fritzmeier Vyškov or the electrical company Metra Blansko.

Companies were forced to respond to these worsening conditions on the demand side in various ways which they considered effective to reduce the impact of the crisis to a minimum. Some companies decided to limit the standard working week, usually to four days. The manufacturer of sewing machines Minerva Boskovice implemented the work week with free Fridays for 65% of the average wage. From February to October 2009, also the manufacturer Zetor Tractors Brno applied the four-day work week. Employees of Zetor received 80% of salary and only 70% of salary after one month for free Fridays.

Some firms reacted even more vigorously as they decided to shut down production. Adast Adamov – a company engaged in the production of components for printing machines – proceeded to shut down production until early 2009; this measure however did not have a sufficient effect, and the company went bankrupt in April 2009. Not only the companies linked with the automotive industry, such as the IAC Group Hodonin and Kovolit Modřice but also Metra Blansko and Minerva Boskovice experienced shutdowns in the late 2008 and 2009.

Many companies (see Figure 2) responded by the dismissal of employees. First, agency workers (often foreigners) were fired, followed by employees with fixed-term contract and finally the regular staff, as E. Kislingerová (2009: 167) states: "termination of employment with long-term employees is a measure which the managements try to avoid as long as possible". Thus, employees who worked in companies for a shorter time, who were single or for whom the loss of employment did not represent a social burden had to leave in the first waves of dismissals. Celestica in Ráječko first fired more than one hundred temporary and agency workers, but later decided to sell its plant to the competitor Tyco Safety Products Kuřim. In the company Apos Auto Blansko, dismissals significantly affected members of the Mongolian community (the largest in the CR). Kovolit Modřice dismissed preferably those employees whose performances were evaluated as lower by managers. "Forced" retirement of older workers into early retirement was another often used method.

Some employers also offered a voluntary termination of employment agreement for which higher compensation was paid than prescribed by law. The unionists of Alstom Power were probably able to provide the highest compensations in the CR for the redundant employees, amounting to 16.6 average wages per one employee.

Little or no wage increase and limiting employee benefits during collective bargaining represent yet another form of response. For example, the unionists of ČKD Blansko Holding demanded three per cent wage increases at the end of 2009. The company however proposed to either meet its demands, which would mean a partial dismissal, or to maintain the current wage and number of employees. Eventually, a wage increase of one percent was negotiated.

Some companies took advantage of the "Educate Yourself" project, an initiative of the Ministry of Labor and Social Affairs of the CR. Firms could send their staff to training and educational courses, thus not having to fire them (employees increased their qualification and were not present in the workplace where no work was there for most of them anyway). Fritzmeier Vyškov and Otis Břeclav can be named from the South Moravian companies.

Finally, companies decided to suspend or revoke various investment projects, which included the expansion of production, construction of new buildings and halls or introduction of new models. Novibra Boskovice put into operation a new production hall at the beginning of 2008. However, due to the crisis the hall was not used fully as originally planned, with only a limited number of work shifts. The Zetor Tractors had to postpone the start of production of new models of Forterra Power and Maxterra due to the crisis and the lack of funds for investment.

Some companies, despite these negative effects, managed to improve their performance by the late 2010 so that they extended their production and created new jobs, such as the Mikulov branch of the Austrian cable manufacturer Gebauer and Griller Kabeltechnik, the Znojmo branch of the German automobile components company Egston Electronic System, the supplier of electronics Beta Control Brno, the microscope manufacturer FEI Czech Republic (U.S.) located in Brno or the similarly focused Czech company Tescan Brno, which acquired a majority share of Tuscan USA inc. in 2010 and expects its sales to increase by 100 million in 2011.

Conclusion

The financial crisis which began in the U.S. in 2008 confirmed the significant global interconnectedness of national economies. Evolving into a world economic crisis, it had negative impact on individual states and regions. However, the specific influences of the crisis on economic performance and the labor market varied in their intensity due to the local specificities of the territory (industry specialization, degree of openness of the economy, regional policy, etc.). These differences were not limited only to the level of regions, but also to individual companies which were forced to choose their own strategy to cope with the unfavourable consequences of declining sales due to a weakening demand of customers. Managements of companies deciding about anti-crisis measures were forced to react to global economic development, but in their final decision, they took into account national, regional and local specificities of the territory in which the companies operate.

Our study of reactions of electrotechnical and mechanical and vehicle manufacturing industry companies operating in the South Moravian Region showed the different individual strategic decisions of top managements adapted to the need of effectively bridging the economic crisis and low consumer interest. One of the most documented effects of the crisis (also in the set of the studied companies) – dismissals - represented only one of many other reactions of companies; these can be broadly classified into several groups, although the real solutions applied by the firms significantly differed in their scale, targeting and/or duration:

- reducing of standard working week
- shutdown of production
- liquidation of the company
- dismissals
- motivation for voluntary termination of employment
- restrictions of employee benefits and increase of wages
- use of educational programs organized by public administration
- restrictions of investment activities

Even at the beginning of the crisis, there were many companies whose management was confident about its ability to use the crisis to significantly strengthen the company's market position and profitability (Kislingerová 2009). Suitable measures taken by some companies not only met the request to bridge the global economic crisis with the minimum of negative consequences, but in some cases, companies actually became "healthier", more competitive and even increased the number of employees and improved the position of the firm in the

market. Among these companies we can find for example the FEI, Tescan or Beta control located in Brno.

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Welcome to My Neighbour's Funeral: Pankisi Kists and International Tourism

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Abstract

During the Second Chechen war, groups of Chechen fighters crossed the Caucasus Mountains and found a refuge in Pankisi Gorge, inhabited by the Kists, a Vainakh (Chechen) people, who have arrived in the gorge some 200 years ago. At the beginning of the 21st century, the Georgian government practically lost control over the gorge and the Chechen fighters even became the target of Russian bombing. However, after the Rose revolution, the fighters as well as most of common Chechen refugees left the gorge and Saakashvili's government has re-established control over Pankisi. As the employment possibilities in the gorge are very limited, the Kists started to discover new ways for their development. Besides traditional agriculture and handicraft, tourism became the way the Kists make living. In 2009, Polish Aid financed a project of the association of Pankisi women aimed at the development of agro-tourism in the gorge. By now, the number of tourists arriving in the gorge is still only dozens per year; however, for the isolated community even such small flow of tourists is a challenge to their traditions and habits. The paper, based on two field trips to the gorge (2010, 2011, involving observations and interviews with the locals) shows the role international tourism plays for the community.

Key words: Pankisi, Kists, Sufism, Wahhabism, rural tourism

Introduction

Pankisi is a gorge or valley in the northeast of Georgia, in the historical region of Kakheti, a few minute drive to the north from the town of Akhmeta and about 50 kilometres to the south from the borders with Chechnya (Russia). It is inhabited mainly by the Kists, ethnic Chechens, and also by other nationalities, such as Georgians or Ossetians. For the first time, I arrived in Pankisi in August 2010. Just a few seconds after I opened the door of one home stay in Duisi village, I was completely shocked: "It's great, our neighbor died, we can take you to the funeral," said a woman who was sitting in the yard. She was the oldest lady in the house, the founder of the Pankisi "agrotourism" project and one of the prominent members of the Duisi Sufi sorority. The next day I was taken to the funeral. In front of the house, on the unpaved dusty street, dozens of Kist men were sitting or hanging around and a few others were roasting a sheep. We went inside, where roughly fifteen Kist women, dressed in black, were all sitting in one room, silently praying. It was too much for me. I felt very inappropriate there, so I made an excuse that in Czechia the funerals are a very private event and that I prefer to stay out of the house. I was not even able to take any photos, despite the fact I was constantly told to do so. After this experience, I was invited to the women's mosque, a small house without a minaret, just next to the men's mosque. It was Friday and local Sufi sorority was preparing for their weekly ritual – zikr. Elderly ladies were entering the mosque one by one, greeting me, asking where I was from and, again, encouraging me to shoot their dancing

and praying. This time I was prepared, I shot a video and took some photos. The ladies were very glad and each of them hugged and kissed me when they were leaving the mosque. That day, when I was having my evening beer in the yard of the house of the Kist Muslim family, I decided to come back once more and try to find out more about this remarkable community and their peculiar endeavour to develop a sort of rural tourism in Pankisi Valley.

The research is based on ethnographic methods – interviews and observations (see Hendl 2008: 115-123, Tulmets and Střítecký 2008). Interviews with the members of the family running the most important home-stay in the valley can be characterized as expert semi-structured interviews (see Hendl 2008: 189-190). The questions were aimed at the genesis of the "agrotourism" project, experience from the project, financial aspect of the project and expectations from the project. These interviews were supported by the observations made in the valley in August 2010 and August 2011, by narrative interview (see Hendl 2008: 176-180) with the founder of the "agrotourism" project and informal interviews (see Hendl 2008: 175) with several Kist villagers. The observations and interviews took place in the villages of Duisi, Birkiani, Jokolo, Omalo, Dumasturi and Kvemo Khalatsani. One expert interview was conducted with the tourist guide of a Czech travel agency, which organizes group trips to Pankisi. Three informal interviews were conducted with tourists that have visited Pankisi valley. The names of most of the interviewed persons are concealed; however, their sociological characteristics are given in the footnotes.

The structure of the paper is as follows. First I introduce Pankisi and its inhabitants and I also focus on the recent history of the region, which is closely connected with the rise of the "agrotourism" project. Then I turn to the "agrotourism" project itself, I describe its history, motivations of its founders and finally, by using basic theoretical framework of geography of tourism/tourism studies, I interpret the data gained by observations and interviews.

Pankisi and the Kists

Pankisi is usually called a "gorge", however, it is rather a several kilometres wide valley, at an altitude of only 700 metres above the sea level,⁶⁵ with climate comparable to the southern foothills of the Italian Alps. Due to its location, Pankisi has relatively good conditions for living; summers are milder than in the rest of Kakheti, nevertheless, almost all crops, which are growing in the lowlands, as well as vegetables, fruits and grapes, can be found in Pankisi too.

In the past, the valley used to be inhabited mostly by Georgian Highlanders – Psahvs, Khevsurs and Tush. The Vainakh⁶⁶ tribes, ancestors of the Kists, arrived in Pankisi mostly in the first half of the 19th century. There are several theories, explaining why numerous Vainakh families left Chechnya and Ingushetia and went to Pankisi, however it was probably combination of more factors – security, religious, economic and cultural (including the blood revenge that sometimes could have lasted for generations) – that lead to the Vainakh migrations to Pankisi.⁶⁷

The Kists that arrived in Pankisi and settled in the abandoned villages of the Georgian Highlanders were pagans or Muslims practising also many pagan or eclectic rituals and beliefs. They quickly acculturated with the Georgians and Ossetians; they added Georgian suffix - shvili to the end of their surnames and used Georgian as their literary language. In 1860s, most of the Kists were (forcibly) converted to Christianity, however, some of them remained Muslims and in 1902 they succeeded in opening their first mosque in Duisi village.

⁶⁵ 700 metres above sea level can be perceived as quite high altitude in Europe, however, villages in Georgian mountainous regions Khevsureti, Svaneti and Tusheti reach up to 2,000 metres.

⁶⁶ Vainakh is common ethonym for the Chechens and Ingushetians.

⁶⁷ For more details about the migrations see e.g. Sanikidze 2007: 265–266 or Kurtsikidze and Chikovani 2008: 235–236.

Nevertheless, Muslim missionaries were successful in converting many of the Kists back to Islam at the beginning of the 20th century, and this process of conversion back to Islam continued until 1970s. However, the multi-ethnic and multi-religious society in Pankisi remained tolerant. Mixed families, consisting of Muslims and Christians, were common (some of them still exist in Pankisi) and Muslims used to worship Christian saints as well as local Khevsur, Tush or Pshav "pagan" deities (Sanikidze 2007: 266-270; Kurtsikidze and Chikovani 2008: 248). In the first half of the 20th century, two Sufi orders (tariqat), were competing in Pankisi. In 1909, the Naqsbandi tariqat was introduced to Pankisi by Azeri preacher Isa Efendi (sometimes this order is also called Sheikh Efendi); in 1927, the Qadiriya tariqat, originally from Chechnya, known after its founder also as Kunta Hajji, was brought into Pankisi by preacher Machig Mamaligashvili. Both Sufi orders, however, did not oppose the Kist tradition of ziarat (worshipping the sacred places and shrines, often of other religions), and moreover they brought mystic ritual of zikr, in which men and also women get into an ecstatic state by dancing (Sanikidze 2007: 270; Kurtsikidze and Chikovani 2008: 250).

The 1990s were characteristic by the rise of reformist or radical Islam, so called Wahhabism.⁶⁸ The first Wahhabis reportedly appeared in Pankisi in 1997, and the Wahhabi movement strengthened with the influx of refugees from the second Chechen war in 1999 and 2000. After the arrival of refugees, including militants and Islamic radicals, allegedly connected with Al-Qaeda, the valley was effectively taken out from the government control. Training camps of the Chechen militants and Islamic radicals were reported in the valley,⁶⁹ whilst the valley itself was also used by various mafias for drug trafficking, kidnaping etc. Such a situation, naturally, destroyed the ethnic and religious balance in Pankisi. The refugees outnumbered local Kist population,⁷⁰ and as a consequence of the security situation in the valley, the Ossetians, Tush and Pshavs left the upper part of Pankisi, and eventually founded a militia, which in 2001 blocked the entrance to the upper part of the valley for several weeks (Curtis 2002: 3-6; Devdariani and Hancilova 2003: 1-4; Kurtsikidze and Chikovani 2002: 3-6).

The situation in Pankisi deteriorated in the autumn of 2001 and summer of 2002, when Russian planes and helicopters bombed the valley, claiming they conducted an anti-terrorist operation (Blandy 2002: 16; Walsh 2002; Smith 2005; Wiktor-Mach 2009: 65). In 2002 and 2003, the Georgian forces trained by the US experts (Baev 2002; Devdariani and Hancilova 200: 6-7), expelled most of the militants from Pankisi, and, subsequently, with the end of the second Chechen war, most of the refugees went back to Chechnya. In 2005 there were reportedly 2,600 refugees in Pankisi (Sanikidze 2007: 278), in 2010 only a few hundreds of the refugees stayed in the valley.⁷¹ The security as well as the economic situation in the valley is gradually improving.

⁶⁸ As Wiktor-Mach (2009) shows, the term Wahhabism is rather a label, used by Caucasian Muslims as well as by Russians and other nations of the Caucasus. Sometimes it is used as a synonym for "terrorist", however in Pankisi the Sufis call Wahhabis those Muslims who oppose the Sufi doctrine and want to purify it of *zikr*, *ziarat* and similar eclectic and therefore non-Islamic elements. As such, these Wahhabis usually have nothing in common with the doctrine of Muhammad ibn 'Abd al-Wahhab, the founder of Wahhabism. In this paper, I am going to use the term Wahhabi in the meaning used by the Sufi Kists.

⁶⁹ Reportedly there were about 500 to 700 Chechen fighters under the command of Ruslan Gelaev, former Chechen minister of defence. Some sources also mention about 100 Arab fighters in the valley, allegedly connected with Al-Qaeda (see e.g. Civil Georgia 2003; Smith 2005).

⁷⁰ In 1989, there were 6,000 Kists in Pankisi, constituting 43 % of the population of Pankisi. Ossetian constituted 28 % and Georgian (mostly Psahvs and Tush) 29 %. However, many Ossetians left to South Ossetia during 1990s (Sanikidze 2007: 264). The number of refugees in Pankisi was estimated at 7,000 in 1999 (Devdariani - Hancilova 2003: 3), the locals estimate that in 2002 the number of refugees reached 10,000.

⁷¹ Interview with Tamaz Bagakashvili, Ministry of IDPs, Accommodation and Refugees of Georgia, Refugee Centre Duisi, August 2010.

The society in Pankisi, however, remains divided. A small dam on the Alazani River is something like a borderline between two worlds. Downstream, the Georgians and Ossetians live, while the Kist territory stretches upstream. These two communities, which used to be more mixed before the Pankisi crisis, live in relative peace now, and the Georgians even began to travel upstream and sell fruits and vegetables that ripen earlier than those in the Kists' gardens. Besides this geographical frontier, there is also a cultural frontier between two groups of the Kists. On one side, there are the two Sufi orders, the Naqshabandi tariqat and the Kunta Hajji tariqat, practising zikr and being generally more mystic, eclectic and tolerant concerning the religion; on the other side, there are the Wahhabis, or Muslim radicals/reformers that have even built a new mosque in Duisi and established a Shariat School. The majority of Kists are Sufis, but many young Kists follow the Wahhabi doctrine.

The majority of the Kists perceive such situation as a serious problem. In their opinion, the Wahhabi doctrine is strange to Pankisi and it denies Kist traditions and Kist customary law (*adat*), which, in the eyes of the Sufis, is superior to Sharia. In result, the Wahhabi doctrine endangers (at least in the eyes of the majority) the Kist ethnicity/identity as such (see Sanikidze 2007: 273; Kurtsikidze and Chikovani 2008: 252-253).

The agrotourism in Pankisi

The Kists call their tourism project "agrotourism"; however, this term might be misleading. There are many terms, such as agrotourism, agri-tourism, rural tourism, farm tourism etc. For example Busby and Rendle (2000: 636) mention 13 definitions of agriculture-related tourism. The most general term is, however, rural tourism. It includes several forms of tourism that can take place in a rural environment, such as agrotourism/agri-tourism itself, cultural tourism, eco-tourism, farm vacation tourism etc. (McGehee and Kim 2004: 161-162). All these forms of tourism, naturally, have something in common. They are localized in the areas not exploited by the mass tourism (López and García 2006: 86) and they, of course, use the rural environment and its distinct geographical, cultural, social, ethnic, or religious features (Wilson et al. 2001: 132). Agrotourism, as a kind of rural tourism, includes "various types of overnight accommodations but also encompasses day visits to on-farm attractions" (McGehee and Kim 2004: 162). This definition implies that agrotourism mostly occurs in the farm itself and the environs of the farm plays a secondary role. The farm vacation tourism, on the contrary, encompasses only the overnight accommodation (bed and breakfast). Finally, the cultural tourism is more connected with the local culture, feasts, habits, traditional manufacturing etc. (see McGehee and Kim 2004: 161-162).

The idea of "agrotourism" in Pankisi is closely connected with the Chechen war, the radicalization of part of the Chechen population, with the influx of Chechen refugees in Pankisi and the accusations that Islamic militants were trained in Pankisi. In 1995, folklore ensemble Daimoakh (Motherland) was founded by an elderly woman, who wanted to promote Kist traditions and music in order to persuade the Georgians and the world that the Kists are not radicals or terrorists. The ensemble became popular soon and has played in various Georgian and European festivals. Four years later, in 1999, the NGO Marshua Kavkaz (Peace for the Caucasus) was founded by the members of Daimoakh, and officially registered. However, it took a few more years before the situation in Pankisi stabilized, and the founder of the ensemble came into contact with the Polish NGO Fundacja Edukacji Międzykulturowej (FEM) and Georgian Biological Farming Association Elkana. They have together developed an idea of "agrotourism" that was to bring foreigners to Pankisi. Reportedly, from the very beginning, there were two goals. The first one was to continue the goal followed by Daimoakh, i.e. to offer a positive image of Pankisi and the Kists. The second one was, of course, the financial one. The locals went for training to Poland twice (in 2006 and 2008) and also received funding from Polish Aid, an official foundation of the Polish government. In

2009, the study visit of the representatives of the Polish travel agencies finally opened Pankisi for commercial tourism. By 2011, fourteen Kist families in Pankisi have been offering accommodation for tourists (Pankisi.org 2009).

If we compare the form of tourism which is developing in Pankisi with the theory of rural tourism, we cannot call it agrotourism, as locals do. There are two reasons. First, most of the involved families are not, *sensu stricto*, farmers. Kist houses are encompassed by gardens, where the fruits and vegetables grow and where domestic animals like hens or goats are kept. However, these gardens are too small to be called "farms". Their production is usually too low to be offered in the market. Second, the house and the garden do not offer any significant on-farm (on-house, on-garden) events or activities. Rather than agrotourism the Pankisi form of tourism might be called farm vacation tourism. The Kist households offer mainly overnight accommodation and home-made meals and can be used as a base for exploring the valley and surrounding mountains. However, there are also significant attractions from the cultural sphere in the valley, so it would be a simplification to call Pankisi form of tourism exclusively farm vacation tourism. Basically it is a combination of farm vacation tourism and cultural tourism, with some elements of agrotourism. That is why I continue to call the form of tourism in Pankisi simply rural tourism.

In order to be successful, rural tourism according to Gunn (1988) requires several components: (1) attractions, (2) promotion (marketing), (3) tourism infrastructure (mainly access facilities), (4) services (lodging, restaurants etc.) and (5) hospitality (of the host families, employees in tourism business and the residents/local community). In the next paragraphs I will focus on these components and describe and evaluate them. Then I proceed to the discussion about the successfulness of the project itself.

1. Attractions. They can be divided in the three main components: agricultural attractions, natural/adventurous attractions and cultural attractions. The agricultural attractions, however, cannot compete with the neighboring districts of Kakheti, offering big farms, orchards and vineyards. The natural/adventurous attractions include mainly trekking in the neighboring mountains. Some families can offer even horse or jeep trips to the mountains. But, again, neighboring regions of Tusheti or Khevsureti can offer better access to the mountains, marked routes and more challenging passes and peaks. So, the cultural attractions are the crucial attractions which Pankisi can offer. In addition to the stay in a traditional Kist house with a large Kist family, and besides enjoying local cuisine, the most exciting attraction of Pankisi is the religious ritual of *zikh*. It is performed by women of the Kunta Hajji tariqat every Friday; the tourists are usually kindly invited to the women's mosque,⁷² where they can watch the ritual and even take photos. The tourists can also become familiar with the traditional felt-making, and the Kist music performed by Daimoakh or other local ensembles and musicians. There are also some historical monuments in the valley, however, their touristic potential, excluding those visitors who are interested in the Caucasian history, is low.

2. Promotion. Rural tourism is a non-mass form of tourism, so the marketing campaign cannot be compared to the marketing campaigns of the most important Georgian destinations like Tbilisi, Batumi, Sighnaghi, Borjomi, etc. However, potential visitors must be able to find information about Pankisi – and this is a serious problem, if one does not know where to look for it. FEM created the web site Pankisi.org (in six languages: Georgian, English, Russian, German, French and Polish), however, the site has not been updated since its launching in 2009. Tourist information centers are mushrooming in Georgia, but it is hard to get any

⁷² Also the men perform *zikh*, but the tourists are not allowed to watch it. Since the agrotourism in Pankisi is, to a great extent, a women's project, the sorority decided to open the ritual for public as one of the attractions for tourist. The *Sheikh Efendi tariqat* also practices *zikh* in the house where the founder of the tariqat, Isa Efendi, used to live. However, the families belonging to the *Sheikh Efendi tariqat* did not participate in the agrotourism project and therefore the ritual is closed for public.

information about Pankisi, or even to get the Pankisi information brochures, financed by FEM. The cooperation of the Pankisi community with the central or regional government remains insufficient.⁷³

3. Tourism infrastructure. Rural tourism is not so demanding on infrastructure, like other forms of tourism (Wilson et al. 2001, 130). Fair roads and some basic information center or tourist signs can be enough. In the context of Georgian transport infrastructure, the road to Pankisi is in good condition, as well as the state of the public transportation. However, there is no information center in Pankisi, no tourist signs, no marked routes, and even maps of the valley are not available.⁷⁴ The only way to get some information is to ask locals – in Russian, Georgian or Chechen.

4. Services. In the context of Georgia and the fact that we deal with rural tourism, the quality of accommodation is fair. Sometimes there can be problems with running water or electricity, but this can occur anywhere and anytime in Georgia. The tourists stay in the host families and receive all meals in the house they stay, with the exception of the mountains, where they stay in shepherds' huts or in tents. There are plenty of groceries in the valley and even the only café; however, with regard to the above-mentioned facts, they cannot make any substantial profit from tourism.

5. Hospitality. Besides the problems with infrastructure, marketing etc., the traditional Caucasian hospitality, surprisingly, appeared to be one of the biggest obstacles for the development of rural tourism in Pankisi. One would say that there should not be a major difference between a guest (traditionally highly respected in the Caucasus) and a tourist; however, this was exactly the problem. The host families were reluctant to accept money from tourists, since they treated them as guests.⁷⁵ Fortunately, this obstacle for developing commercial tourism proved to be just a matter of an embarrassment and time. The families finally got used to it, nevertheless, money is still a topic the hosts are avoiding and the price is usually negotiated at the end of the stay.⁷⁶

It is obvious after reading the previous paragraphs that the rural tourism in Pankisi faces problems mainly with promotion and infrastructure; however, it is working and developing. The question is, whether it fulfils the goals set up by the founders of the project, the women from Marshua Kavkaz.

Let us firstly focus on the second goal – the financial one. Even if we admit that we hardly find a region whose economy is based on rural tourism, the income from the rural tourism in Pankisi remains extremely low. The fourteen involved families constitute roughly 2 % of the whole population of Pankisi Kists and the estimated income from tourism reaches only 5,000 € per whole valley per year;⁷⁷ moreover, this income is distributed unevenly, since some families are more active and accommodate more tourists than other families. Moreover, as it was already discussed, those who are not involved in the "agrotourism" project, have hardly any direct financial income from it.

So, after these arguments, one can say that the "agrotourism" project in Pankisi has more failures than benefits. However, I still find some positive aspects of the project that, in my opinion, make it successful. At first we have to bear in mind that rural tourism is not a kind of tourism industry, which can constitute the crucial part of the regional economy. Rather, rural

⁷³ Interview with the founder of the project, Kist woman about 70 years of age, Duisi, August 2011.

⁷⁴ Those tourists who are used to travel to the post-Soviet states know where to download suitable maps, however, for most of potential visitors the maps are simply not available.

⁷⁵ This is not the matter of Pankisi only, however. The author met with this problem several times in various parts of Georgia.

⁷⁶ Author's observations and interviews with locals and several foreign tourists, August 2010 and August 2011.

⁷⁷ Author's estimate, based on the prices of the accommodation, estimated number of incoming tourists and their average length of stay. Income from horse or car renting is not included.

tourism diversifies the economy, creates several jobs and increases the prestige and self-confidence of the rural community (for similar argumentation see e.g. López and García 2006: 86). Moreover, the financial benefit is not the main goal of the project, as was already mentioned. The project was developed as a source of secondary income.⁷⁸

The primary goal, i.e. to enhance the knowledge about Kists and their culture and also to improve their image, damaged by the Chechen war and the Pankisi crisis in the first years of the 21st century, is hard to evaluate by serious scholarly methods. Therefore, this goal has to be seen from a different perspective. For the Kists, it seems to be important that they can show their culture to the foreigners – and it makes them proud of their history, traditions, religion etc. The Sufis moreover think that by "agrotourism" they contribute to the protection of their culture against the Wahhabi influence. Even those Kists that have no direct financial benefits from tourism like to stop tourists on the street and talk to them. To summarize the issue, the process itself is more important for them than the measurable result of the project. In this regard, the tourists play one more interesting role in Pankisi; a role, they are probably not aware of. In 2003, it was unimaginable that foreign tourists would ever come to Pankisi. In 2010 or 2011, dozens of tourists per season visit Pankisi. For locals, they are something like a symbol or evidence of the fact that the security and economic situation in the valley is improving. Finally, tourists make the life in Pankisi more interesting, and the locals seem to appreciate it. The number of tourists is simply still too small, nearly no one is disturbed by them and they are rather perceived as a curiosity or an attraction.

However, it seems that part of the Pankisi Sufi community, and certain members of Sheikh Efendi tariqat in particular, perceive the achievements of the "agrotourism" project with some envy. Some of them even claim that Marshua Kavkaz sells the Kist culture and traditions.⁷⁹ Nevertheless, this attitude of certain part of the community does not have a negative influence on the relations to tourists in general, but affects the relations between the two tariqats.

Conclusions

As we have seen, the model of Pankisi "agrotourism" has its strengths and weaknesses, however, the locals seem to be mostly satisfied with it and perceive it as a part of their lives. The significance of rural tourism in Pankisi is to be measured not only by numbers and euros, but by the impact of tourism on the social life of the whole community. Certainly, after a careful marketing campaign, and after utilising the comparative advantages of Pankisi, the number of tourists as well as the financial income from tourism can rise. However, this has surely some limits, and overshooting these limits would likely lead to negative consequences. Some families would rely more on incomes from tourism and probably would become significantly richer than the rest of the Kist population. Part of the Kists (above all the Sheikh Efendi tariqat, whose members are mostly not involved in the "agrotourism" project) could become even more irritated by the increasing number of tourists and more people could start to think that the families involved in the project simply sell the Kist traditions. This would make irreparable divisions in the community. By now, the project can be seen as a sustainable one; however, there remains a simple but difficult question. To what extent can the tourism industry in Pankisi be developed not to damage local traditions, culture and community?

The answer may be hidden in the introductory story about the funeral. After finishing my research, I realized that the invitation to the funeral was not an inappropriate attempt to "sell" a Kist ritual to a tourist, but something very logical in the broader context of the Kist tradition

⁷⁸ Interview with member of the family involved in the project, Kist woman about 20 years of age, Duisi, August 2011.

⁷⁹ Interview with a Czech travel guide, who stayed with the family from the *Sheikh Efendi tariqat*. Ostrava, Czechia, December 2010.

and the "agrotourism" project. Wahhabis prefer simply to bury the deceased person without any pomp, whereas the Sufis, according to their traditions, all come to the family of the deceased person to make condolences. Since I was a tourist/guest in a Sufi family, I also had to make condolences. For certain members of the Sheikh Efendi tariqat this would probably mean that the family sold Kist traditions to a foreigner; however, I perceive it in a different way. By now the involved families treat the tourists as guests and want to present them the valley and the Kist culture in as bright a view as possible and show them everything they can, although they have very limited financial profit from it. If this changes and the money becomes more important, I believe that serious fracture in the Kist community will appear.

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Restructuring Economies of Old Industrial Regions – Local Tradition, Global Trends

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Abstract

Old industrial regions belong undoubtedly among the principal "losers" in the deepening process of globalization. Nevertheless, examples from some regions show that the industrial history of such regions is not an insurmountable obstacle to new development trajectories. Adaptability and the formation of "new combinations" based on the interconnection of local and global trends can give birth to specific advantages which will be able to compete even with "normal" regions. With the example of Manchester, we attempted to demonstrate that a unique combination, or rather a re-combination, of local tradition and global trends, can markedly change the external, but also the internal representation of the whole region. However, even this selected example cannot be interpreted only and unambiguously positively. On the one hand, the stress on external presentation and adjustment to the needs of target groups led to a unification (or even disparagement in several places) of a number of "trendy" localities. On the other hand, the process when regeneration is driven by culture or creative sectors was highly selective and in the final result escalated the social-spatial tensions (see northern part of Manchester). Outside this internal dimension of transformation, it is also necessary to take into account that particularly this "new combination" is replicable in other regions with analogical structure only to a limited extent. Therefore, it should be perceived more as a source of valuable inspiration pointing out the directions of possible "new combinations", and not as a model fully applicable in other institutional and structural contexts.

Key words: economic restructuralization, old industrial regions, tradition, globalization

Introduction

The continuing globalization processes confirm more than ever before the importance of local quality conditions securing the competitiveness of regional economies. The thoughts that in the framework of the improving mobility of capital and people, the importance of regional structures will decrease proved to be unfounded. On the contrary, the quickly changing localization preferences, and especially the possibility of rapid changes of production factors exert pressure on the real configuration of the local situation. At the same

time, they affect the region's presentation towards the external environment and quality of region's management. The need to react flexibly to global trends, impulses, and demands with the help of regional offer of production as well as non-production factors seems to be more and more necessary. The role of adaptation processes becomes more emphasized. In this context, the position of old industrial regions appears to very interesting, but also specific and to a large extent problematic. These regions are limited in global competition due to the inadequacy of their existing structures. Regardless of this fact, the practical experience from model regions shows the possibility of finding a new productive combination between the inherited tradition and structures and the demands of the new era.

Old industrial regions and the process of their transformation – a brief outline

The professional literature offers various definitions of old industrial regions. Hamm and Wienert (1990) present the following basic parameters of an old industrial region:

- above-average population density and magnitude of settlement centers
- above-average endowment with physical infrastructure
- early industrialization in comparison with other regions within the country
- regional economy characteristics with dominance of specific production sectors in an advanced life cycle phase
 - prevalence of large enterprises
 - low ability to handle the transformation process solely with internal resources

Among other supplementary, but significant features of old industrial regions can be included also the situation when in the local urban, and generally condensed environment, the expected agglomeration savings are negative, becoming thus agglomeration costs (Hassink 2005, Boschma and Lambooy 1999). This is a paradoxical situation when during the emergence and formation of the primary localization of industry the agglomeration savings are playing a substantial positive role, but in the course of time the concentration of problematic structures, rigid processes and mechanisms becomes problematic, and obstructs the emergence of innovations, changes, and new leaders (Martin 2006).

The general characteristic of old industrial regions is their complexity and underdevelopment. Such regions cannot be thought of as lacking economic structures like e.g. peripheral regions, rather, they actually have very extensive structures but these structures have become obsolete and incompatible with the requirements of the present world. The accumulation and interconnection of the above mentioned features (a sector in an advanced life cycle phase, excessive reliance on single industries, negative externalities, rigidity of the environment, agglomeration costs) are forming limits for competitiveness, and influence negatively the more generally perceived (external as well as internal) image of old industrial regions. Steiner (1985) assesses this situation in the case of old industrial regions as a prevalence of externalities of similarity, which stands in contrast with the contemporary emphasis placed on the existence of externalities of diversity in the most progressive regions of the world. Old industrial regions can be thus rated as regions of second league of performance which did not catch up with the development trends and do not begin at the same starting position when facing the global competition of regions (Tripl 2004).

Based on the aforementioned characteristics, we can say that roughly since the 1970s (in European capitalistic countries), or since 1990s (in post-socialistic countries), there has been forming a group of regions which can be labelled as old industrial regions. Among the most illustrative, and in literature most described examples, is the British city of Manchester and its hinterland (particularly Ward and Peck 2002), German Ruhr Area (Schrader 1998) or Saarland, and the traditional industrial regions of northern France (Callais, Alsace, Lorraine). In Southern Europe we can mention the Basque Bilbao and its hinterland, and in Eastern and Central Europe the Lower Silesia and Ostrava region (Sucháček 2005), or Central

Transdanubia (Lux 2009). To make the picture complete, it is necessary to add that the occurrence of old industrial regions is not typical only for the European territory. Similar examples can be found also in other countries of the world (USA – Detroit and environs, China – Manchuria). In the most developed countries of the world, old industrial regions are becoming a counterpart to the so-called "new industrial spaces" like e.g. the Silicon Valley in the USA, the environs of M4 highway in Great Britain, or Bavaria (more details in Castells 2000, Markusen 1996, Scott 2000). These regions basically took over the original dominance of today's old industrial regions by creating values and stimulating growth for the contemporary society.

From the perspective of the regionalist research, as well as practical management, the key question is the possibility of (positive) change in old industrial regions. Pavlínek (1997) defines the transformation in general as a process which results in the changing character of capitalistic economic and societal system. Currently, the key transformation process is the change from post-Fordist accumulation to a flexible production regime. With a narrow perspective of the situation in old industrial regions, we can understand their transformation as an effort for an overall change and adjustment of key economic, social, and physical structures to the parameters currently required for competitive development. It is important to stress that the objective is not the return to the original dominant position in the industrial age, but an effort to find a new position with a certain level of significance in the post-industrial age. Economic restructuring may be regarded as the key component of the general transformation of the former economic (industrial) structures, with the objective to revive the potential for economic competitiveness and productivity, sustaining or strengthening employment and production.

New combination of local tradition and global trends

The transformation and adaptation process of the regional economy, and the features of newly assumed development trajectory of old industrial regions are the result of a mutual combination of long-term local traditions and general global trends of territorial units' development. Local tradition is understood as a spatial embeddedness and long-term enrooting of economic structures, institutions, and a specific knowledge system, whose substance is the ability to generate knowledge and learning, conventions, routines, and knowledge transfer (particularly the tacit knowledge; Storper 1995). General (global) trends then create demands for future orientation and adjustment in the interest of maintaining a competitive position. It is an ability of the regional economy to constantly produce the demanded values and to secure the regional needs (employment, wages). The existence of a functional innovative milieu is necessary for a long-term sustainability of a competitive trajectory of the regional economy (or in case of OIR for its recovery) (Ježek 2003). This can be defined the ability of selected areas to produce, attract, and sustain economic activity, and to hold relationships and bonds between the local knowledge system and global trends (Amin and Thrift 1992). In the following table we present selected traditional industrial regions which have been able to find transform the regional economy and find functional innovative systems in the specific sectors.

Table 1: Examples of regional economy transformation as a combination of local tradition and global trends

Industrial region	Local tradition	Global trend	New combination
Manchester	Heavy industry	Cultural scene/ world pop culture	Culture sector
Ruhr Area	Heavy industry	Global tourism, experience economy	Industrial culture and tourism
North Pas-de-Calais	Textiles	Preference of consumption and comfort	Sectors of mail ordering of goods
Emilia-Romagna	Textiles	High-tech sectors	Fashion trends, clothing industry
Jutland	Furniture	Preference of quality and lifestyle	Trendy design furniture

Translated and modified according to Malecki and Hospers (2007)

The strengthening of the symbolic and iconic functions of local infrastructures and processes of these problematic regions becomes a very important element for increasing their competitiveness (more details in Lash and Urry 1994, Rumpel et al. 2010). Important is thus not only their actual substance, but also the manner in which it is reproduced and communicated. Regional marketing thus becomes an increasingly significant tool, be it in the form of a narrow interpretation as a way of communication towards the internal (local residents, companies) and external (potential residents, investors) target groups (e.g. Bianchini and Landry 1995), or in a broader interpretation as a complex concept of coordination of processes and priorities of regional management (Rumpel 2002). This situation is strengthened by the phenomenon of growing consumption at global level. It is interesting that besides the classical products and services, also the non-material and unique goods (experiences, events, performances), based on consumption in an irreproducible and symbolic environment, are becoming a subject of global consumerism (expressed mainly by tourism). The spheres which played a more passive role in the past such as the culture sector and historic heritage (Kunzmann 2002) are thus becoming the subject of economic relations, and thereby also of intra-regional competition (and also the content of regional development strategies).

From the general perspective, the possibilities of industrial regions responding to global trends are not completely optimal, as the complexity and rigidity of their existing structures, and the disturbed environment, are placing them into a disadvantaged starting position. On the other hand, compared to other problematic regions (e.g. peripheral or economically weak), they have preconditions for the functionality of innovative environment (Tripl and Todtling: 2008). There is a chance for the emergence and spread of positive externalities and agglomeration savings generated by concentration and proximity of actors in the urban environment. The long-term experience with the functionality of economic structures and a strong infrastructure base is a good starting condition. The cornerstone of a successful transformation process is thus finding and adopting the suitable combination of traditions and trends, which according to the experience from several selected regions (particularly Manchester and Ruhr Area) seems to be best.

The shaping of the cultural scene as a new topic of regional economy with links to the global market – the case of the city of Manchester

The city of Manchester and its hinterland (schematically it can be delimited as NUTS II The Greater Manchester) represents one of the world's oldest industrial areas, where the industrial revolution originated. It can be viewed as a model example of the genesis of early capitalism, as well as a demonstration of the deindustrialization processes. P. Dicken (2002) states that Manchester was not only the archetype of factory capitalism as a basis for the city's position in the world hierarchy of industrial age's cities, but a significant role was also played by the synergy of financial and trading power of the city in the textile industry, together with a highly integrated regional division of labor with specialized structure. Moreover, the textile industry served as a stimulus for the development of other industrial sectors, particularly mechanical engineering and chemical industry (mainly during the 19th century). The recession in industrial production began already before the World War II, but its principal demonstration can be observed only in the after-war years with its culmination in 1980s. Between 1972 and 1984, the number of jobs in the industry declined by 207,000 without any substitution in the form of a growing tertiary sector. In the 1980s, and at the beginning of 1990s, the unemployment in Manchester was exceeding 20%. A detailed analysis of causes of the decline would go well beyond the scope of this paper, but is offered in the work of P. Dicken (2002).

In city's life, the cultural scene had traditionally a strong position, but in the long-term perspective it was only a complementary sector of the economy with principal function of providing leisure time alternatives for industrial workers. A special attention was given mainly to the local music scene (particularly in the 1970s – e.g. The Hollies, The Bee Gees; 1990s - Take That, Simply Red, Oasis), and the world-famous music clubs (e.g. The Hacienda in 1980s). However, in the course of time, culture became a clearly profiled, productive sector of the regional economy with a considerable contribution to the production of the regional GDP. To a large extent, it is symbolic that in many ways it replaced the original economically powerful industrial structures. By contrast, these are today becoming a "mere" setting for cultural performances, or present an interesting localization preconditions for tourism.

In the framework of promoting the city as a cosmopolitan consumption center it is decisive to attract the stars of the global music scene (U2, Madonna, etc.), organize large music and cultural festivals (e.g. the annual worldwide famous festival for the homosexual community), or attract important congresses and conferences. The vibrant music scene is also connected with other cultural areas – dramatic art, painting, design, photography, etc. This forms an exceptionally strong and inspiring local cultural scene, attracting investments into the infrastructure necessary for the implementation and quality of such events. For example, the public sector had a new concert hall – Manchester Arena – with the capacity of 20,000 spectators built. It belongs among the world's best indoor concert halls. Major concerts of global stars take place in the City of Manchester Stadium with the capacity of circa 50,000 spectators (depending on the type of event).

The spatial concentration of creative people in the district of Northern Quarters is interesting in the framework of the city. In this quarter one can find many clubs, bars, studios, and rehearsal rooms, linked to the relevant private sector (promotion agencies, media sector companies, architectonic studios, designer studios, etc.) (Brown et al. 2000). Other thematic quarters in the city include Gay Village (where homosexuals meet), Curry Mile (Indian restaurants, bars, and other businesses linked to the given community), and China Town (little area in the city center with a significant concentration of Chinese restaurants and bars). These areas also emerge spontaneously, but are based more on the preferences of selected social groups (e.g. gay community, immigrants) than on a purposeful concentration of actual

economic activities. They are primarily used as a marketing tool for stimulating further consumption in these areas (Young et al. 2006).

In connection with the transformation of cultural production from local and regional products to the global consumption arena, regional marketing appears to be a necessary part of the change. Regional marketing is implemented with the help of specialized institutions (particularly Manchester Marketing) and conceptual strategies in which the shaping of a new cultural function of the city and the presentation of the city as vibrant, lively, and full of amusement and large events play a central role.

Conclusion

Old industrial regions belong undoubtedly among the principal "losers" in the deepening process of globalization. Nevertheless, examples from some regions show that the industrial history of such regions is not an insurmountable obstacle to new development trajectories. Adaptability and the formation of "new combinations" based on the interconnection of local and global trends can give birth to specific advantages which will be able to compete even with "normal" regions (Hospers 2005). With the example of Manchester, we attempted to demonstrate that a unique combination, or rather a re-combination, of local tradition and global trends, can markedly change the external, but also the internal representation of the whole region. However, even this selected example cannot be interpreted only and unambiguously positively. On the one hand, the stress on external presentation and adjustment to the needs of target groups led to a unification (or even disparagement in several places) of a number of "trendy" localities. On the other hand, the process when regeneration is driven by culture or creative sectors was highly selective and in the final result escalated the social-spatial tensions (see northern part of Manchester). Outside this internal dimension of transformation, it is also necessary to take into account that particularly this "new combination" is replicable in other regions with analogical structure only to a limited extent. Therefore, it should be perceived more as a source of valuable inspiration pointing out the directions of possible "new combinations", and not as a model fully applicable in other institutional and structural contexts.

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Challenging Institutional Frameworks of Governance: Learning from Participatory Irrigation Management in Thailand

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Abstract

Participatory Irrigation Management (PIM) was adopted in Thailand in 2004 to encourage the efficient use of water in the agricultural sector that is striving to be more sustainable. The research presented in this paper exemplifies the success of PIM in Thailand that engages individual farmers or their representatives in the irrigation areas to fully involve in the decision making of water administration, from the lowest level of an irrigation system, i.e. ditch, to the highest level, i.e. reservoir, through established water user organizations and the joint management committee for irrigation. Data was collected through document reviews, observation, informal meetings, and a total of 55 semi-structured face-to-face interviews of local people from two case studies at the Krasiew Reservoir, Suphanburi Province, Thailand. Results showed that participating in PIM activities facilitated learning among PIM participants. Findings also revealed that social action is fostered by the recognition of human dignity and compassionate communication that develops a sense of ownership and a sense of solidarity. The notion of sustainable water practices among local farmers became more acute in reaction to the 2005 water crisis in the irrigation areas. It can be said that people learn from a real and meaningful project by engaging in an interactive action. The lessons learned demonstrate the inherent potential of marginalized Thai farmers, who are capable of directing their own water service delivery. The lessons also illustrate the proper role of public irrigation staff as organizers who arrange the ideal conditions for promoting a meaningful dialogue in PIM discussions, thus facilitating mutual learning among stakeholders. Opportunities from PIM help reinforce the recognition of valuable people in the local communities of marginalized Thai farmers and, moreover, strengthen the foundation of Thai society that is able to endure the growing challenges.

Keywords: Asia; Thailand; learning; participatory irrigation management; water user organizations; social action; sustainable water management

Introduction

The United Nations Development Programme (2007) indicates that sustainable water management can only be achieved through effective water governance. Water governance refers to the range of political, social, economic, and administrative systems that develop and manage water resources and water service delivery at different levels of society. Pahl-Wostl et al. (2008: 493) establish that, "New participatory and adaptive water management approaches will not be implemented in a sustainable fashion unless they are more deeply rooted in a cultural change in society." By engaging many stakeholders, participatory water governance could articulate their priorities, help exercise their legal rights, meet their needs, and mediate their differences. Moreover, public participation encourages individual and social learning that could help in the transformation to sustainability (Diduck and Mitchell 2003; Fitzpatrick

and Sinclair 2003; Palerm 2000; Sinclair and Diduck 2001, 2005; Webler, Kastenholz and Renn 1995). As commented by Finger and Asun (2001: 120), "In our view the ecological crisis is the ultimate challenge to adult education, as there is no way out of this vicious circle except through individual and collective learning."

Participatory irrigation management (PIM) is one approach to improving water allocation. Effective water use is being tested within agriculture systems that are striving to be more sustainable. PIM refers to the participation of water users at all phases of irrigation management, such as the planning, operation, maintenance, monitoring, and evaluation of the system (World Bank Institute 1998). The common problems of irrigation, including inequitable water distribution, poor irrigation system maintenance, inadequate water availability, and lack of incentives for saving water, can be considered through a PIM approach. As such, this research sought to understand the relationships between public participation, learning, and implementing more sustainable water practices through PIM in Thailand.

Approach

The Krasiew Reservoir at Suphanburi Province was chosen as a case study location because it represented a typical Thai gravity flow irrigation method. The Krasiew Reservoir, moreover, has a complete PIM framework at all three levels of the irrigation system including reservoir, canal, and ditch levels. Two integrated water user groups (IWUGs) were selected from the Krasiew Reservoir as case studies in order to control variable factors (e.g. topography, type of irrigation system, irrigation areas, crop pattern, norms, and culture) that may affect the ability to manage irrigation water of the target water user organizations.

The data collection methods included document reviews, semi-structured face-to-face interviews, observation, and informal meetings. Face-to-face interviews involved 55 people associated with PIM implementation and operation from both case studies. The interviews lasted up to 130 minutes and respondents consisted of 46 farmers, five regional irrigation officials, and four members of private agencies. The forty-six interviewed farmers included 30 farmers at ditch levels and six IWUG executive members from two case studies, five members of the Joint Management Committee for Irrigation, and five farmers outside of the irrigation areas. All interviews were audio-recorded and transcribed verbatim. An informal meeting was held for each case study to present preliminary research findings, to verify those findings, and to brainstorm how to redesign the meaningful public participation processes in PIM. NVivo software was used to help with data analysis to organize a coding system and identify themes of collected data from the fieldwork.

Thailand context

The character of Thai agriculture

Thailand covers an approximate area of 513,000 km² in Southeast Asia. The total population is approximately 64 million, of which 22 million, or 34 percent, are engaged in the agricultural sector based on the latest 2003 Agriculture Census. In 2003, agriculture occupied about 183,000 km² or 36 percent of the country, of which 53 percent is paddy field, 19 percent is field crop, 10 percent is perennial crop, 9 percent is para rubber, 1 percent is cash crop, and 8 percent is other (National Statistical Office 2004). Thailand is the world's largest rice exporter (United States Department of Agriculture 2010). Other major field crops are cassava, maize, pineapple, sugar cane, and soybean.

Rain-fed agriculture is still common in Thailand because irrigated agriculture represents approximately 22% of the total agricultural area or about 49% of potential areas useable for

irrigation. An irrigated area yields at least double production of a rain-fed area and serves as the main agricultural producer of the nation (Royal Irrigation Department 2010).

Development of PIM in Thailand

The first voluntary water user organization (WUO) of a reservoir built by the Royal Irrigation Department (RID) was initiated in 1963 by the regional irrigation office staff in the Northeast to encourage water users to meet so as to reduce water conflicts among users. From their beginning in 1963, the formation and operation of WUOs has been adversely affected by policy interruptions, non-allocated budgets, and uncooperative public irrigation staff. The reform of PIM in Thailand occurred when the RID obtained a series of loans from the Asian Development Bank in 2001-2003 to modernize physical structures and to initiate institutional reform by introducing PIM in pilot projects including five large-scale, five medium-scale, and 35 small-scale irrigation projects across the country. The Krasiew Reservoir was one of the five large-scale pilot projects of PIM implementation.

The main engines of the continued implementation of PIM were the 1997 Constitution and the 2003 Good Governance Royal Decree. The Constitution recognizes the rights of local communities to participate in local natural resources planning and management. In response to the Good Governance Royal Decree, nearly all government agencies have been downsized. Positions of retiring government officials are minimally replaced. Combining all the driving forces and gaining more confidence in the PIM pilot projects, the RID incorporated PIM into its strategic plan in 2004.

The RID now characterizes PIM as the involvement of both WUOs and local administrative organizations (LAOs) in decision making about irrigation management at all levels of an irrigation system. The Joint Management Committee for Irrigation (JMC) is responsible for managing water at the reservoir level. The JMC consists of the representatives of WUOs, regional irrigation office, LAOs, and relevant public and private agencies that affect from water allocation. Federated WUOs including IWUG, farmer group (FG), water user association (WUA), and water user cooperative (WUC) help manage water at the irrigation canals (i.e. primary, secondary, and tertiary canals). Basic WUOs, i.e. WUGs, direct water at the on-farm irrigation ditches. By being participatory, PIM activities are supposed to instill a sense of ownership in irrigation projects, influence sustainable operation and maintenance, and reduce conflicts between farmers and public irrigation officials (Royal Irrigation Department 2005).

The most recent statistics indicated that, as of September 2010, WUOs and JMCs across the nation included 43,048 WUGs, 1,319 IWUGs, 0 FGs, 35 WUAs, 45 WUCs, and 76 JMCs. The WUOs established thus far cover approximately 60% of the entire irrigated areas of the country (Kamnerdmanee 2011).

Case study settings

The Krasiew Reservoir is located at Dan Chang District, Suphanburi Province. The Reservoir is a large-scale storage dam in the central region of Thailand with an average storage capacity of 240 million m³. Gravity flow is used to supply water for irrigation of a 177 km² area covering three districts, 11 sub-districts, and 50 villages. The location of the case study site is depicted in Figure 1. The main crops in the irrigation areas are rice, sugar cane, and orchard, which account for 60%, 39%, and 1%, respectively. The average annual water demand for different sectors of the Krasiew Reservoir is as follows: agriculture is 160 million m³ or 80% of usage water in the second crop season; industry is 3 million m³ or 1.5%; and domestic use is 1 million m³ or 0.5% (Krasiew Operation and Maintenance Office 2009).

The Krasiew Reservoir encompasses one JMC, nine IWUGs, and 278 WUGs, totaling 6,740 members. Two out of nine IWUGs, namely IWUG 2L-1R and IWUG Ruamjai Patthana, were chosen as case studies. The location of case study settings is shown in Figure 2.

Learning through PIM

The data show that implementing PIM in a local farming community fosters learning through a core PIM activity - public participation. Individual learning by local participants associated with PIM implementation and operation was examined in the two case study regions through considering two domains of learning - instrumental and communicative. The analytical framework was based on the primary categories of instrumental and communicative learning as derived from transformative learning theory (Mezirow 1991, 2000). Secondary, theory-based subcategories were used, following Diduck and Mitchell (2003) and Sims (2008), these were subdivided into tertiary, grounded themes found within the data. The details of significant individual learning among local farmers in the irrigation areas will only be highlighted in each subcategory as summarized in Table 1 and 2.

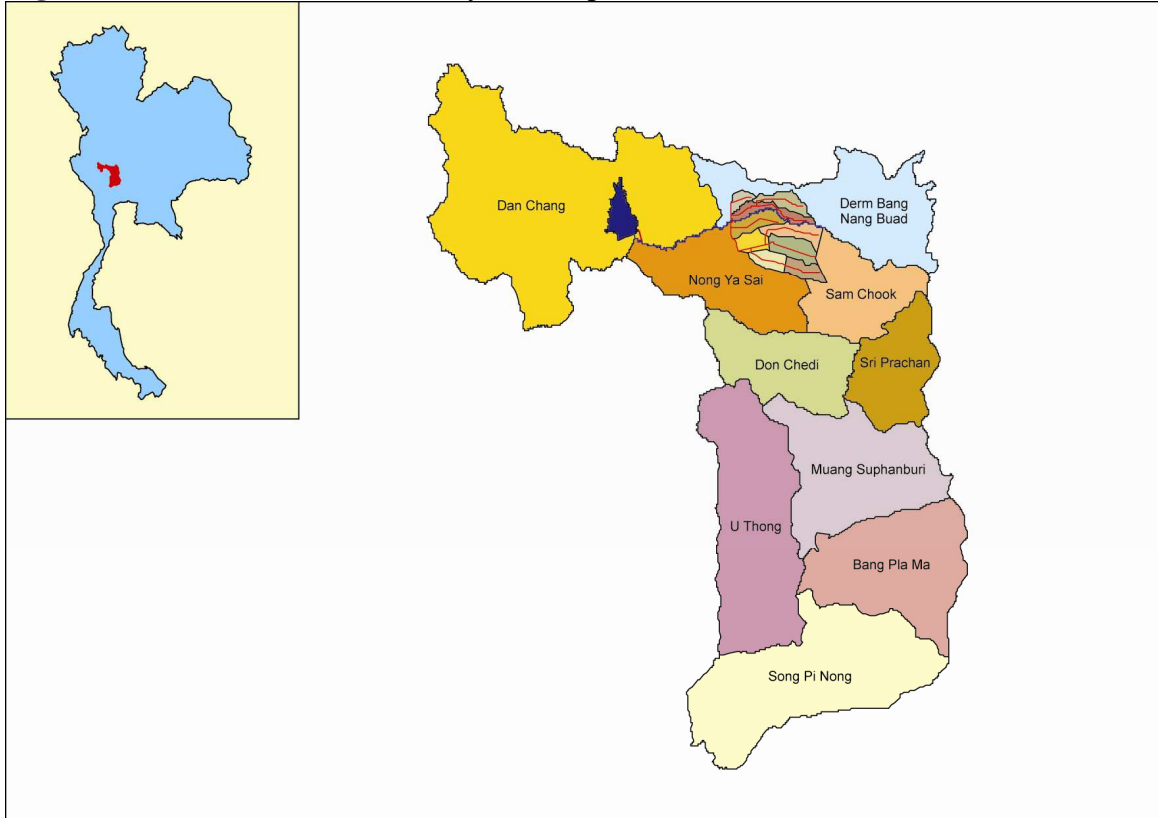
Discussion and conclusions

Instrumental learning significantly relies on personal experiences in order to control and manipulate the environment or other people to meet an objective. The nature of an agricultural career is inherently empirical and guided by the principle "the better the observer, the greater the success in farming." As the data revealed, PIM implementation explicitly creates opportunities for instrumental learning among PIM associates through PIM activities such as WUO and JMC administration, WUG meetings, IWUG committee meetings, IWUG general meetings, JMC meetings, water allocation, maintenance tasks, training sessions, and study tours.

Communicative learning can be achieved through rational discourse, which as a part of free, full participation in an empathic dialogue. PIM activities undoubtedly contribute to communicative learning among local farmers. It is apparent that IWUG general meetings and JMC meetings are forums which create a meaningful dialogue by fulfilling the ideal conditions for discourse (Mezirow 1994: 2000) including: accurate and complete information; freedom from coercion; objective assessment; openness and empathy to alternative points of view; ability to critically reflect one's belief; equal opportunity to participate; and readiness to accept an emerged consensus.

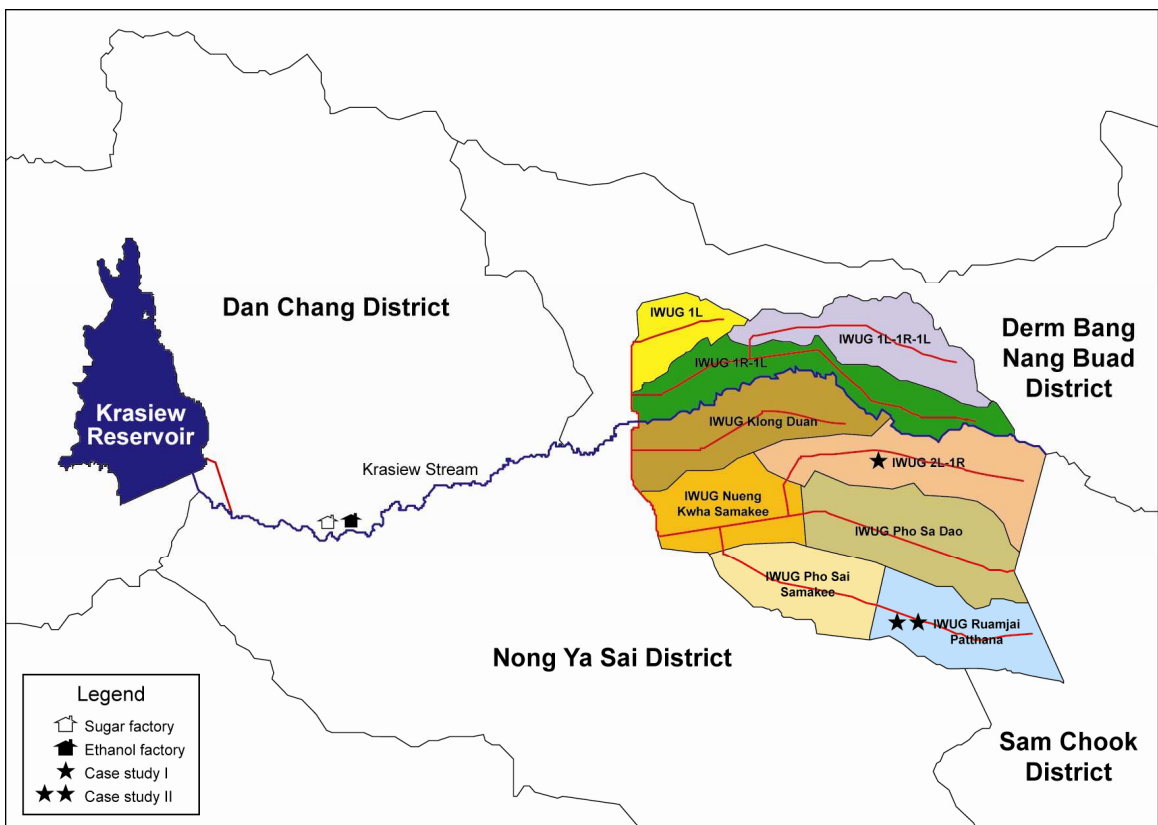
At the IWUG general meetings and JMC meetings, staff at the Krasiew Operation and Maintenance Office provides accurate and complete information to every stakeholder in order to allow for proper decision-making related to water management. The IWUG and JMC presidents not only encourage meeting attendants to voice their opinions but also introduce open discussion at the end of the meetings to offer equal opportunity for participation. Having an opportunity to listen to issues of other relevant parties at the meetings develops a better understanding of the interests of others, thus initiating mutual learning among stakeholders. Such mutual learning leads to jointly seeking a solution to maintain the optimal benefit for every stakeholder.

Figure 1: Location of the case study site (Suphanburi Province)



Source: Author

Figure 2: Location of case study settings at the Krasiew Reservoir



Source: Author

Table 1: Instrumental learning outcomes through PIM implementation and operation of two case studies

Primary category	Secondary category	Grounded themes
Instrumental learning	Obtaining skills and information	<ul style="list-style-type: none"> - PIM concept - Water information - Crop information - Water and cultivated management at a ditch level - Ditch drainage technique - Canal delivery technique - Ditch excavation - Water management at canal level - Teamwork skills - On-farm water management
	Using political, legal, economic, social, or administrative procedures	<ul style="list-style-type: none"> - Social norms - Equal information - Conflict resolution - Power balance - Acknowledgement of a meeting resolution - Devolution - Water management by groups and cost sharing
	Determining the cause-effect relationships	<ul style="list-style-type: none"> - Having faith in local leaders - Water saving - Pesticide saving - Ditch layout design - Uncooperative water management - Loss of trust
	Task-oriented problem solving	<ul style="list-style-type: none"> - Water leakage into a plot - Problem solving in an IWUG - Water drawn to outside irrigation areas - Building acquaintanceship - Information distribution - Water delivery checks - Two IWUGs in one canal - Seeking water supply - Problem solving outside irrigation areas - Water allocation approach outside irrigation areas

Table 2: Communicative learning outcomes through PIM implementation and operation of two case studies

Primary category	Secondary category	Grounded themes
Communicative learning	Understanding an issue at hand	<ul style="list-style-type: none"> - Water information and problems in the area - Fellow farmers' situations - Water sharing - Finite water resources - Water delivery techniques - Water delivery pattern
	Gaining a more critical understanding of themselves or situations	<ul style="list-style-type: none"> - Superior attitude - Poor information distribution to farmers - Lack of information sharing among RID staff - Past PIM failure - Current PIM success - Irrigated water management - Rural society - Community learning - Water crisis
	Insight into the interests of others	<ul style="list-style-type: none"> - Human nature - Farmers' behavior - Expectation from fellow farmers - Water taking practices - Caring response
	Communication strategies and methods	<ul style="list-style-type: none"> - Benefit sharing - Value sharing - Attending meetings - Fact explanation - Negotiation on water delivery - Every opinion welcome - Seeking a mutual agreement - Compassionate communication - Using different communication methods with different groups - Building rapport - Greet first
	Comparative reflection	<ul style="list-style-type: none"> - Public irrigation staff - Water service - Theoretical-based water management - Study tour benefit - Sustainable water conflict solving

Social action contributions aimed at achieving more sustainable water practices among local farmers are ignited by a number of factors including: recognizing human dignity to initiate a sense of ownership; compassionate communication to develop a sense of solidarity; learning that the Krasiew Reservoir is a finite water source; learning the cause-effect

relationships of saving water and other social and ecological benefits such as water for the next crop season; learning to obtain technical skills and test new-found practices for achieving more sustainable water management; and self-experiencing the 2005 water crisis in the irrigation areas as captured in Figure 3.

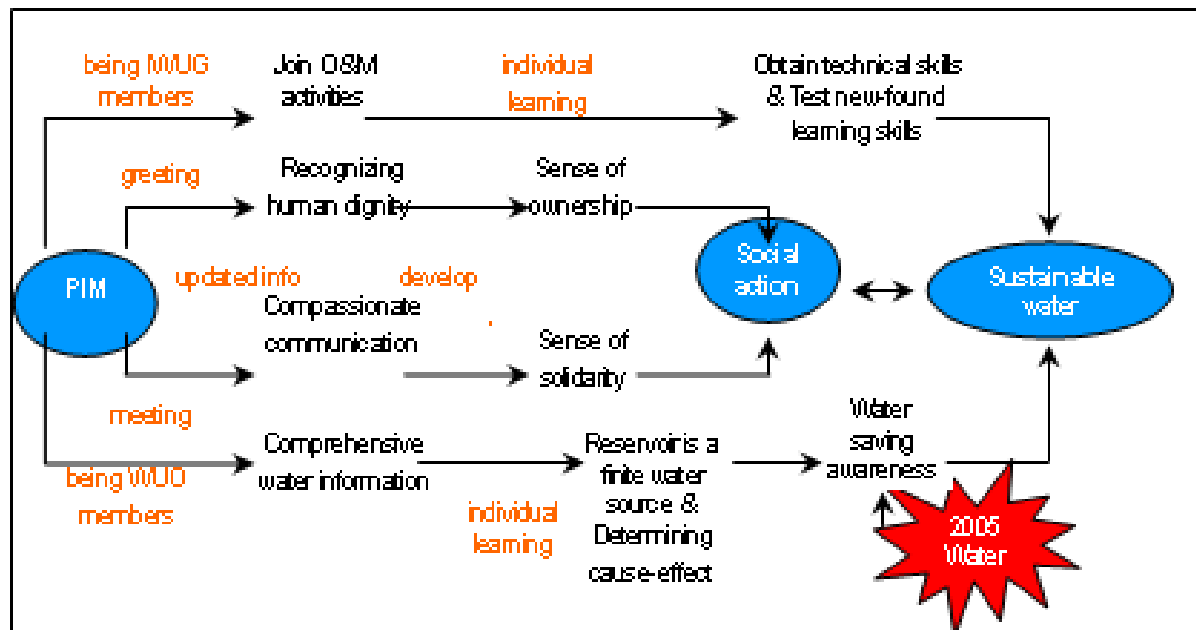
Treating local farmers as valuable personnel by means of, for example, greeting farmers first at the meetings by public irrigation staff, welcoming every opinion at the meetings, and distributing equal information to relevant parties helps farmers feel like they belong to the meetings and PIM initiatives. This generates a foundation of trust and self-esteem among individual farmers, as affirmed by a comment on basic needs of human beings, "[R]ise out of our deep vulnerabilities, our deep dependency on others and our need for acceptance and love, for belonging, for a sense of importance and worth, for a feeling that we matter" (Covey 1990: 100).

Regular updated information from public irrigation staff at the meetings or training sessions additionally validates the fact that farmers are key players in irrigation water management and therefore instill a sense of ownership among local farmers. Recognizing human dignity and initiating a sense of ownership are imperative to promote powerful actions as recommended by Reynolds (2009), "To generate a work environment that brings out the very best in people, you simply must get back to treating people as if they matter" and a zoneman, "The first vital step is to formulate a sense of ownership among farmers as well as to develop trust between zonemen and farmers. Once those senses are established, every action needed to reach a common goal will easily follow" (Informant No. 99, pers. comm.).

In a meeting, farmers who are treated respectfully by public irrigation staff react to others also in a respectful manner. They are more patient to listen to diverse points of views and willing to learn different perspectives from fellow farmers which contribute to compassionate communication. The process of compassionate communication is explained by Reynolds & Ballard (2007: 7), "[W]hat happens when a person stops judging and starts connecting. Compassion creates a real possibility for what can happen in all human interactions, when a simple willingness to understand brings about a life-altering shift in perception" and Rosenberg (2003: 3):

"[Nonviolent or compassionate communication] guides us in reframing how we express ourselves and hear others. Instead of habitual, automatic reactions, our words become conscious responses based firmly on awareness of what we are perceiving, feeling, and wanting. We are led to express ourselves with honesty and clarity, while simultaneously paying others a respectful and empathic attention. In any exchange, we come to hear our own deeper needs and those of others."

Figure 3: Diagram of how PIM leads to social action aimed at achieving more sustainable water practices



Source: Author

Starting to communicate compassionately among local farmers develops a sense of solidarity that furthers social action:

Remembering that there is a heart that beats within every single one of us. Compassion calls the heart of the matter forth in ways that are beyond our human understanding. How compassion works is a mystery, and when we put it first, there is a range of possibilities. Compassion for ourselves and for others turns "me" into "we" and the magic of love returns to our opened hearts, once again (Reynolds 2009).

Staff at the Krasiew Operation and Maintenance Office continuously provide farmers with complete information about the Reservoir's water supply and demand. This relevant information helps farmers learn that water at the Reservoir is limited, thus creating the cause-effect relationships to saving water for the next crop season for their own benefit. Being a WUO member, farmers also obtain technical skills and have a chance to test new-found learning skills of how to allocate and deliver water adequately in order to make the best use of available water.

According to Mezirow (1995, 2000) a life crisis is acknowledged to be one out of ten steps to transform one's belief. The 2005 water crisis, which badly affected cultivation in the irrigation areas, proved that the water supply in the Reservoir was limited and that water shortages were possible. A sense of water saving among local farmers consequently has been sparked, as agreed by Covey (1990: 241), "Survival would be your only motivation. . . . This is one of the greatest insights in the field of human motivations: Satisfied needs do not motivate. It's only the unsatisfied need that motivates."

In conclusion, PIM facilitated social action for achieving more sustainable water practices at the case study sites. Social action is fostered by the recognition of human dignity and compassionate communication that develops a sense of ownership and a sense of solidarity. The notion of sustainable water practices among local farmers is spurred through learning that the reservoirs water resources are finite and self-experiencing the 2005 water crisis in the irrigation areas. The practicality of sustainable water practices can be tested and adjusted when farmers join operation and maintenance activities under PIM implementation.

It can be said that people learn from a real and meaningful project (Wiessner and Mezirow 2000) by engaging in an interactive action (Marquardt 1999). The lessons learned demonstrate the inherent potential of marginalized Thai farmers, who are capable of directing their own water service delivery. The lessons also illustrate the proper role of public irrigation staff as organizers who arrange the ideal conditions for promoting the meaningful dialogue in PIM discussion, thus facilitating mutual learning among stakeholders. Opportunities from PIM help reinforce the recognition of farmers as valuable people in the local farming communities who are the foundation of Thai society.

Acknowledgements

The author would like to express her thankfulness to farmers and public irrigation staff at the Krasiew Reservoir for their time spent in interviews and providing information for this study. Her deepest gratitude goes to her advisor, Professor Dr. John Sinclair, Natural Resources Institute, University of Manitoba, Canada, for his endless support in this research. I also wish to acknowledge the financial support of the Agricultural Research Development Agency of Thailand and the Social Sciences and Humanities Research Council of Canada.

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Cittaslow International Network: An Example of a Globalization Idea?

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Abstract

The strong dynamics of the development of the International Assembly of Cittaslow Association development (which now focuses not only on European cities, but also on centers located on other continents), has led to discussions about the place of the Cittaslow concept in the modern world and the relationship between the phenomenon of globalization and the Cittaslow development. Research conducted in the cities belonging to the Polish Assembly of Cittaslow Association provided an opportunity to examine the problem not only on the overall scale but gives also an opportunity to respond to this issue on the micro level - the level of individual consciousness of city dwellers. It appears that the original idea has taken on new meanings and serves as a response to the negative effects of globalization. It has acquired a transnational character and now is setting new global trends.

Keywords: Cittaslow, Slow City, tourism, sustainable development, International Assembly of Cittaslow Association, globalization, territorial marketing.

Introduction

"Globalization can be used as a tool even if we want to become individualistic!"

Case Study Citta Slow Movement, Ludlow, UK

The presented subject of study is the result of the authors' reflections which have arisen in the course of their several years' research devoted to the dissemination of the Cittaslow idea in small towns. It is a relatively new idea based on the 'Good Life' concept which answers the need of many people seeking an alternative for a blistering pace of life in a large number of urban agglomerations. E. Grzelak-Kostulska and B. Hołowiecka (2011) consider the concept very important both for the local residents and tourists on whom the residents of Polish Cittaslow pin very high hopes. It is worth mentioning that this initiative originally stemmed from the local communities of four Italian cities which quickly gained larger membership, encompassing an enormous territory and becoming institutionalized. For that reason it is interesting to analyze Cittaslow development in the context of globalization. On the one hand we can use a sociological perspective, focusing on the place occupied by the local community in the contemporary world. On the other hand the current literature provides more information

about global tourism trends, growing awareness of recreation and its role in human health, increasing importance of ecotourism and cognitive tourism in which individual activities play a crucial role. From this point of view the conditions created for tourism development in the investigated cities seem to match these new trends. Last but not least, we also have to include an economic perspective. In this dimension it is possible to evaluate the Cittaslow concept in the context of the small-size cities adaptation to the new global conditions of competitiveness (the network effect).

The plurality of interpretations proves once again the highly complex nature of the globalization phenomenon. However, the authors' intention is not to draw attention to this simple fact. The guiding principle of this article is to analyze a new cultural phenomenon - Cittaslow - and its institutionalized form the International Assembly of Cittaslow Association. Special emphasis is given to the investigation of the three perspectives, which have been presented above, and their mutual relation; besides, the authors would like to provide a coherent framework for understanding a convergence within local activities (frequently focusing on local promotion) and the phenomenon of globalization.

An additional incentive to undertake these studies was the observation that the term 'globalization' is often used only to underline the unpredictable effects of globalization rather than global initiatives and activities (Bauman 2000: 72). With our paper, we would like to contribute to a change in emphasis within globalization studies.

International / global network of Cittaslow

According to the Cittaslow International Charter (2009), Cittaslow are 'non-profit entities and their objectives are to promote and spread the culture of good living through research, testing and application of solutions for the city organization'. The association disseminates sustainable development principles in cities and offers suggestions on how to limit the negative effects of globalization in terms of the pressure for uniformity and standardization. As it can be seen in Tab. 2, Cittaslow represents an alternative path of development. These considerations allow us to underline the fact that more often than not the philosophy of Cittaslow is treated as a base for differential actions in many cities, not only in the smallest towns (Knox 2005; Mayer and Knox 2006). It certainly proves the great potential of this concept which constantly finds new followers.

Table 1: Main characteristics of Cittaslow (Slow City) towns (Imbroscio 2003)
Comparing Corporate-Centered to Alternative Urban Development Agendas

Agendas	Corporate-centered mainstream	Alternative
Characteristics	Homogenized	Idiosyncratic/asset specific
	Single imperative	Multiple imperatives
	Inequitable	Equitable
	Industrial	Craft
	Standardized	Customized
	Corporate	Grassroots
	Unsustainable	Sustainable
	Copied	Authentic
	Low quality	High quality
	Replicable	Asset specific
	Intensive to local history, culture	Sensitive to local history, culture
	Fast	Slow
Examples	Urban mega projects	Community economic development
	Smokestack chasing	Slow City

It is also useful to have a look at the dynamic nature of the International Assembly of Cittaslow Association development. It embraces a growing number of cities not only in Europe but also on other continents. The Cittaslow movement was initiated in 1999 by Paolo Saturnini who was the mayor of Greve di Chianti in Italy. Therefore it explains the large number of Italian cities participating in the project (68 to be precise). During the course of the last three years the number of cities involved in the network has increased by half (to 147 cities in June 2011), and several hundred other cities from all around the world asked the organization about the conditions of accession. The territorial span of the association now encompasses Europe, Australia, New Zealand, South America, South Korea, Canada and the United States. In Poland, the Cittaslow concept is relatively new. This concept is being implemented by several Polish cities. On the 12th of July 2004, the International Association of Cittaslow Cities was joined by the first Polish city (town) - Reszel, the next were Bisztynek, Biskupiec and Lidzbark Warmiński (2007), all located in the Warmia and Mazury voivodeship. Murowana Goślina (the Wielkopolska voivodeship) and Nowe Miasto Lubawskie (the Warmia and Mazury voivodeship) were the last ones to join the network (in 2010).

The Network chooses towns with less than 50 thousand people who are committed to work on the improvement of the quality of life for its residents. Nevertheless, joining a group of Cittaslow cities is only possible when candidate cities meet several other requirements. They relate to different areas, from environmental to infrastructural issues and those associated with people's consciousness. To achieve the appropriate state of the natural environment, an environmental policy (as indicated in the criteria for acceptance) is designed to include a system of evaluation of the quality of air, water and soil, which would support the development of alternative energy sources. The desire to create public green spaces, the restoration of the original conditions of the historical urban development, the urban infrastructure development conducive to comfort and functionality of living and the creation of architectural space for disabled people are required in the field of urban infrastructure. The requirements associated with the production and promotion of the local products are related to the following activities: the certification of quality of artisan and handicraft products, the development of programs aimed at the protection of artisans and/or endangered handicraft products, the protection of traditional methods of work and professions, the promotion and preservation of the local cultural events, or the compilation of annual inventories of the typical local products (Cittaslow International Charter 2009).

The promotion of tourism is the most significant step, including properly understood hospitality (cities participating in the network require training for providing tourist information and offering hospitality), the use of international tourist signs (providing both tourist facilities as well as printed materials), and the introduction of additional elements, such as facilities policy. It is very important to assess information and services (especially during planned events), to prepare the "slow" city tours (brochures, websites, homepages, etc.), to notify of the available transparent prices and rates for external suppliers.

Moreover, cities associated in the network express their consent to continue their involvement in the development of projects in the designated areas and also in the elaboration of parameters influencing the improvement of the existing living conditions. Cittaslow proposed many mutual initiatives for the partners. These include: projects for the protection of local products and crafts, training in nutrition education, efforts undertaken in order to extend the pedestrian area, monitoring of air quality, promoting construction in accordance with ecological requirements, regulations on construction techniques, or standardization of the overhead electromagnetic installation (Cittaslow International Charter 2009).

Each of the cities belonging to the network is implementing the principles described above in the way most convenient for itself, for example, Italian Chiavenna focuses on the evolution

of a dying craft, Orvieto is a pioneer in the implementation of alternative transportation, and Hersbruck and Waldkirch in Germany have developed innovative programs for the cooperation between local farmers and restaurant owners. It is worth emphasizing this fact because this issue is certainly a crucial way to avoid the trap of homogenization of cities belonging to the network. In doing so, with the full participation of local authorities and communities, these cities have the opportunity to support and promote local crafts, restaurant owners or social initiatives without losing the unique nature of the place.

The strategy is therefore aimed towards creating a people-friendly city where 'life is calmer', primarily thanks to low crime, sufficient recreation opportunities and residents living in harmony with nature. What seems important is the fact that Slow City promotes the use of new technologies in order to transform small cities into the perfect place to live and relax. According to the initiators of the Cittaslow concept, Slow Cities satisfy real demands of the post-modern societies living in a globalizing world and tired of constant competition. As Heike and Mayer suggest, the organization 'was created as a response to globalization.'

The Cittaslow idea from different perspectives

Economic perspective

The new phase of globalization which has been triggered by the development of information and communication technologies (primarily the development of the Internet starting with the mid-90s of the twentieth century) confirmed the predictions about the growing importance of network structures. The economic and social (cultural) processes of the network structures are a new phenomenon in the qualitative changes in the rules of the world and of the international economic competition (Błasiak 2007: 148-156). One can consider the spread of the Cittaslow network as an expression of the need to look for new incentives for economic development, including the joint marketing of the city. Its aim is both to meet the needs of local communities and to attract people to cities and businesses, ensuring the future development of the city and improving the living conditions of the population. Its importance increases with the growing concern about the depopulation of small towns. The term 'city branding' (known in the trade literature) means the ability to choose and strengthen the position of the city by creating a specific image, which is a source of both economic and symbolic value.

The reinforcement of its position and achievement of a competitive advantage through this process can be accomplished with the help of the systematic implementation of a series of events and projects affecting the development of individuals through the transformation of values and benefits and increasing the welfare of the local community. The result of this process should be the improvement of the status and prestige of the city as a tourist, residential and business location (Lutek and Szczepanski 2007).

Increasing the attractiveness of the city, not only by the Slow City concept, strengthens its brand. The attention is increasingly drawn to the necessity to maintain or build a unique and unrepeatable nature of the place. The problem of the loss of uniqueness in the globalized world, especially common in large urban centers, can also concern small towns. Thus in branding activities the cities try to come up with a unique selling proposition which differentiates the group of products in the given category from all others.

An intriguing question therefore is how international cooperation functioning on the basis of a set of rules defined in detail can guarantee the uniqueness of cities, rather than lead to their homogenization. The answer to this question is certainly not simple. It seems that many of the Cittaslow cities have a chance to find their own individual path of development, such as the Italian or German towns mentioned earlier. This path is of course determined by the Cittaslow concept. In spite of the changes, it can be assumed that there is a place for the city's

own character. Nevertheless, the main problems are connected with the commitment, creativity and innovation of the local community.

Certainly, by adopting the concept of Slow City as a ready-made, top-down project may lead to homogenizing results. In this case, the idea may not be accepted, because in all probability the involvement of the local community will reach a low level, and without it it is difficult to expect the success of the project. Therefore it is important to include the inhabitants in the process of creating their own town.

The idea of Cittaslow and global trends in tourism

As it was mentioned before, the idea of Slow City intended to increase the attractiveness of the place to reveal its unique character corresponds to the development of the tourist function of small towns. To appreciate the importance of "slow" initiatives relating to these issues, one should pay attention to the global trends shaping the modern development of tourist services and hazards that are associated with their excessive development.

In the modern world the concepts of globalization and tourism are strongly linked. 'Shrinking time and space' has caused further transformations in various aspects of life, 'mobility turns out to be the most valued and desired value' (Bauman 2000: 6). There is a certain reason for the relationship between tourism and globalization. 'People are tired of the anonymity of social life and travelling, of looking for places and communities that live according to clear rules, even where people could experience the illusory sense of community' (Dabrowska 2006b: 17). The latest trends in tourist demands indicate a growing interest in cognitive tourism aiming to explore places of historical importance where a tourist can relax from the hustle and bustle of civilization and rest in harmony with nature.

The scientific literature also pays attention to the increasing role of tourist facilities which provide specific experiences and cause the changes observed in urban and cultural tourism (Dabrowska 2006a: 26-27). Thanks to the growing importance of cultural tourism culture has become a key component of tourist programs being developed in the ethnic, alternative and urban tourism (Gaworecki 2003: 27). Therefore one may claim that the recent trends fit very well into the Cittaslow concept or that the idea is suitable to meet the needs indicated by these tendencies. The Slow City tourist can expect to arrive at a place where the restoration of historic buildings, local crafts, art and culture (festivals, fairs, etc.) are promoted. A great importance is given to the environment and Slow Cities also offer a unique atmosphere.

Unfortunately, there are also concerns about the excessive and uncontrolled influx of tourists. Certainly, the management of the historic city center which is a leading tourist destination can pose a big challenge. Fernandez writes (2007) that this city type suffers from losing their residents that leave the center. Their houses are turned into hotels and guesthouses, thus their functionality is put in the forefront. As a result, it loosens social ties and the place loses its former character. Therefore it is necessary to highlight a sustainable development in these cities.

The concept of Cittaslow from the local community perspective

The concept of globalization is often contrasted with the concept of locality. Generally we have to agree with Bauman who argues that "in the global world the locality is a sign of backwardness and degradation because more frequently it seems to be a senso-creative and interpretative activity as the control of this activity is limited" (Bauman 2000: 7). On the other hand "globalization and mass culture have launched - paradoxically - the demand for various local and individual identities on an unprecedented scale" (Golka 1999: 156).

Undoubtedly the emergence and the rapid evolution of the Slow City movement present a valuable evidence for the above claim but it is also difficult to disagree with Bauman's thesis. What is then the actual role of the local community in shaping the idea of Slow City?

However, before we come back to this question it is worth quoting some results of the research conducted by the authors in the Polish cities associated with the International Network of Cities (in-depth description of methodology and obtained results are presented in the paper entitled: 'The influence of branding activities on the tourist function development of the selected towns belonging to the Polish Cittaslow network'. Its purpose was the following: to understand the local resident's perception of Slow City, assuming that this is an important objective indicator of the success of the efforts to create a new image of cities. The surveys conducted among the population of four cities (Lidzbark Warmiński, Reszel, Biskupiec and Bisztynek) revealed that almost half of the respondents (46.1 %) identify with the idea of Slow City (57 % of those who had a prior knowledge about Slow City and 30 % of those who had never heard about it). About 15% accept the idea, but do not identify with it. A large group of respondents (approximately 30%) is constituted by those whose attitude to the concept is neutral (22% of those who had heard earlier about Slow City and 41% of those who had no previous information on this subject). Approximately 10% of the respondents have a negative attitude to the idea; particularly those who did not know the Cittaslow term. In this group, 9% regarded this concept as able to cause more harm than good. These answers and general knowledge of the idea are frequently correlated with some demographic characteristics of the respondents. Young people (less than 30 years old) much more often declare their acceptance of this idea (although there was a relatively high percentage of people - 20% - claiming that this was not an idea for them) than the respondents aged 60 years and more. Age also positively correlates with a negative evaluation of the project, with the exception of the oldest age category (60 years and more) where the lack of acceptance makes up a relatively small proportion of the population at a level close to the one established among younger respondents.

Declared views also largely depend on the level of respondents' education. A number of people identifying with this idea is presented in all categories of education, while the share of those indifferent to the idea varies substantially. Among the respondents with primary education, up to 17% are concerned about the negative effects of this concept. People with higher education more often declared that they accepted the idea.

The presented results indicate a rather low degree of community involvement in the concept of Slow City. Acceptance is accompanied in many cases with passivity or a demanding attitude - the request of the economic benefits with minimal involvement. Therefore is it possible to claim that we are dealing with the answer to the negative global effects or rather with the next global trend, more or less corresponding with the expectations of the local community?

Summary

Summarizing the above considerations we should return to the paradox mentioned at the beginning. First of all the Slow City idea may be certainly interpreted as an alternative vision of development, aimed towards preserving the precious local values. Looking at the genesis of the Cittaslow movement and its bottom-up nature we confirm this observation. Some doubts arise concerning the development of the observation networks, building its institutional forms, and its dynamics. There is no doubt that a global network is emerging through the growing information technology, which fits perfectly both in the global trends in tourism, marketing, territorial and transnational communities. It is worth raising the question of the future of this idea and its network. It seems that two paths of development can be distinguished: the first is the success of individual places, characterized by a competitive advantage based on their uniqueness; the second, the creation of distinctive places only in comparison with other places in the country. Still they will be very similar to the rest of the many 'other' cities in the

network which bear more resemblance to each other and were absorbed by the global trend. It is therefore dubious if it is possible to escape globalization.

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Contradictory Asia-Pacific Era Regionalism

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Abstract

There have been remarks on a new era associated with a shift of the center of global economy from the North-Atlantic to the Asia-Pacific region in connection with the developments in East Asia, most recently in India and China. The Asia-Pacific has sub-regional economic complementary potential while it is deeply divided in many aspects. The nature of this division makes the realization of 'Asia-Pacific century' a dreamscape to a large extent. The aim of the contribution is to shed more light on the limits of Asia-Pacific regionalism in juxtaposition with what has been called 'Asia-Pacific age'.

Key words: Asia-Pacific, East Asia, regionalism, globalization

Introduction

The developments in East Asia during the Cold War reflected also the US efforts to gain influence in the region against the spread of the 'communist threat'. This gave an impetus to the emergence of Japan as an economic superpower in 1970s, followed by a rapid industrialization of South Korea, Taiwan, Hong Kong and Singapore in the first stage, and Thailand, Malaysia, Indonesia and the Philippines in the second.

With the introduction of reforms by Deng Xiaoping, rapid economic development in China started after 1978. A successful integration of East Asian economies based on complementary export-based strategies labelled as the 'Asian miracle' took place - followed by the economic take-off of India during 1990s, as a further stage of Asian economic growth.

With the rise of China on the global scale, Japan's relative influence in East Asia declined while its efforts in promoting integration increased, with the USA behind. Since 1980s many observers have started to talk about Pacific and Asian eras as part of a larger rhetoric about the new 'Asia-Pacific age' and this debate is still seen as relevant (cf. Korhonen 1997).

The aim here is to discuss the limits of Asia-Pacific regionalism in the context of the so called 'Asia-Pacific age' or Pacific and Asian century, through an analysis of the theory of regionalism, literature review on regionalism in East Asia and Asia-Pacific, consideration of available data and analysis of political discourse. The text is a contribution to the fifth international conference 'The Scale of Globalization' held on September 8-9 2011 in Ostrava; it is based on the original contribution "Further globalization: the dawn of the era of Asia-Pacific?"

Globalization, Regionalism and the Tacit Dimension

Globalization is a much used tool to conceptualize the current events in the international political economy. The concept is widely used in both academic and non-academic discourses,⁸⁰ but in this paper, it is sufficient to use Veltmeyer's (2004) definition which views the current phase of international capitalism as qualitatively different from earlier phases and characterized by a shift in power from nation states to transnational actors. The simultaneous emergence of a knowledge society/economy and a network society, both enhanced by technological advancements, gave thus birth to the idea of "globalization" as we now know it (cf. Castells 1998, Neves, Rocha and Trindade 2008). These developments have made the world smaller while introducing new dynamics from micro to macro economy, local, nation-state, regional, and global.

In a knowledge economy all efforts are characterized by orienting activities towards the better use of knowledge, where important factors are intangible such as the human and social capital. This capital is spread through networks which – in order to endure – require personal face to face interaction and the creation of relations of confidence. This tacit knowledge (know how and who) can only be "transferred between actors who share the same norms and values and social contexts, characterised by a high level of social capital" (Neves, Rocha and Trindade 2008: 156.). The author of the theory of tacit knowledge, Michael Polanyi (1966), was - even in his time - an outsider in philosophical circles. Certainly there is no reference in his work to a knowledge economy, or to the international political economy in the form of regionalism. However, following the study of Neves and Rocha-Trindade (2008) concerning the Chinese business community's networking in Portugal, the tacit dimension should be present also in any process of regionalism, and not only interpreted as a confident building measure.

At the time when the end of history was announced (Fukuyama 1992) and the inevitable colliding of cultures made imminent (Huntington 1993), many observers declared a crisis in the theory of international relations when it failed to predict the fall of the Soviet Union. This raised the need to reconceptualise the world which would encompass an anticipation of the unanticipated especially after the 9/11 events. This was done for instance by Hettne and Soderbaum in 2002 (New Regionalism) and Amineh and Houweling in 2005 (Critical Geopolitics).

The surprise for theorists offered by the fall of the Soviet empire was of domestic nature. The idea of a "soviet man" formed by education and upbringing, proved itself not only naïve but also practically unsustainable. Critical Geopolitics on the other hand considers constructed identity failing as a social force impacting behavior. New regionalism again recognizes the continuing importance of the state while emphasizing the increasing political significance of subnational and non-state actors, not too differently from Veltmeyer's (2004) framework for globalization. Indeed, the Soviet elite fail to recognize the complexity and importance of not only the human, but also of the subnational agency.

For further disenchantment of globalization, its nature and relation to regionalism, Helge Hveem (1999: 104) offers three observations:

- 1) Regionalism is not simply a response to globalization, but is more often a matter of identity,
- 2) Regionalism is often but not always initiated by state institutions, whereas it is usually organised and managed by them,
- 3) Regionalism is not as a rule a stumbling-block to globalism, but could act as a stepping-stone.

⁸⁰ It has almost become a cliché to refer to the growing world economy as globalization. It is not a new concept; trade with faraway places has existed for the whole known history and the transborder mobility of labor and capital dates back to the age of exploration and the establishment of colonial powers (cf. Rodrik 2000, Woods 2000, Kohno 2000).

The past few decades, considering the above, have seen the strengthening of regional agreements all over the world as almost every country has joined some kind of preferential trading arrangement. Looking at the trade statistics of the 1990s it is easy to deduce that intra-regional trade is increasing (Tussie and Woods 2000: 66). It is also clear that the emerging regionalism affects multilateralism and the international trade regime.

This upsurge in regional activity can be explained in several ways (e.g. Amineh and Houweling 2005, Hettne and Soderbaum 2002, Vela 2001). First, the end of bipolarity has removed the significance of Cold War perceptions and divisions, causing a move towards tripolar or multipolar structures with a new division of power and labor. The relative decline of the American hegemony in combination with a changing attitude on the part of the US towards regionalism is another factor. The increased adoption of varieties of domestic neo-liberal policies is the third factor explaining new regional initiatives. Finally, the declining Westphalian system⁸¹ and the decreasing significance of territorial borders and the growth of interdependence and 'globalization' gave impetus for regional cooperation (cf. Breslin 2002, Hettne and Söderbaum 2002, Scholte 2000).

The complexity of multilateralism, localism, and regionalism is a challenge for theorists. Indeed, the world is complex and therefore only complex explanations should be sought - an understanding that is at the center of Björn Hettne's (1999, 2002) analysis, and further elaborated here.

Asia take-off to globalization

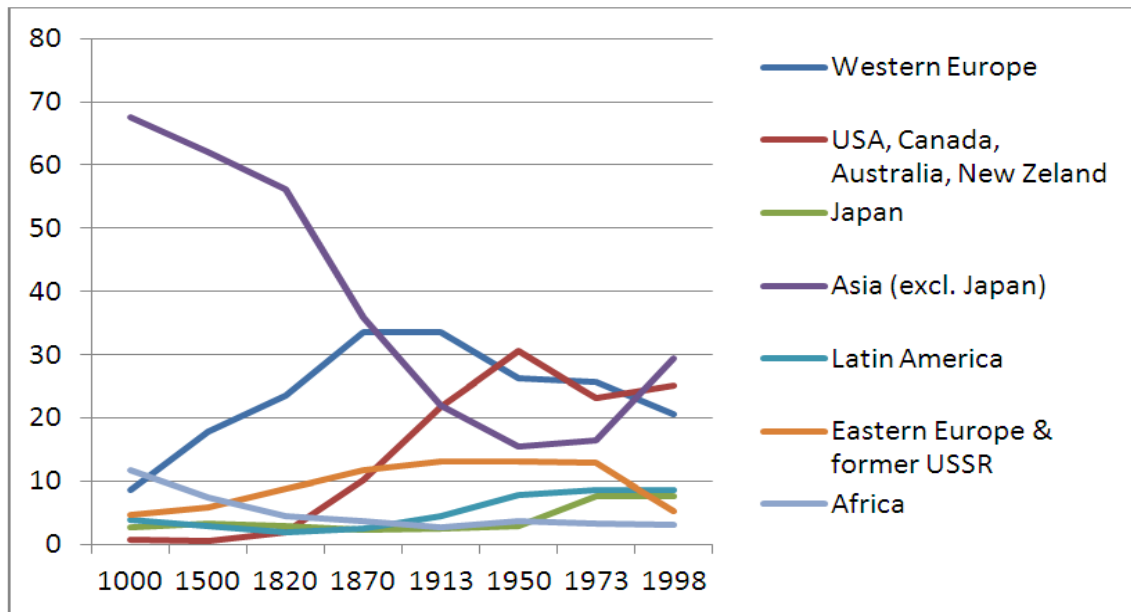
During the European Middle Ages, both India and China were considerable economic powers. With the discoveries of the 'New World' and the follow-up colonization, the regional relative share of global GDP turned positive for Western Europe. The Industrial revolution at the turn of 19th century left the Asian share considerably small comparing to the growing economic output of the West. The 'Eastern era' had thus been replaced by the 'Western era'.

Hence Western economic output fostered also by the industrialization of the USA resulted in the overall GDP output in favor of the West. Asian states were also colonized by European powers to a large extent, with the exception of Japan, which was able to reform toward industrialization and eventually colonise East Asia itself. However, after the Second World War, and with the introduction of international financial institutions vitalizing capital movements across nation-states, several countries in East Asia took action and reformed to start the industrialization process (cf. Bigsten 2003, Beeson 2007).

With the increasing introduction of market principles in East Asia, and later export based strategies accompanied with capital accumulation and outsourcing, Asian countries' total GDP started to catch up with the 'West' in terms of relative global production, as Figure 1 displays.

⁸¹ Main institutional agents in an interstate system of relations were thus nation-states. Online at: <http://encyclopedia.thefreedictionary.com/Westphalian+System>

Figure 1: Global GDP evolution, regional production share (based on Bigsten's data, 2003)



The gradual take-off of East Asia has been supported by the rise of the Chinese economy. This rise is the result of transformation of market principles under the doctrine of 'market socialism' in combination with massive FDI inflows into special economic zones (SEZ) that boosted vast industrialization and development (cf. Bigsten 2003, Beeson 2007, Peng 2000). Extensive production based on cheap labor turned China rapidly into the "world's workshop".

On the other hand, important attention in terms of economic development has been paid to India. Since the 1990s Indian economy underwent reformation making it capable to take advantage of investment opportunities in the transfers of global capital. With its comparative advantage of English speaking environment, India soon turned toward outsourcing industries, especially (IT) services -labelling it as the "world's back office".

Hence China and India have been gradually pushing the relative world GDP trend in favor of Asia. Recently this has been juxtaposed with a shift of the global center of economy from the North-Atlantic to the Asia-Pacific macro-region (cf. Quah 2011), and terms such as the 'Asia-Pacific age' (cf. Korhonen 1997) or the 'Asian (21st) century' (e.g. ADB 2011) have appeared. In these visions, Asia would take the global lead in geopolitics and economic development in the 21st century. India and China would play crucial roles in this vision as well as ASEAN (Association of Southeast Asian Nations), Japan, but also the USA with its strategic Pacific interests. Regionalism and multilateralism would be seen as goals merely for the power elites.

Conceptualizing Asia-Pacific Regionalisms

The demarcation of Asia-Pacific (APAC) is not clearly defined due to its overall ambiguity. Here the region spreads along the Pacific Rim approximately between cca 65° N and 50° S and between cca 60° E and 70° W in some parts. It includes the western coasts of the Americas, Pacific Russia, Pacific Asia (Northeast and Southeast Asia), Australia, New Zealand and the Pacific islands⁸². The APAC is of diverse nature stemming from a

⁸² Some (e.g. transnational multi-corporations in marketing strategies) include in APAC East Asia, Southeast Asia, Australia with Pacific neighborhood, plus South Asia (India). This

complicated history of nation-states, a great number of different cultures, political regimes, or socio-economical disparities resulting in very different standards of living. APAC also appears to face a certain degree of dualism in which the 'values' of Western Anglo-Saxon offshores (Australia, Canada, USA, New Zealand) are juxtaposed to what has been called the 'Asian values' represented by Pacific Asian countries. This cultural duality is a distinctive feature of APAC, not only in the socio-cultural but also the socio-economic arena.

Various initiatives for regionalism in the APAC arena have taken place in East Asia (Northeast and Southeast), as it represents a pole in the global tri-polar economic system. This pattern is displayed in the figure 3 using the 'core-periphery model', where the economic growth core and the complementary periphery stand at the forefront of the geopolitical background.

Figure 3: Core – periphery model for Asia-Pacific regionalism and the power projection of the USA (Aukia, Laš not dated, cf. Rumpley 2005).



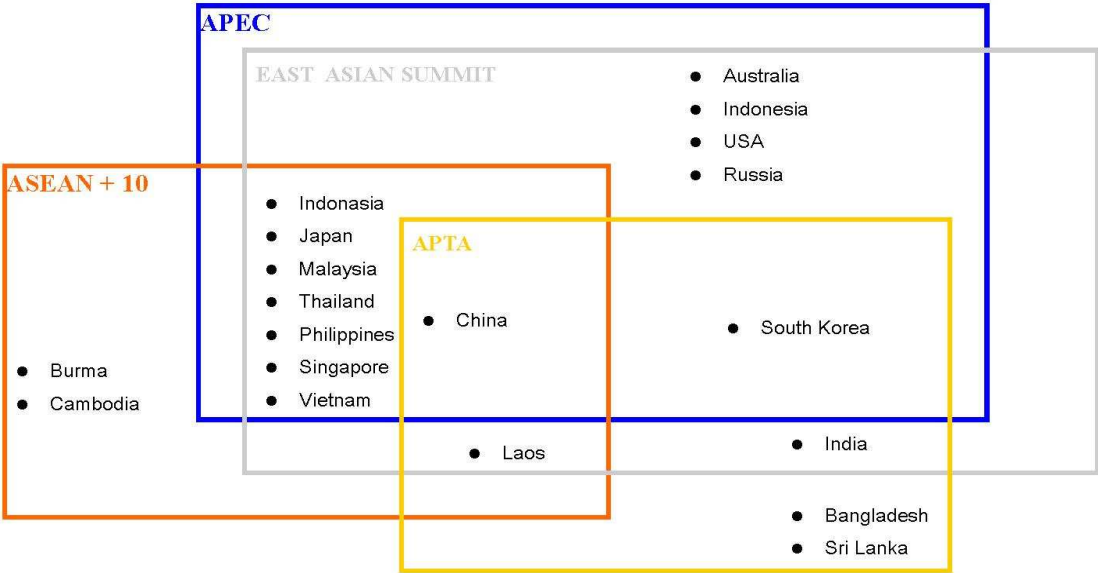
The figure displays Asia-Pacific economic growth core as an export region in East Asia primarily with China and Japan (and South Asia with India) being the growth core – the present global center of economy (cf. Quah 2011). The economic complementary periphery provides markets for imports (Western off shores), as well as resources (e.g. Australia) to the growth core. The construction stresses the principle of complementarity that weaves together economies into a complex unit that is itself an object to various forms of regionalism across the APAC. This open system is a part of the global economy and has been integrated gradually in compliance with the US strategic interests in the 'core' region - primarily East Asia.

The informal nature of East Asian integration (cf. Peng 2000, Beeson 2007, Caouette and Côté 2011) together with the role of nation-states however is a disincentive factor not only to a deeper integration in Northeast Asia, but especially toward a broader transcontinental integration. Over time, multilateralism has been replacing bilateralism in trust-building initiatives toward both East Asian and trans-Asia-Pacific regionalism. Furthermore, as Caouette and Côté (2011) observe, multilateralism has been redefined, mainly due to power-balancing in 'potentially dangerous environment' (as the prolongation of Cold War in East Asia is seen by many as still existing), and the gradual dialogue-building process conducive to the construction of norms. On the other hand, multilateralism as a trend is a stepping stone for regionalism (basically economic), leading to divisions even within East Asia, as can be seen in ASEAN + 3 (China, South Korea, Japan) regional grouping. In this grouping there are tendencies to exclude the USA, which might be a reaction to the long US presence in the

geographical constellation would rather refer to the Indo-Pacific region, with over 3.5 billion people on the surface of over 26 million km².

region. Nevertheless, future will show to what extent China and Japan cooperate or compete over the leadership in ASEAN + 3.

Figure 4: Selected multilateral regional groupings around the Asian growth pole (Aukia, Laš)



The Asia-Pacific arena is abundant in various broader integrative regional initiatives⁸³. Figure 3 presents selected promising regional groupings and relative engagement of actors – nation-states in the given multilateral groupings. Of interest is the central role of China, participating in all mentioned regional arrangements. However, the overall picture remains all but clear. The theoretical view of regionalism as a stepping stone between the nation-state and globalization is accordingly unconfirmed, but as a vast area the Asia-Pacific offers not too many options excluding the political rhetoric of the power elites to form a coherent region. Outside a sense of commonness, or what Caouette and Côté (2011), name the five Ss: "sense of solidarity, supporting each other, strengthening the group, sharing a common destiny, and jointly shaping the region", a tacit dimension is lacking to a large extent (cf. Polanyi). Furthermore in the emerging multipolar setting the US and China, and with strategically important roles of Japan and India, all are following their often contradictory interests. Therefore the dream of trans-Asia-Pacific partnerships decreases into a level of political rhetoric than real achievement, especially in other fields than trade.

The rise of India and China has been reconfiguring international relations worldwide, especially in the US and East Asia, mainly Japan. Regional cooperation helps in replying to the pressures of globalization, as experienced during the East Asian financial crisis in 1997/98. But the nature of the crisis also unveiled a division in the regionally integrated economies of East Asia, when China, Hong Kong and Singapore survived the crisis relatively well compared to Thailand, Malaysia, Indonesia, South Korea and Japan.

'Greater China' has even bigger potential to form trans-regional business networks in Southeast Asia than Japanese regional production networks in East Asia. Chinese informal approach and large and wealthy Chinese Diasporas throughout Southeast Asian countries (cf. Peng 2000, Beeson 2007) proved during the financial crisis in 1997 more flexible than other East Asian models of the developmental state.

⁸³ The purpose here is to make a reference to regional groupings in Asia-Pacific rather than listing them all.

Japan has taken steps to promote liberalization of international trade. The calling for Japan-Taiwan partnership⁸⁴ to 'help penetrate fast-growing Chinese markets' can be seen as a sign of regionalism, however having its limits. Taiwan is an important economic regional player with the recent melting relations across the Taiwan Strait. However the historical tensions and geopolitical state-of-affairs between China – Taiwan, and Japan (within the 'US Pacific crescent') preclude any exaggerated promising ideas for a complex ('new') regionalism. Though economy has always been a convergent platform, the area will remain an unstable political region.

Asia or Pacific century as objects of political rhetoric

Ideas about the Asia-Pacific age, as Korhonen (1997) puts it, serve as "a way of self-consciously constructing an idea of regional identity that might be used to encourage particular economic or political outcomes". In the literature two observations can be seen; trenches are drawn between the pessimists who see the region as a power shifting game in an unbalanced area, while the less negative view is concerned with positive institution building. However, considering an area sharing common values, economy and political ideas, the thought turns inevitably into regionalism. Nevertheless, this seems rather to be a part of a conscious political agenda and part of the rhetoric in international relations than a natural process of regional development. There's certainly nothing new in geographical entities and areas already in the pre-nationalism era engaging in commerce with their neighbors.

Especially the so-called Asian values have been very much under scrutiny, and criticised for being merely an idea, vision or indeed a part of the political and economic rhetoric. From the East Asian countries, Japan, South Korea and Taiwan have promoted their own successful models of political economy, not to mention the rest of the Asian tigers (cf. Beeson 2007). Interestingly China has shown less interest in promoting its model of differentiation of ideology and means, excluding recent academic discussion of the 'Chinese model' (Tao 2011). Also, many observers have emphasized the soft power use in Chinese foreign relations (Li 2009).

According to the prognoses made by the Asia Development Bank (ADB 2011), Asia's GDP (market exchange rates) would increase from \$16 trillion in 2010 to \$148 trillion in 2050, becoming a half of the global GDP. GDP share will correspond to the region's share of the global population and it will also correspond to the historical share in global GDP as mentioned previously in the case of India and China. With a per capita GDP of \$38,600 (PPP) Asia is expected, in 2050, to achieve incomes similar to those in contemporary Europe - it would have no poor countries (with the average per capita GDP of less than \$1,000), as today. All this assumes that Asian economies can maintain their momentum for another 40 years and adapt to the shifting global economic and technological environment by continually recreating their comparative advantage. The 'Asian Century' scenario essentially extends Asia's past success into the future, putting it on the verge of a historic transformation.

In contrast to the 'Asian Century', according to the ADB (2011) the 'Middle Income Trap' scenario is a more likely scenario considering regional ambiguity and competition for leadership. Accordingly, the converging economies of Asia would fall into the trap in the next five to ten years. In this case the Asian GDP would be \$61 trillion. ADB (2011) concludes it as a pessimistic scenario. Developing countries would not be able to compete with advanced global economies which would be a cause of polarization on the level of regional disparities⁸⁵.

⁸⁴ Taiwan, a de facto state, is "willing to participate in Asia-Pacific regional trade agreement" while it "plays an important role in integrating the region" as Ma Ying-Jeou, President of the Republic of China said (by Minamoto - Saeki in Yomiuri Shinbun 2011).

⁸⁵ The pace of progress of the High Net Worth Individuals (HNWI - high-net-worth individual (HNWI) having investable assets in excess of US\$1 million) suggests a great increase of rich individuals in the Asia-

Taking the above into consideration, it is difficult to believe in common Asian values, regional Asian coherence, and subsequently Asia-Pacific regionalism. The ASEAN project has shown some promises but like the Shanghai Co-operation Organisation or the Black Sea Economic Co-operation Organisation, little tangible has been achieved. Rather these have been interpreted only as single actor power projections (Shanghai Co-operation Organisation; China) or well-meaning but useless power struggles between different players with overlapping agendas (Black Sea Economic Organisation).

The only so far – stressing so far – somewhat meaningful example of regionalism is the European Union.⁸⁶ Although with its monetary cooperation drifting into troubles, it has had some success in maintaining peace and stability in the region while projecting its core ideas liberalism⁸⁷, democracy and human values to unstable neighborhoods of Europe. Back in East Asia, as Korhonen (1997) puts it: "(e)ven those countries that were ideologically aligned with the US were not necessarily enamoured of the sort of liberal, market-oriented capitalism that it promoted". Also for these reasons it is difficult to imagine any economic co-operation under the rubric of 'Asia-Pacific' in the theoretical model of regionalism without any deeper sense of informal values and ideas.

Conclusion

While the balance of global economy shifts from the North Atlantic towards the Asia Pacific, and especially East Asia, regionalism in its plurality takes shape in the area. However, attempts to mould a coherent regional cooperation lack a deeper understanding of the overlapping agendas of the main actors.

As the only state, the engagement of China in all relevant regional groupings can be seen as one example of its recent rise and activity in international relations. Other two main players, the US and Japan maintain an active role in East Asian cooperation, especially the former considering the area of special interest, since East Asia and Southeast Asia are the most important goals of present US power projection.

The multilateral form of the arrangements has gained some success especially regarding trade liberalization, but remains mainly on the level of power elite rhetoric. Regionalism has a potential to act as a relevant tool between nation-states and the pressures of globalization. However, like the present problems experienced in the EU, also the Asia Pacific area has its shortcomings in genuine mutual understanding of regionalism. The fact still remains; the contemporary era in global capitalism should be noted as the Pacific one.

Pacific arena. HNWI population growth in Asia-Pacific in 2008-2009 at around the world economic crisis was around 30% (cf. Capmegini - Merrill 2010), comparing to over global HNWI growth around 18%. Although this prospect supports Asian century scenario in a way, it also indirectly indicates on the widening of the middle income trap.

⁸⁶ The EU is in many aspects a paragon to East Asian integration.

⁸⁷ Cf. Nigel Farage, Co-President of the EFD group Strassbourg: "...funny that, isn't it? Here is Britain, the world's fifth trading nation, and you would have prohibited (EC), prohibited it from going in to World Trade Organization" (28. 09. 2011).

Online at: <http://www.youtube.com/watch?v=DnhnGyxFDgM&feature=related>

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The Actual Position of the EU in Conflicts Resolution in Georgia

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Abstract

Since August 2008, the EU has been given the main role in conflicts resolution and the peace building process in Georgia. Unfortunately its facilitation efforts have had unsatisfactory results so far. On the one hand, the EU's solid decision to respect Georgia's territorial integrity is in harmony with the existing principles of international law, on the other hand, such position hinders its acceptability as a mediator for the other parties to the dispute. Considering all these aspects, a better strategic plan is necessary to make the EU more involved in the conciliation process. In other words, the EU should deeper the existing strategic links between the conflicting-sides in order to strengthen its political stance. Moreover, the EU must establish interest-based approaches to its mediation efforts.

Keywords: European Union, Georgia, Russia, War, Mediation process

Appearance of the EU into the conflicts of Georgia

One of the top priorities of the EU's foreign policy is to maintain peace and stability near its border. In this regard, the explosive situation in the South Caucasus, especially in Georgia, draws a serious attention of the European states. How can the EU contribute to the stability beyond its borders? Moreover, what should the EU do to balance the existing disagreement and animosity between Russia and Georgia? The answers to these questions may define a productive role of the EU in conflict resolution in Georgia and generally in the South Caucasus.

The territory of Georgia has always been targeted by powerful states, due to its location as a transit corridor between east and west, but since the boundaries of the EU extended to the Black Sea Georgia's internal and external policy has caused a massive attention of the European states. The EU decided to actively support the processes of strengthening the peace and stability in that region. Such a plan, on the one hand could eliminate the messy and unstable situation in Georgia, which in itself could jeopardize the security policy of the EU and on the other hand, it could ensure the safety of those pipelines that reduce the dependence of European states on Russian energy resources (Alieva 2006).

In 1999, the Partnership and Cooperation Agreement (PCA) was signed between the EU and Georgia, since than several bilateral treaties have been signed by both sides. Georgia's intention to involve the EU into the negotiation process for resolving of internal conflicts of Georgia has always been rejected, because Russia was introduced as the only mediator of the dispute(International Crisis Group / ICrG 2006).Nevertheless, the EU could gain limited functions on conflict arrangements, for instance, during 2002-2006 the European Commission

monitored the mentioned conflicts by its Special Representative in South Caucasus (EUSR), but the functions of the EUSR were restricted (European Neighborhood Policy / ENP 2011).

In 2003, the regime change in Georgia drew the attention of Brussels and the EU adopted the European Security Strategy (ESS) which led to the inclusion of Georgia into the ENP in 2004. One year later, negotiations on the Action Plans for Georgia were held (ESS 2008) and it allowed the EU to strengthen democracy and implement the rule of law and human rights protection in Georgia. From the European perspective, it was necessary to make Georgia a rich and democratic European state in order to restore the confidence between confronted sides and achieve rapprochement among them (ENP2011).

The Action Plan also introduced a "soft" policy towards conflict resolution. Accordingly, the commission has implemented a number of less politicized projects in Abkhazia and South Ossetia financed by the ENP. Mostly, those activities covered the process of reconstruction in areas along the administrative border. It can be assumed that in so doing the EU would not alienate the main actors of the negotiation process (Civil Georgia Daily News 2011).

Soon after, Georgia tried to internationalize its frozen conflicts, with the goal of involving the EU, as a full member, in the Joint Control Commission (JCC)⁸⁸, but it was vetoed by South Ossetia. Nevertheless, the EU continued its confidence building program between the parties of the dispute. In 2006, the functions of the European Union Special Representative (EUSR) were legally expanded and gained a more political status. The EUSR has actively supported the OSCE and the UN in rehabilitation processes and so, became a "part" of the internal conflict settlement route.

Despite all these developments, the EU's mediation applied in these breakaway regions as a strategy for effective conflict resolution has been rather unsuccessful. This was due to the fact that the EU considerably lacked the credible civilian and most importantly military capabilities which were vital for the maintenance of a lasting peace and security.

The Georgian - Russian war and the EU's position

The EU's liberal approach to the conflict settlement could not keep pace with the conflicting parties and so the security situation deteriorated rapidly. The actions of Russia and the new government in Georgia were drawing the obvious war contours. The war in August 2008, between Russia and Georgia upset the post-Cold War security order. It must be emphasized that the EU immediately responded to this crisis, the French President Nicolas Sarkozy acting as a highly visible representative of the EU Presidency. On August 9, a ceasefire agreement was struck, consisting of three main conditions: cessation of hostilities, recognition of Georgia's territorial integrity, and discussion about the status of the separatist territories. Two days later, Sarkozy introduced his plan to President Dmitri Medvedev (Bardakı 2010).

The six principles of the peace plan were finally agreed on and drafted by Sarkozy and Medvedev. The document included, first, the non-use of force; second, cessation of hostilities; third, free access to humanitarian aid; fourth, withdrawal of Georgian forces to their normal bases; and, fifth, withdrawal of Russian military to the lines prior to the start of hostilities and the final section, call for international discussions on achieving lasting security in Abkhazia and South Ossetia (Independent International Fact Finding Mission/ IIFFMCG 2011).

The position to respect the territorial integrity of Georgia was left out in the final peace plan, because the French team saw stopping the war as a priority. On August 13 President Saakashvili after reading the agreement requested the removal of the sixth clause referring to

⁸⁸The Joint Control Commission was created in 1992. It consisted of four parties: Georgia, South Ossetia, North Ossetia, and Russia, the task was to supervise the ceasefire agreement adopted in 1992 and the negotiation process. It also had to coordinate the Joint Peace Keeping Force, which was composed by the Georgian, Ossetian and Russian troops.

talks on the future status of South Ossetia and Abkhazia and so he signed the modified agreement on August 15 during the visit of the US Foreign Secretary Condoleezza Rice. Medvedev accepted the document on August 16, but Russia did not start troop withdrawals immediately (IIFFMCG 2011).

Only a month later, Russia agreed to withdraw its troops from the Georgian territory surrounding South-Ossetia and Abkhazia. The rest of the pull-out was supposed to happen once an international monitoring mission was deployed. The Council of the European Union decided to create a monitoring mission (EUMM). On October 1, 200 EU observers were sent and placed in the Georgian territory outside of Abkhazia and South Ossetia. The main mission of these observers is to monitor the situation in the region: to observe whether human rights and the right of return are respected or not (IIFFMCG2011). The EU Council also nominated a Special Representative for the Crisis in Georgia, in addition to the already existing Special Representative to the South Caucasus. At the end of 2008, due to Russia's opposition, the OSCE mission in Georgia stopped its operations within the country; therefore the EUMM became the only institution which was observing the developments inside Georgia.

The EU established an independent international fact finding mission that would investigate the entire case. The commission was led by the Swiss diplomat and a former UN special envoy to Georgia Heidi Tagliavini and the group consisted of legal and military experts from EU countries (IIFFMCG 2011).

Together with the improved position of the EU in the Geneva talks, it promised to donate up to €500 million in aid to Georgia for the 2008-2010 period in order to undo the negative effects of the August 2008 conflict (Bardakai 2010).

Geostrategic importance of Georgia for the EU

The chaotic and unstable situation in Georgia does not really make the EU happy, although, the so-called "soft" policy of the EU towards conflict settlement in Georgia has failed; it still keeps trying to find a relevant way out of the existing problematic situation. There comes a question: is the EU's interest in Georgia simply motivated by neighborhood security and stability concerns? We can assume that the acceptance of Bulgaria and Romania into the European Union made the EU one of the holders of the Black Sea power to which Georgia also belongs. Furthermore, Georgia's Role in diversification of the energetic resources from Eastern Europe and Asia is vital and so, the EU's increased interests in conflict management are reasonable.

Nevertheless, Russia poses limits on the EU to act freely in this specific region. As it is known, Russia considers Georgia's territory as a part of its sphere of influence; as a result, it is almost impossible to resolve the conflicts without the active involvement of Russia in the dialogue. The EU can potentially play the role as a facilitator (Fischer 2007).

Theoretically, it is not difficult to turn a clash of interests into common ground. For instance, the stability and prosperity of Russia's neighborhood would also help Russia addressing the serious socio-economic and rule of law problems that Russia faces in the different republics in its own part of the Caucasus, but Russia sees the economically stable and flourishing Georgia as a threat to its national interests. In other words, Russia fears that other south Caucasian states could also leave the Russian sphere of influence.

Conclusion

Russia consciously ignored international law. First of all, Russia introduced various reasons to justify its armed intervention in Georgia. Kremlin argues that there was no other chance than to intervene in order to stop Georgia's aggression, ethnic cleansing, genocide, and war crimes against South Ossetians. Under the peace-keeping agreement signed by Boris

Yeltsin and Eduard Shevardnadze in 1992, it had to protect its own nationals and South Ossetians.

Although Georgia sent its troops to South Ossetia, it did not violate any existing international rules. Neither genocide nor ethnic cleansing conducted by Georgia against South Ossetians have been proved so far. Finally, the 1992 agreement authorizes only the monitoring of internal tensions, not a massive use of military force. Furthermore, Russia still does not comply with the six point agreement that was adopted by the belligerent parties on August 12, 2008.

Considering the aforementioned situation, the European Union must firmly and openly condemn Russia's unacceptable policy. Furthermore, the EU does have a number of mechanisms that can force Russia to respect the six point agreement. Only after that it will be possible for the EU to play a real and rational role in conflict resolution in Georgia. Europe must suspend all ongoing co-operation discussions with Russia, as long as the six point agreement is not fully respected.

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The Impact of Globalization on Cultural Policy: A Case Study of the City of Ostrava

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Abstract

The city of Ostrava is a place whose socio-spatial structure, urban life and culture have been heavily influenced by the totalitarian political regime and the centralised economy during the Communist period. The Velvet revolution brought the involvement in global structures which required a strategy to promote the image of the city of Ostrava on a global scale. The city participated in the competition for the title of the European Capital of Culture to improve its image, stimulate urban development and attract visitors and investment (culture-led urban regeneration) while engaging in many European cultural networks.

Key words: Globalization, culture, policy, Ostrava

Introduction

As the pace of trade liberalisation proceeds unabated, many countries have expressed an increasing desire to protect their national identity, values and beliefs through a range of cultural policies (Footer 2000: 2). In 1995 the UNESCO World Commission on Culture and Development forecast a global loss of cultural diversity, due to the homogenization of traditional cultures, as a result of the pressure of global markets. As a consequence of the increasing integration of the global economy, a greater number of places are drawn into the competitive environment and at the same time, the built environment, infrastructure and amenities in different places tend to become more similar. Harvey (1989) calls it serial reproduction.

Culture may be seen as the sum of the city's amenities that enable it to compete for investment and jobs, it is its "comparative advantage" (Zukin 1995: 268). The former industrial cities have needed "an aggressive redefinition of city identities and images" (Miles et al 2000: 5, cited in García, 2004: 317). This arguably explains the growing popularity of the competition for the title of the European Capital of Cultural as a policy tool in such cities which view the event as a unique opportunity to promote themselves on the global stage. Miles (2007) draws a parallel between the European Capital of Culture (ECoC) to the 'global city' that Sassen (1991, in Miles 2007) understands not as a material city in a conventional sense but unified by communications links between financial districts in cities such as London, New York and Tokio. These links produces a map which has little connection to the boundaries of nation-states but is coherent as a map of post-industrial production. Culture is a key means to remap the status of the ECoC candidate cities and a means to raise its profile (Miles, 2007, p. 126).

The city of Ostrava also competed for the title of the ECoC. Regardless of the result (Ostrava lost to Pilsen), a number of interesting developments took place which need a closer consideration especially in relation to globalization debates and the role played by local cultural actors in dealing with external forces. This article ties together a number of scientific papers which discuss various aspects of globalization and cultural policy. The main research methods for obtaining the data were observation and literature compilation.

Globalization and urban competitiveness

Cultural policymakers and administrators may find it helpful to consider globalization as a force that evokes a tension between homogeneity and heterogeneity in the dialectic of the global and the local (Dewey and Wiszomirski 2004). Massey (1991) claims that we need a global sense of local place. It can only be constructed by linking that place to places beyond. Globalization on the one hand contributes to a certain kind of homogenisation at the global scale, but on the other hand it does not always have uniform effects on all countries, regions and localities. Individual actors are searching for comparative advantages by exploring local differences and exploiting those which can significantly contribute to their competitiveness within the global market (Sýkora 1994: 1162).

In Europe, the process of economic globalization, along with the process of integration within the European Union in the last decade, has altered the function of the European urban system (Gospodini 2002). In this global urban system, European cities do not create a single hierarchy, but, rather, form overlapping and flexible hierarchies according to their particular performance in different sectors and activities (technologies, tourism, culture) as well as spheres of influence-regional, national and international (Grasland, Jensen-Butler 1997). That is the reason for the increasing competition among cities to improve their status in the hierarchies of the global urban system.

Culture-led regeneration strategy

Increasing competition among cities/regions stimulates a search for new development strategies. In the course of the transition from a manufacturing economy to a society based on consumption, the cities began to understand that the attraction of visitors, consumers, and human resources is needed to support the local economy (Richards 2000). With its ability to attract visitors and qualified human resources and distinguish destinations, culture is gaining a crucial role (catalyst and engine) in the urban regeneration strategy in the post-industrial period. Evans (2005) terms this approach culture-led regeneration strategy.

To achieve a competitive advantage in culture, a cultural policy should emerge to define the tools (institutional, legislative, financial, non-financial, marketing etc. - see Smolíková 2008) and strategies. The cultural policy should not aim to control culture, but should create more favourable conditions for the long-term development of arts and culture (cultural planning, Bianchini 1999), and their links with other development sectors (education, tourism, regional development, etc.). Cultural flagship projects, design and construction (or restoration) of buildings with different functional use, cultivation of public space, cultural programs and events/projects are examples of cultural regeneration activities (Evans 2005; event-led regeneration strategy – Richards and Wilson 2004; Paiola 2008).

Culture-led urban regeneration endeavors usually require a close collaboration among a wide range of actors involved in the management of such locations, from the private, public, and voluntary sectors. The ECoC event was designed in 1985 by the former Greek minister of culture Melina Mercouri to reflect the cultural positioning of the EU as a "unity in diversity" with each host city displaying its own local or national culture as well as the shared elements of European culture. To share the know-how and experiences, the network of European Cultural Cities was established. The Czech Republic is entitled to host the European Capital

of Culture in 2015 together with Belgium, one of the nominated cities in the competition was the city of Ostrava.

The development of cultural policy in the city of Ostrava

The city of Ostrava is a place whose socio-spatial structure, urban life and culture have been heavily influenced by a totalitarian political regime and a centralised command economy during the Communist period. After the Velvet revolution the transition brought an uncritical import of Western culture (McDonald's, KFC's, shopping malls with block-buster cinemas etc.) after many years of monotonous socialist consumption (Sýkora 1994). The involvement in global structures has given the city both positive and negative experiences. The main negatives were the lack of economic performance, the emergence and growth of unemployment connected with the closure of coal mines and the population decline. But the Velvet Revolution brought benefits as well, such as the renewal of private ownership (privatization, restitution) and a greater investment into the infrastructure. The city of Ostrava was also successful in attracting global foreign direct investments (e.g. Asus, Tieto).

Recently, the city of Ostrava and its districts founded several cultural facilities. In 2004, the Strategic plan of Ostrava was approved. It was the first official document dealing explicitly, albeit in a brief form, with the quality of life in the city in relation to culture. Nowadays, the city of Ostrava is commonly using marketing and financial cultural policy tools (Concept of Culture Development of the City of Ostrava 2009: 8). Providing grants as a support for cultural life is one typical cultural policy tool for Ostrava and bigger Czech cities (Brno, Ostrava, Plzeň), but there are many differences between the conditions and amounts which are allocated from the total city budgets (9% in Ostrava).

Ostrava always had negative image connected to its industrial past and bad environment. European cities are increasingly using cultural events to improve their image, stimulate urban development and attract visitors and investment. Ostrava adopted this development approach without any long-term cultural policy strategy and applied for the title of the European Capital of Culture 2015.

The idea to apply for the title of the ECoC 2015 came from the National Moravian-Silesian Theatre. But this idea did not receive a positive response from the city government. A big impulse for the candidacy was the visit of the city representatives in the German city of Essen in Germany which hosted the event in the year 2010 (Ruhr.2010). It needs to be emphasised that Essen is structurally very similar to Ostrava. The Cultural Commission of the City of Ostrava recognized the potential of culture for the development of Ostrava and the possible benefits of the project and supported the idea of the candidacy. The preparation for the candidacy started in 2007. A workgroup composed of the mayor and heads of relevant city departments (culture, investment and mayor's office), members of the Cultural Commission and the future members of the Ostrava 2015 team was established to create appropriate conditions for a successful start of the candidacy.

Although the entry into the competition was launched by the city, the following steps were in the hands of the team that had formed independently of the municipal authorities and municipal budgetary organizations. The company První veřejnoprávní s. r. o. owned by Čestmír Kopecký (director) received the public subsidy from the City of Ostrava to prepare the pre-selection bid. The objectives of the Ostrava 2015 project were based on the emerging Concept of Culture for the Development of the City of Ostrava for the years 2009 – 2015. The President of the Moravian-Silesian Region Jaroslav Palas and the Mayor of Ostrava Petr Kajnar signed a Memorandum on mutual cooperation and coordination for the preparation and realization of the project "Ostrava – candidate for the title of the European Capital of Culture 2015", thereby declaring openly their political support of the project. The Moravian-Silesian Region initiated a Memorandum with the Žilina region in Slovakia and the Silesian

voivodeship and Opolski voivodeship in Poland to promote the candidacy in the surrounding Slovak and Polish regions.

When advancing to the second round of nominations, the independent intermediary agency Černá louka s. r. o. was established by the city of Ostrava to prepare the second version of the bid and to facilitate the dialogue among cultural operators. Autonomy and a certain exclusivity paired with substantial financial resources and a strong political support are the important success factors of intermediate institutions (Slach et al. 2009). The strategic partner involved in the candidacy was the private company Vítkovice a.s. which participated in construction, artwork and other project activities.

Within two years, the intermediary agency had established contacts with international organizations and institutions. Links with former and future ECoC holders (Prague 2000, Graz 2003, Linz 2009, Ruhr.2010, Košice 2013, Mons 2015) were actively maintained to share experience and best practices. The Černá louka s.r.o. organized or participated on an extensive portfolio of cultural events to promote the candidacy.

In the end the competition for the ECoC title, Ostrava lost to the city of Pilsen. Nevertheless the city leaders in Ostrava declared further support for cultural projects but in contradiction with this statement the activities of the Černá louka s.r.o. were officially terminated on March 1st, 2011. We consider this as a step back in the cultural development of the city because we see intermediary agencies as the functional institutional tools of the culture-led regeneration strategy. Some of the cultural events that were established within the candidacy still continue but those are mainly the events that are imported and produced by cultural actors outside the city (The Month of Author's Reading, Ostrava Camera Eye) so the representation of local culture is very limited. What we suggest it to establish a team of people within the municipality or new intermediary agency to support the cultural activities with an emphasis on local specificities and to maintain/develop networks among cultural actors on the local, regional, national and international level.

Conclusion

A locality's brand or image, as viewed by outsiders, is an outgrowth of its economic, political and educational systems, in short its culture (Jaffe and Nebenzahl 2006: 9). Globalization has created an external environment whose impact has become crucial for the performance of local public bodies in Ostrava. To the current government system a new entity in the form of the intermediary agency Černá louka s.r.o. was added which has given rise to new networks and forms of cooperation for the realization of the cultural mega-event European Capital of Culture. The candidacy enabled Ostrava to participate in a Europe-wide network to produce another mapping of European urbanisation than that of national capitals or commercial centres (Miles 2007) and to compete for status globally. The most important public (the mayor, Cultural Commission of the City of Ostrava) and private (Vítkovice, a.s.) entities had been involved in the project including artists, cultural institutions and citizens. The process of urban development started with a high potential for the future when the tendency for urban serial reproduction (Harvey 1989) is obvious (e.g. the reconversion of industrial sites in the Ruhr region as an inspiration for the regeneration of the Lower Area of Vítkovice). Ostrava's candidacy for the title of the ECoC 2015 provided a unifying framework for the transformation of the city, which has been running since the 1990s. A considerable contribution of the competition is the fact that the political representation of Ostrava recognized the role of culture as a strategy to address urban problems and strengthen its competitiveness on the global stage.

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The Impact of Driving Forces of Globalization in the Area of Politics and Governance

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Abstract

The paper examines the development and dynamics of the globalization process in the area of politics and governance by means of analysing the impact of the driving forces of globalization on selected examples. It classifies and studies the impact of the driving forces of globalization in relation to their bearers (individual, group, or society) and the geographical scale of their impact (local/regional, continental/intercontinental, or global level). The study aims to outline potential theoretical starting points for further research on the role and position of individuals and groups in the process of political globalization and on the causes of differences in manifestations of political globalization at different geographical levels.

Key words: globalization, driving forces of globalization

This paper is a follow-up to the outline of the concept of driving forces of globalization published in 2010 (Mattová 2010: 25-33). The concept was refined by revising the list of the driving forces of globalization and by applying another two criteria of their classification (See Table 1).

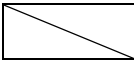
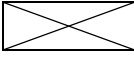
One of the possibilities how to develop the given classification is to take into consideration the bearer of the particular driving force of globalization. In general it is either a human being or nature who is the bearer of the driving force; therefore, the driving forces of globalization may be classified as social or natural. Most of the driving forces I have analysed are social ones.

Social driving forces may be further classified according to two other criteria. We can distinguish between individuals, groups, and societies and states. Primary needs are an example of a driving force arising out of an individual. Driving forces arising out of a group include, e.g., the desire for self-determination, desire for social and political rights etc. Driving forces arising from society or state, and thus originating in the aggregation of people in more or less ordered communities, refer to, for example, the need for regulation of international relations in various areas of social life or the need to solve different problems at the international level and so on.

Driving Force			Dependent on Territory					Independent on Territory					Local/Regional				Continental/Intercont.				Global			
			Period											Period										
			1	2	3	4	5	6	7	8	9	10	11	1	2	3	4	5	6	7	8	9	10	11
Driving forces arising from primary needs	Need for food	I																						
	Need to live in a secure environment	I																						
	Need for clothing	I																						
Driving forces arising from other needs	Need to increase labor productivity	I	X																					
		G	X																					
		S	X																					
	Aesthetic need	I																						
	Change of social relations	S																						
	Need for own protection in order to avoid threatening of security from outsides	S																						
	Economic-administration need	S	X																					
	Need to record ideas and events	I	X																					
		G	X																					
		S	X																					
	Lack of natural resources inevitable for further development of society	S																						
	Need for protection of property	I																						
		G																						
Need to solve overpopulation	S	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X		
Internal crises or political conflicts	S	X																						
Natural need for searching for new territories for settlement	G																							
	S	X																						
Need to regulate international relations in different areas of social life	S	X																						
Driving forces arising from requests	Appeal for help	I																						
		G																						
		S																						
Driving forces arising from interests and desires	Attempt in developing own economic and social interests	I	X																					
		G	X																					
		S	X																					
	Attempt to strenghte the power over the conquered territory	I	X																					
		G	X																					
	Spirit of enterprise	I	X																					
		G	X																					
	Desire for wealth	I	X																					
		G	X																					
	Desire for adventure	I	X																					
	G	X																						
Desire for glory	I	X																						
	G	X																						
Business interests	I	X																						
	G	X																						
	S	X																						
Power interests/desire for conquest	I	X																						
	G	X																						
	S	X																						
Law	S	X																						
Desire for freedom	I	X																						

unintentional activities or errors	carelessness of human beings or consequences of technical imperfection of human pieces of work																				
Driving forces arising from nature	Unfavourable natural conditions	N																			
	Natural catastrophes	N																			
	Pollution of environment	N																			

Legend:

- | | | | | | |
|----------|----------------------|---|---------------------------------------|-----------|---|
| I | Individual | Regional | Regional | 1 | 1st period of globalization (10 000 BC – 3500 BC) |
| G | Group | Cont./ Intercont. | Continental/ Intercontinental | 2 | 2nd period of globalization (3500 BC – 5th cent.) |
| S | Society/State | Cont./ Intercont. | Continental/ Intercontinental | 3 | 3rd period of globalization (5th cent. – 10th cent.) |
| N | Nature |  | Driving force does not operate | 4 | 4th period of globalization (10th cent. – 1500) |
| | |  | No data | 5 | 5th period of globalization (1500 – 1800) |
| | | | | 6 | 6th period of globalization (1800 – 1850) |
| | | | | 7 | 7th period of globalization (1850 – 1914) |
| | | | | 8 | 8th period of globalization (1914 – 1945) |
| | | | | 9 | 9th period of globalization (1945 – 1970) |
| | | | | 10 | 10th period of globalization (1970 – 1990) |
| | | | | 11 | 11th period of globalization (1990 – present) |

The second criterion in developing the given classification is the disposition or motivational source, on the basis of which a human being (whether as an individual, a part of group, society or state) becomes a bearer of a driving force. In this view, the driving forces of globalization may arise from primary needs (such as the need for food, shelter etc.) or other needs (such as an aesthetic need, economic-administrative needs etc.), from request (such as a request for aid), from interests and desires (desire for adventure, desire for glory, business interests, power interests etc), from ideas (for example an idea about integration and an attempt to implement it), from feelings and attitudes (for example a feeling of powerlessness and an ability to overcome it through fantasy), from unintentional activities or errors (such as an impact of unintentional activities or carelessness of a human being or consequences of technical imperfection of human pieces of work).

Natural driving forces refer to such factors of nature which drive people or enable them to mix socially with others and to cooperate. As an example we can mention natural catastrophes such as floods, earthquakes, hurricanes, or volcanic eruption.

We can illustrate the concept of the driving forces of globalization on the development of the debates and protests surrounding the plan to build a U.S. military radar in the Czech Republic. In this process the following driving forces were applied:

a) the need for own protection in order to avoid a security threat from the outside (the Bush administration, the Obama administration, the Czech government headed by ČSSD – Czech Social Democratic Party, the Czech government headed by ODS – Civic Democratic Party, the Czech interim government, the Russian government and other actors were the bearers of this driving force) and

b) the need to live in a secure environment (the bearers of which were individuals and groups, especially citizens of the Czech Republic and various citizens' associations).

The interaction of these driving forces began in 2002, when the Bush administration and the Czech government headed by ČSSD opened negotiations "on creating a technical working group on the discussion about missile defence" (Šulc 2009a). In 2006 after the changes in the Czech administration, resulting in the formation of the government headed by ODS, the interest in cooperation in this area increased and stimulated the beginning of negotiations on the radar construction. At the same time another driving force became involved in this process; the citizens of the Czech Republic were its bearers and their interests were in contradiction to the radar project. This driving force did not have any direct position in the decision-making structures; it was only supported by some Czech opposition parties. In 2008 the antagonism in the interaction of the driving forces whose bearers were the state representatives, and the driving forces whose bearers were the Czech citizens, intensified (the Czech government persuaded citizens of the positive aspects of the project, the Czech public organized protest actions). Because the driving forces, whose bearers were the Bush and Topolánek administrations, strengthened each other and both of them had a position in the decision-making bodies, in 2008 an agreement on radar construction in the Czech Republic was signed by both parties. Before its ratification, however, new governments in both countries took office which had an impact on the balance of the driving forces in this globalization process (See Šulc 2009b). In the USA the administration of Obama who was not a strong proponent of the missile shield took office. After the collapse of the Topolánek administration, the office was taken by the provisional Fischer administration, which left the final decision on the new, regular government (Lidovky 2009). This situation created a space for the driving forces interacting against the radar construction. Their bearers were not only Czech citizens but also the representatives of other states, such as Russia, which had protested against the radar construction in the Czech Republic and Poland for a long time (See Spravy.pravda 2008). At the end of 2009, B. Obama cancelled the plans for radar construction in the Czech Republic (See Šulc 2009c). By using this example it can be illustrated that a change of the driving force of globalization leads to a change in the direction of globalization itself.

It is also possible to classify the driving forces of globalization according to their geographical scope. Taking into consideration that the extent of the impact of the driving forces may change in the process of their development, it is inevitable, when developing the classification, to take into account the aspect of time. There are only several driving forces which have been global since the beginning of their involvement in the globalization process. The need for food, shelter, and living in a secure environment can be mentioned as examples. At first many driving forces of globalization had only local impact and they were gradually reaching regional, continental, intercontinental, and global scope. As an example of such driving force we can mention business interests (See Table 1).

The change in geographical scope of the impact of selected driving forces of globalization may be illustrated by the following example. In last decade there was an imbalance between the driving force of the desire for the maximization of profit (neoliberal and neoconservative

political and bank elites governing since the period of the Reagan's and Thatcher's administrations have been its bearers) and the driving force of the need to regulate financial policies of banks and other financial institutions (which has been enforced by policies of state-controlled economies). The roots of this imbalance may be found in the adoption of a series of deregulation measures at the national and international level or in overlooking the hazardous and risky financial policy of banks and other financial institutions (e. g. in cases of Enron, Lehman Brothers and other). This trend in political decision-making, which originated in Great Britain and in the USA, gradually spread to other countries (See Hertzová 2003: 35-36) and was followed by some decision-making bodies of international institutions (IMF, World Bank and other) until it prevailed over the political tendencies preferring government interventions in economy. The present global financial and economic crisis was a result of this trend in decision-making (See Švihlíková 2010: 46-59). The intolerable state of existence during the crisis calls for the driving force of the need to regulate international financial policies of banks and financial institutions, which has become a subject of negotiations of heads of states and governments at the continental, intercontinental, or global level (e.g. the EU, the BRICS, the G20 etc.). It is possible that in taking preventive measures against the crisis some new control and regulatory mechanisms will emerge, through which it will be possible to anticipate the outbreak of another crisis and to prevent its return in a global scope by taking appropriate regulatory measures.

The presented examples are only some of the possibilities how to apply the concept of the driving forces of globalization in analysing the development and dynamics of globalization processes in the area of politics and governance. There exist many other alternatives of applying the concept of the driving forces of globalization and these may be the subject of further research.

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Acculturation Strategy in the Czech Republic

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Abstract

The paper offers a framework for studying acculturation strategies in the Czech Republic. The survey aims to analyze the situation of immigrants in the Czech Republic and their strategies of acculturation. The paper reveals the effect of prejudice and cultural differences on a successful integration strategy, taking into consideration the cultural specificities of the host country, nationalities of immigrants, and differences between the non-dominant and dominant cultures. Both prejudice and cross-cultural differences play significant role in the acculturation process of immigrants and the dominant society.

Key words: immigration, assimilation, separation, integration, marginalization, multiculturalism, melting pot, segregation, exclusion, acculturation, cross-cultural differences, cross-cultural competence, prejudice, social distance.

Introduction

Due to globalization the contemporary world is becoming increasingly socially, economically, politically and culturally connected. The Czech Republic has become a transit and immigration land and remains an important country of immigration, despite the economic crisis. A cross-cultural competence has become the competitive edge for economists, managers, scientists, politicians and others who participate in the globalized world. The term cross-cultural competence stands for being able to communicate in culturally different environments and to be sensitive to prejudice, discrimination, intolerance and hostility. My paper is interested in the effect of prejudice and cross-cultural differences on the choice of acculturation strategy among immigrant groups in the Czech society.

Theoretical background

This paper focuses on culture in the anthropological and psychological sense. Culture presents itself on different levels. At the highest level we find the culture of a national or regional society, the Czech or Central European versus the Vietnamese or Asian. The way in which attitudes are expressed within a specific organization is described as a corporate or organizational culture. Finally, we can talk about the culture of particular categories such as women and managers or particular functions within organizations such as marketing, research and personnel. We will focus on the national and ethnic levels.

In the scientific literature we can find different definitions of culture. One definition is offered by Schein: culture is the way in which a group of people solves problems and reconciles dilemmas (quoted in Trompenaars and Hampden-Turner 2009: 6). Another definition explains that culture is a collective phenomenon: culture is the whole collective programming of the human mind that distinguishes the members of one human group from those of another. Culture in this sense is a system of collectively held values (Hofstede 1999: 6). We can conclude that culture is shared by members of a social group such as a nation or an

organization, it is not inherited but acquired and transmitted from one generation to another and consists of patterned ways of thinking, feeling and behavior.

Cultural differences can be measured by cultural dimensions following Hofstede, Trompenaars etc. or by cultural standards following Thomas and others. Cultural dimensions are scales which contain two poles, for example masculinity versus femininity, which are characterized by extreme features (Hofstede 1999: 64). On the contrary, culture standards are constructed by confrontations of two cultures. They are ways of perception, thinking, evaluating and behaving, which are perceived by the majority of a given society as normal, typical and binding (Thomas and Kinast 2005: 5). Cultural anthropology and intercultural psychology are not evaluative approaches and therefore we cannot say that one culture is superior to another.

Immigrants in the Czech Republic

The Czech Republic has transformed in the last 20 years from a land of emigration to one of transit and immigration. The main countries of immigrant origin are Ukraine (112 217), Slovakia (79 669), Vietnam (57 041), Russia (29 303), Poland (18 907) and Germany (15 314) – all the data as of July 31, 2011 (Ministry of the Interior of the CR 2011). The data refers only to legally registered foreigners with both permanent stay and other stay permission. The capital city, Prague, other big cities, and areas near the borders have attracted the most migrants.

We will focus now on the three largest migration groups – Slovaks, Ukrainians and the Vietnamese. Hofstede's cultural dimensions demonstrate cultural differences between the dominant Czech society and the three groups of immigrants. Figure 1 represents indexes of four Hofstede's dimensions: masculinity versus femininity, individualism versus collectivism, power distance and uncertainty avoidance.

Figure 1: Hofstede's Indexes

	Masculinity	Individualism	Power Distance	Uncertainty Avoidance
Czech Republic	57	58	57	74
Slovakia	110	52	104	51
Vietnam	40	20	70	30
Ukraine	54	13	119	119

Source: Hofstede

We can underline Vietnamese femininity and collectivism, Ukrainian uncertainty avoidance, Ukrainian and Slovak hierarchy and Slovak masculinity as examples for the reality that all three migration groups show cross-cultural differences.

Ukrainian migration to the Czech Republic is currently on the rise. This involves also rotating labor migration which includes a segment of illegal labor. The Ukrainian ethnic minority is represented in the Council for national minorities and in committees and advisory councils of the Ministry of Culture and the Ministry of Education, Youth and Sport. However, although there is a large amount of expatriate associations, the interests of the majority of labor migrants are not really represented in these associations (Leontiyeva 2006: 44). In the Czech Republic, Ukrainian labor migrants do not associate in groups too extensively and do not live the cultural life of a community. The problems of modern Ukrainian migration in the Czech Republic are principally socio-legal.

The majority of Slovak organizations in the Czech Republic are legal entities which allow the Slovak immigrants to be considerably independent and to be supported from grant

projects. Membership in such is not strictly tied to an individual's declared Slovak nationality. The study "Slovenská menšina a migrant v ČR" shows that the common platform on which Slovak expatriate associations operate is, paradoxically, not always ethnicity, despite the fact that minority policy in the Czech Republic aim at the uniform identity of community organizations (Ezzendine-Lukšíková and Pažejová 2006: 31). Additionally, young people have no interest to participate in activities that are based on the principle of shared Slovak nationality or Slovak roots.

There are numerous organizations operating in the Czech Republic that provide support for Vietnamese living in the Czech Republic and facilitate their acculturation process. The Vietnamese community seems to be closed. The Vietnamese traders work on weekends and during holidays and at first glance they do not participate in the majority society. Intercultural as well as language barriers cause the enclosed character of the Vietnamese community. At present, some forms of direct participation of Vietnamese in the Czech Republic have already emerged, but this participation is not yet transparent and has not been adequately researched (Kocourek 2006: 61).

For the comparison of the Czech Republic and other European countries we can use the Migrant Integration Policy Index III (MIPEX III). MIPEX is an international study published every two years by The British Council and The Migration Policy Group. It measures integration policies in 31 European and North American countries. MIPEX uses 148 policy indicators and creates a multidimensional picture of immigrants' opportunities to participate by assessing governments' commitment to integration.

The Czech Republic was ranked 19th and remains below the European average. As for anti-discrimination criteria, the Czech Republic achieved only 44 % on MIPEX III scale. However, since lawmakers took a minimum standard approach, Czech residents continue to have some of the weakest protection against discrimination in Europe. Religious discrimination is still tolerated outside the workplace and job training. Victims cannot receive much help from the Public Defender of Rights, since it cannot issue binding decisions, has no legal standing and cannot conduct its own investigation (Huddleston and Niessen 2011: 61).

Acculturation strategies of immigrants and the dominant culture

Acculturation is the process of social and cultural changes that results when individuals from different cultures come into contact. We can define four basic intercultural strategies from the point of view of immigrants. The assimilation strategy is defined when individuals do not wish to maintain their cultural heritage and engage in daily interaction with the dominant culture. On the contrary, when immigrants are interested in maintaining their original culture and at the same time wish to avoid interaction with others, then the separation strategy is chosen. As for integration strategy, some degree of cultural integrity is maintained, while in the same time the immigrants participate as an integral part of the large society. When there is little interest in both cultural maintenance and relations with other cultures, then marginalization strategy is chosen (Berry 2001: 619).

These attitudinal strategies are based on the assumption that the immigrant group and their individual members have the freedom to choose how they want to engage in intercultural relations. For instance, the integration strategy requires immigrants to adopt the basic values of the receiving society, and at the same time the receiving society must be prepared to adopt national institutions to better meet the needs of all groups now living together in the plural society.

There are four compatible acculturation strategies from the viewpoint of the receiving society: for assimilation – melting pot, integration – multiculturalism, separation – segregation, marginalization – exclusion. For example, the integration strategy can be pursued only in societies that are explicitly multicultural, in which psychological

preconditions are established. These preconditions are the widespread acceptance of the value of cultural diversity, low levels of prejudice and discrimination, positive mutual attitudes among ethno-cultural groups, and a sense of attachment to, or identification with, the larger society by all individuals and groups (Berry 2001: 619). To summarize, there must be cooperation between the non-dominant and dominant society. In the next part we will focus on prejudice in the Czech Republic because it plays crucial role in the selection of the acculturation strategy.

Prejudice and the social distance rate

Prejudice is an assumption made about someone or something before having adequate knowledge and experience or without regard to such knowledge. The word prejudice refers to preconceived judgments toward a person or a group of people on the account of personal characteristics such as religion, ethnicity, social class etc. In this part we will direct our attention to the ethnic prejudice. Allport's definition says that the ethnic prejudice is antipathy, which originates from incorrect generalization. Such antipathy can be expressed by emotions and words. It can be directed toward a group as a whole or a person because he or she is a member of this group (Allport 2004: 41). An easy way of measuring prejudice and tolerance in a society is the following construct of social distance.

Robert E. Park first defined the term and concept of "social distance". Problems with Afro-Americans and immigrants from the Orient led many social scientists to begin the study of prejudice and racial attitudes. Dr. Park defined social distance as the grades and degrees of understanding intimacy which characterize personal and social relations generally (Park 1924: 229).

Emory S. Bogardus developed the first scale widely used as a reliable indicator of social distance. Bogardus's scale was scrutinized by 100 individuals, who rated sixty statements that expressed social distance. The judges ranked each statement on the scale from one to seven, one being the least social distance, seven being the most social distance. In the next step, Bogardus chose seven statements, which represented seven levels of social distance. The statement receiving the mean closest to one was judged to express the least social distance. The statement receiving the mean closest to two was judged to express the next level of social distance, and so on.

The scale asks people the extent to which they would be accepting of each group: as close relatives by marriage (score 1.00); as my close personal friends (score 2.00); as neighbors on the same street (score 3.00); as co-workers in the same occupation (4.00); as citizens in my country (5.00); as only visitors in my country (6.00); would exclude from my country (7.00) (Morgensternová and Šulová 2007: 169).

Research

In my research 224 Bogardus social distance scale questionnaires were distributed among people with Czech nationality. The sample of researched population consisted of individuals with different education (29 % primary education, 50 % secondary education and 11 % university degree), between the ages 19 and 87. There were 59 % females, 41 % males. The results are presented in Figure 2.

Figure 2: Results of research (2011, N=224)

	Score of social distance	Yes %	No %
Slovaks	1.00 (Relatives)	38.2 %	61.8 %
	2.00 (Friends)	65.5 %	34.5 %
	3.00 (Neighbors)	80.0 %	20.0 %
	4.00 (Co-workers)	81.8 %	18.2 %
	5.00 (Citizens)	92.7 %	7.3 %
	6.00 (Visitors only)	3.6 %	96.4 %
	7.00 (Exclusion)	1.8 %	98.2 %
Ukrainians	1.00 (Relatives)	14.3 %	85.7 %
	2.00 (Friends)	25.0 %	75.0 %
	3.00 (Neighbors)	32.1 %	67.9 %
	4.00 (Co-workers)	35.7 %	64.3 %
	5.00 (Citizens)	46.4 %	53.6 %
	6.00 (Visitors only)	30.4 %	69.6 %
	7.00 (Exclusion)	23.2 %	76.8 %
The Vietnamese	1.00 (Relatives)	11.1 %	88.9 %
	2.00 (Friends)	27.8 %	72.2 %
	3.00 (Neighbors)	57.4 %	42.6 %
	4.00 (Co-workers)	63.0 %	37.0 %
	5.00 (Citizens)	68.5 %	31.5 %
	6.00 (Visitors only)	25.9 %	74.1 %
	7.00 (Exclusion)	5.6 %	94.4 %

The results show that Czechs have the lowest social distance towards Slovaks. 80 % of tested Czechs tolerate them as neighbors and even 65.5 % as friends. It can be explained by a joint history, but as we have already seen regarding Hofstede's indexes, the Slovak and the Czech cultures indicate differences. Given the joint history, the Slovak expatriate associations are a good environment in which we can trace the dichotomy of the connections between Slovak and Czech culture on the one hand and the maintenance of a distinct Slovak identity on the other. In this point of view Slovaks and Czechs appear to apply integration – multiculturalism strategy. Nowadays, there can be seen a shift from these acculturation strategies to assimilation – melting pot strategies, because there is very little interest among young people to participate in Slovak expatriate activities and the expatriate associations do not operate on the platform of ethnicity.

As for Ukrainians, they face the highest intolerance. 53.6 % of the tested sample of the Czech population refuses them as citizens. We can even speak of a high rate of discrimination considering the fact that 23 % of questioned Czechs would exclude them from the Czech Republic. In this case we can talk about social exclusion. Apart from the high social distance between Czechs and Ukrainians, there is a certain amount of social distance between earlier and more recent generation of Ukrainian migration. The contemporary immigrants from Ukraine are associated neither in ethnic groups nor with Ukrainian expatriate organizations. We can point out that there is the strategy of marginalization from the viewpoint of Ukrainians.

The Vietnamese are respected as citizens by 68.5 %, but despite this in the personal domain (score 1.00 and 2.00) they are evaluated negatively. The Vietnamese community is closed. The older Vietnamese generation even perceives enclosed character of their community as a competitive advantage. Communication between the Vietnamese minority

and the Czech majority is ensured by intermediaries. This fact points to the separation – segregation strategy.

Conclusion

As we have applied the Berry's model of acculturation to the situation of immigrants in the Czech Republic we can conclude that all four types of acculturation strategies can be found. The choice of strategy depends on both prejudice and cultural differences and, perhaps, also on other factors, such as the historical context, intention and motivation of immigrants and incentives made by institutions and organizations.

The ideology of multiculturalism promotes the view that cultural diversity is good for a society and its individual members and that such diversity should be shared and accommodated in an equitable way. The multicultural ideology has close empirical links to ethnic attitudes, prejudice and cross-cultural differences but is also related to policy options for managing intergroup relations in culturally plural immigrant societies. If chosen, in order to succeed the multicultural approach needs to be carried out by cooperation of all affected parties.

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Transport and Communication Routes in the Pace of Globalization. A Case Study of Craiova

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Abstract

The present study analyzes the reasons for the expansion of the routes of transport to and from Craiova City, considering as primordial factors the residential development of the city and the vector "social time" that has always generated tendencies of modernizing the infrastructure of Craiova. Beginning with a diacronic description of the urban evolution of Craiova, the paper continues with tracing the correlation between demographic growth and the effective assurance of infrastructure. Moreover, taking into consideration all the recent and following reconfigurations of the routes of communication of Craiova, it was necessary to use both a geographical and a historical approach to interpret properly the analyzed material in the context of globalization.

Key words: residential development, reconfigurations, pan-European, transport infrastructure.

Introduction

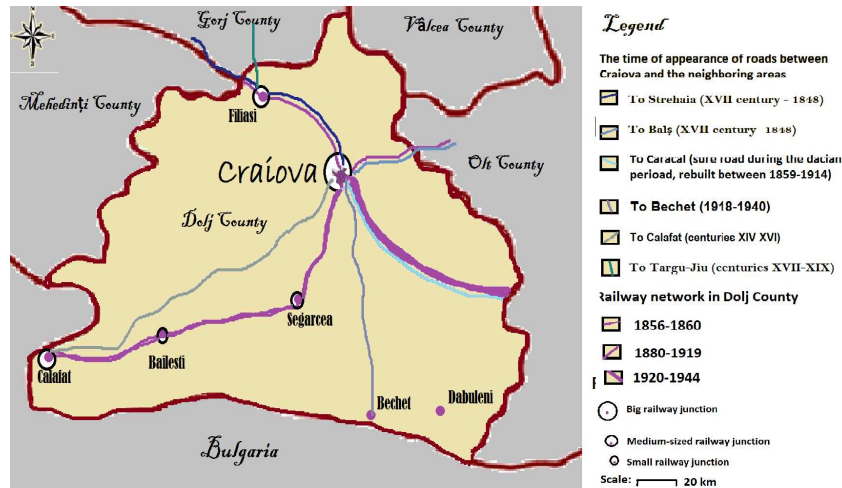
"Globalization is something that is taking place in the present and to which we must first open our eyes". These were the thoughts of Ulrich Beck, the sociologist who theorized reflexive modernization, the most comprehensive thesis dealing with the changes brought on by the accomplishments of modernity's ideals in our times. If we were to judge at a large scale, globalization becomes redundant and obvious, synonymous with the tendency of people from all over the world to "join" in customs, economic possibilities, language, even feelings and perspectives in life. Some say that globalization erases or limits the differences between ways of thinking and living of the various peoples in the world and transforms diversity into uniformity. However, it is to note that although globalization was inevitable and somewhat too fast, its effects are more than welcome in the majority of developing countries which is also the case of Romania.

Characteristics of the transport system in the area of influence of Craiova city

A transport system is defined as a set of elements (carriers, users, auditors and arrangements) in interaction and integrated by multiple and complex mutual relations (Dezert 1976). The city of Craiova is characterized by its diversity, its longlasting history and its complex evolution, so it is difficult to summarize the trajectory of Craiova city through time. However, the easiest way of characterizing Craiova on the map of Romania and Oltenia region (Figure 1) is by stressing its position in the center of Oltenia, at a distance of 227 km from the capital, Bucharest. It is located at a crossroads, serving thus a transit point connecting different regions.

The city has always been serviced by an effective road network permitting trade within its respective hinterlands. Figure 1 illustrates some of the historical development of this network and it also shows the centrality of Craiova within it.

Figure 1: The periods of appearance of roads between Craiova and the surrounding areas



Craiova also lies on the European highway Bucharest – Timișoara, with its two variants: the Caracal and Slatina – Balș (E70) through Craiova (Figure 1), which connects Western Europe with the Balkans.

Living space of Craiova - past and present with an emphasis on infrastructure development

In order to reconstruct the historical structure of Craiova, I turned to historical documents of Nicolae Iorga. Craiova before 1848 was not well organized like other large urban centers of Romania, its streets and alleys were gravel, chaotically arranged, their main use being to connect aristocratic mansions. The predominant aspect of Craiova city was characterized by "several gathered fairs" (Tudor Arghezi, quoted by acad. Milcu Ștefan 1968). The crowded shops and narrow and clogged streets made the city of Craiova look like a "Bazaar"⁸⁹. The road map of estates reveals the existence of a kind of oak bridges which often replaced the missing pavement.

Formed at the intersection of old and important trade routes, the ancient place of Pelendava, Craiova grew radially around its historical core, consisting of narrow streets with shops and inns. There was a network of roads during the Roman domination in Dacia and some sections of these roads have been preserved till today such as the current street of Știrbei Vodă or the famous "Brazda lui Novac" in the north. Roman mile stones can be found in several places indicating the year of construction and road contractor's name (Iorga 1908). In the Middle Ages there were no concerns for road construction.

Craiova had a proper urban development only after 1880, when - along with "the towering mansions, among the endless orchards, mud huts and vacant houses" - many buildings which define today's urban personality were built. The economic and social rise of the bourgeoisie of Craiova after 1835 resulted in a complex urban activity, urbanization and modernization. Karl Wairah (1842), engineer, was charged with overseeing the work of road alignment and enclosure of larger Craiova. The new position of Craiova among the cities of Romania of those times and commercial links with other cities, such as Craiova-Bucharest, Craiova-

⁸⁹ In the view of the historian Nicolae Iorga.

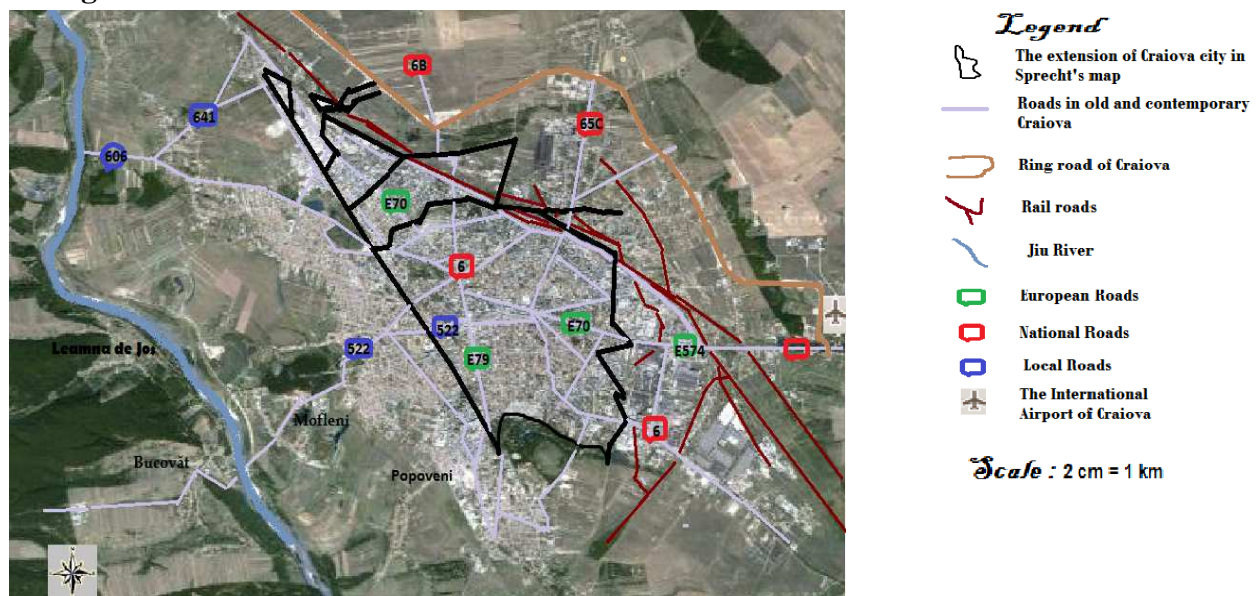
Calafat, Craiova-Cerneți, were proofs that Craiova became more and more important for the future development of the regional and national trade.

Relevance of the natural framework for the corridors that pass through the city of Craiova

In order to proceed to the geographical premises of the development of transport and communication routes in and around Craiova city, it is essential that we have a cartographic image of old Craiova. We can start with the analysis of map drawn in 1790 by the German traveller Sprecht who showed a special interest in the yet undiscovered provincial centers of medieval Romania. Throughout its existence, the city has enjoyed favorable natural conditions due to its location in a small depression marked by Bucovățului Hill (west) and Vulcanești (east) and the former marshes - Green Pond - Popoveni (south), the North River Pond of Craioviței and the Jiu, Amaradiiei and Raznicului valleys (North).

Sprecht's map (see Figure 2) highlights that the city of Craiova was at his time placed only on the left bank of the Jiu, where many roads converged. Swampy meadows and the often flooded foot of the terrace were avoided (Tosa-Turdeanu 1967). Settlements are also portrayed in the plan, so that each settlement has its plan in this map, allowing a reflection of their form, structure and texture (Tosa-Turdeanu 1967). The old Danube trade route of shepherds linking Transylvania with the lands of the Danube by Vâlcan Pass passed on the left bank of the Jiu River. This was one of the main transhumance roads of Oltenia. The texture and structure of the urban center of that time were dictated by convenience and individual capabilities (Tosa-Turdeanu 1967). Therefore, anarchic street and farm plans appeared.

Figure 2: Actual satellite view of Craiova



A factor that prevented, however, the achievement of the optimal correlation between transport and territorial development (due to residential areas) – was population growth and the configuration of streets reflecting the evolution of Craiova in space during its existence. This is typical of relatively slow-growing settlements (Cucu 1970). In general, the street network consists of arteries of Craiova entering the central area with a radial character.

Transport system of Craiova – on the razor edge or in the pace of the integration?

Bibliographic sources, statistical data on transport activity and field observations taken over the city of Craiova lead to the establishment of different criteria for the classification of transport areas in Craiova. Of the four main ways of realizing transport - rail, road, air, port – in Craiova we find the first three. A port is missing since Craiova lies more than 60 km from the main navigable route, Danube.

The public transport system in Craiova was founded in September 1948, deploying buses linking the North Railway Station and Romanescu Park. Transportation program benefited from only two buses in early 1948, but by the end of that year, their number increased to 10. Given the need to reduce national energy consumption in 1987, Craiova municipality has introduced public transport by tram. The tram uses a 18.4 km long, double track route, linking the eastern and western industrial sites of the city. Since 1987, the system has been gradually modernized. In March 2011, the construction of an underground passage in the University and the renovation of the historic center began⁹⁰.

Strategies for the development of transport infrastructure in the surroundings of Craiova

Since the fall of the communist regime, all Romanian counties have suffered from a lack of funds for the recovery and maintenance of infrastructure and for the improvement of communication routes between cities and regions. To a large extent, the organization of most of the transport services in the cities of Romania is a legacy of the socialist regime (Ianoş Ioan 2000). This and the actual political indifference are the leading reasons why we fail to identify the priority projects and harmonization measures needed to develop in short, medium and long terms some durable and adequate economic relations inside the territory of Romania.

Two transportation modes are specifically supporting globalization and international trade: maritime and air transportation (Button 2008). Craiova can only participate in air transportation. It has an international airport, situated in the eastern extremity of the town, 7 km from the city center.

The development of road transport and alignment with European standards is motivated by the need for creating a coherent national network connection to the European network of development projects and linking Romania with its neighbors (Pop 1984). Future growth, the evolution of society and changes in land development will put increasing pressure on transport, requiring a steady improvement in infrastructure and quality services. Demographic growth and development of tourism, reorganization of production processes and of agriculture, and urban employment more and more dispersed towards the peripheries require new strategies of transport development.

Over the past 21 years, the public transport system in Craiova's urban center has undergone a renewal. The networks have been reshuffled and have been thought to be better suitable to the urban area of Craiova, thanks to the new financial resources, and better legal provisions (Tălângă 2000). The networks in Craiova and around its urban area are in the process to reconstruction along new lines, served not only by buses, trams and cars, but also by underground routes, or suspended streets designed only for vehicles.

Modernization programs in ongoing projects consist of targeting priority sections on the pan-European transport corridors (Merlin 1991). Expanding the highway Craiova - Filiaşi – Timişoara have had positive consequences on suburban transport network in the north - west of the city, building a ring road overhead to double the role of the existing ring road land and

⁹⁰ For more details about the visions and development opportunities of Craiova, visit <http://www.primariacraiova.ro/pcv/servlet/portal?action=ContentAction&actEvent=showArticle&iid=770>

to reduce distances from side of the city to to another by providing detours for those in transit in Craiova.

In this context, the development of transport infrastructure is a prerequisite for a successful implementation of development priorities of Romania for the period 2007-2013, contributing to an increased mobility of people and goods and the integration of regional growth poles with trans-European transport networks (for details, see Figure 3).

Figure 3: Plan for improvements in the national territory. Section I – Transport networks. Directions of development of the roads



The priorities also include the modernization of railway infrastructure, amplifying the attractiveness of rail transport by increasing the maximum speed of traffic on sections of the network (TEN-T corridors IV and IX), 160 km / h for trains passengers and 120 km / h for freight trains⁹¹.

The transport system, a "gateway" on the local, national and international connections

Transportation systems set new relationships between economic activities and geographical environment due to the modernization and dynamism of cities. As it is known, the national system of Romanian settlements suffered, especially in the twentieth century, a series of fluctuations related to demographic growth, the shortage of rural economic base, changing settlements, the preferential orientation to certain areas of investments, and changes in the administrative-territorial divisions.

Thus, Craiova must take advantage of its geographical position by attracting investments in infrastructure and transport services. Development of transport infrastructure will increase the accessibility of the less developed areas located both inside and outside the county (Tălângă 2000), thereby improving labor market flexibility and competitiveness of the regions benefiting from development projects.

Development of the city – a step towards hypertrophy?

Craiova City benefits from a privileged location, at the "carrefour" of the most important roads for conveyance and commerce. It advances more and more not only demographically, but also economically. The graphic representation of the Hypertrophy Index leads us to understand that Dolj county is dominated by its administrative capital, Craiova, and the index is maintained at an almost equal value (but much lower than the one of Craiova) for the other urban centers.

To sustain this idea, I resorted to the calculation of the Hypertrophy Index (Modelarea Matematică în geografia umană, 1997) for all the cities of Dolj county and drew a graph with the values obtained. The formula I used was the following:

$IH = P1 / (P2 + P3 + P4 + \dots + Pn)$, where IH = the Hypertrophy Index;

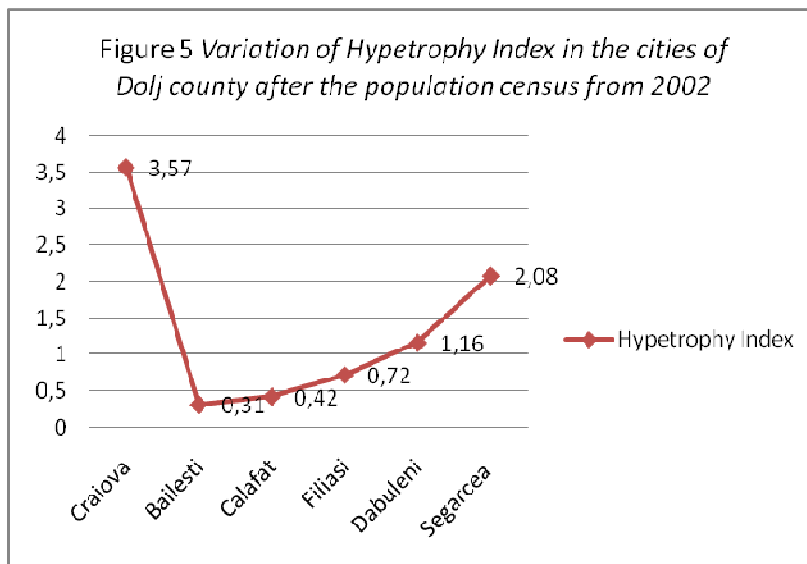
P1 = the population of Craiova (298,643);

P2, P3, ..., Pn = the population (See Figure 4) of every small town of inferior rank in the hierarchy of Dolj county.

Figure 4: The population of the seven towns of Dolj county

Craiova	298643
Băilești	20083
Calafat	18858
Filiași	18802
Dăbuleni	13888
Segarcea	8066
Bechet	3864

⁹¹ Strategie Prioritatea 2 PND 2007-2013.



By analysing the results (Figure 5), it becomes clear that the demographic and territorial growth have a great impact on the development of communication routes and the transport system of Craiova, by enhancing the demand for common means of transport.

Yet, troubles related to hypertrophy should not be so acute as in the Oltenia capital, Craiova, but it is necessary to note that the volume of passengers transported along the streets of Craiova in summer is much higher than in other seasons. Distribution in the area of transport networks and traffic data outlines a series of points of maximum intensity in urban surface transport. Since 2007, when the northern ring road became functional, heavy transit road traffic has been deviated from the city.

All this can be detected on a global level. Nevertheless, what I have been talking about is a different kind of globalisation that is not based on the flow of capital, goods or people, although it is indeed informed by all of it, but on the circulation of aesthetically charged representations of the most marginal spaces of a territorial system.

How can the improvement of the transport routes contribute to the intensification of globalization of Craiova?

The evolution of the road network on the Romanian territory is a witness to the development of human society, technological knowledge, communication requirements and size of settlements. An efficient transport infrastructure, connected to the European transport network helps to increase economic competitiveness, facilitating integration into the European economy and allows the development of new domestical activities

We nowadays witness a kind of "human landscape" (Cucu 1970) which is supported by a transportation system, seen as the backbone of a territory. Contrary to what road transportation represented in the past for the population of Craiova, nowadays the development of communication routes has "ascended to new horizons" which involves not only modernizing the international airport of Craiova, but the entire air system, which could compensate for the lack of accessibility directly to international traffic corridors.

Are we facing a globalization issue?

Globalization is an act on the economic stage. The biggest corporations, which best illustrate the interdependence between globalization and market economy use the globalization phenomenon as a vehicle for spreading their products and services. Thus, globalization is one of the few long-lasting events at a planetary scale that, apparently, tends to pacify the members of our "World Community". In the spectrum of globalization, each

small or medium-sized city has to follow the coordinates of an integrative vision that respects the laws of durable development and of collective happiness by mutual interest.

The speed and intensity of globalization may be enhanced by a good communication system between people, responsible for spreading information, and a good transport system, responsible for the mobility of goods and people. "Globalization has changed us into a company that searches the world, not just to sell or to source, but to find intellectual capital - the world's best talents and greatest ideas" (Welch 2005). As part of the same scenario of globalization and market economy, transport system has earned the right to be one of the priority areas in which to invest following the mechanisms of globalization.

Because transport systems are nonsensical without the contribution of geography, as the science of territoriality and space, globalization in geography should be viewed in terms of a "general theory of systems" (von Bertalanffy 1968), designating all relationships established between components of geographic systems and transport systems.

Conclusion

In spite of its importance in the contemporary global economy, international transportation predates globalization. One is the prerequisite for the other; they are both mutually interdependent. What has changed is not the purpose of transportation, but its volume, capacity, speed and efficiency. As economies and societies emerge, axes of trade and circulation come into existence. Assessing direct effects is relatively easy and allows reorientation or reshaping.

Boosting development of transport in provincial cities, like Craiova city, will lead ultimately to increased exchanges between all components of the geographical space, potentially the country's economic development, amplified trade between Romania and other European countries, tourism development, and the increasing attractiveness of Romania for foreign investors.

For further research of other territorial systems with the aim of assessing "the scale of globalization", be it in transport, communications, employment, education, trade, literacy, we should keep in mind that the key for the stability of a territorial system is to safeguard its variety and its receptiveness to new developments.

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Participatory and Public Participation GIS: A Phenomenon of Neocartography with a High Potential in Developing Countries?

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Abstract

Participatory Geographic Information Systems (PGIS) and Public Participation GIS (PPGIS) are new trends that have arisen in the last two decades among those who criticize classical GIS as rigid and disembodied, too objective and focused on technical "solutions" while forgetting about the human stories behind the data. These new approaches are context- and issue-driven and seek community empowerment rather than technology usage. Both approaches were developed in the Global North countries and via globalization are implemented in the Global South countries. Community-based mapping can be used to improve local living standards and at the same time to empower a local community in fighting against poverty. The article presents different approaches of using information technology and media with a high potential of PGIS in developing countries. What are the future steps in using GIS/GIT (GeoInformational Technology) in developing countries? How can global initiatives such as crowdsourcing be helpful in development cooperation?

Keywords: Participatory GIS, crowdsourcing, OpenStreetMap, indigenous spatial knowledge

Introduction

In the last decade we have witnessed the growth of the new phenomenon of (P)PGIS, Participatory Geographic Information Systems and Public Participation Geographic Information Systems as an answer to the critics of original GIS structures. PGIS in the context of the 'democratization of GIS', explores aspects of the control and ownership of the geographical information as well as representations of local and indigenous knowledge (Dunn 2007: 616).

Data is always the most expensive part of any GIS system and the above mentioned democratization of GIS where communities create their own data, not restricted by copyright (usually under the Creative Commons license) is probably the most appealing factor of the new movement of PGIS, but is this all the participatory approach can offer? Should we limit ourselves only to collecting data or should we cross the borders and create participatory GIS structures, where communities will be able to post-process data and analyze them according to their own needs? GIS is a tool of control and a technology of surveillance (Pickles 1995). What steps need to be taken in order to bring spatial literacy to the wider public, especially in countries of the Global South?

Apart from the technocratic point of view, there is also a social dimension to PGIS - community empowerment. Participatory GIS currently offers a more effective path towards individual and community empowerment (Dunn 2007: 627). During the process of participatory mapping, communities are able to discover spatial relations within their own community and use this knowledge for improving their own lives and fight poverty on a

bottom-up basis. Besides the participatory methods, crowdsourcing is discussed in current GIT structures as a promising new way for research.

Historical and spatial context

In the mid-1990s we can find the first attempts to devise alternative approaches, notably in the work by Daniel Weiner and Trevor Harris (Weiner et al. 1995). As Obermeyer (1998) explains, the characteristics of early conventional GIS are in terms of the organizational, technical and theoretical conditions developed 'largely by white males employed in academic and governmental institutions in North America and Europe' (Obermeyer 1998: 65). This development brings back the neocolonialism approach and the white savior picture - this time with a laptop and GPS in his hands.

In terms of information sources, a PGIS entails widening the notion of participants or 'users' to include 'the public' and, particularly, marginalized groups. Thus the term 'public participation GIS' was derived from the common use among planners who stressed the importance of citizen participation (Obermeyer 1998: 66). PGIS involves local communities in the creation of information to be fed into the GIS and subsequently used in spatial decision making which affects them. Critical to this widening participation, however, is the need for PGIS scholars and practitioners to be more explicit about who 'the public' is and what 'participation' means if appropriate goals are to be achieved (Schlossberg and Shuford 2005).

Nowadays the term PPGIS refers mainly to the activities more often practiced by "the public" in the Global North countries, while PGIS refers more often to the activities practiced in the Global South countries, sometimes by the same groups of people from the Global North.

A practical example of PGIS in the Kangemi slum, Nairobi, Kenya

Research area

The research has been conducted in August 2009 in the slum Kangemi, Nairobi, Kenya.

UN-HABITAT (2007) defines a slum household as a group of individuals living under the same roof in an urban area who lack one or more of the following:

Durable housing of a permanent nature that protects against extreme climate conditions.

Sufficient living space which means not more than three people sharing the same room.

Easy access to safe water in sufficient amounts at an affordable price.

Access to adequate sanitation in the form of a private or public toilet shared by a reasonable number of people.

Security of tenure that prevents forced evictions.

Not all slums are homogeneous and not all slum dwellers suffer from the same degree of deprivation. The degree of deprivation depends on how many of the five conditions that define slums are prevalent within a slum household. UN-HABITAT analyses show that Sub-Saharan Africa's slums are the most deprived; over 80 per cent of the region's slum households have one or two shelter deprivations, but almost half suffer from *at least two* shelter deprivations. Approximately one-fifth of slum households live in extremely poor conditions, lacking more than three basic shelter needs. Generally, the lack of sanitation and water in the region's slums is compounded by insufficient living space for families and inadequate, makeshift housing (UN-HABITAT 2007).

Kangemi (see Fig. 1) was originally an independent village which has been integrated into the greater Nairobi agglomeration. It is located in the western part of Nairobi and covers approximately 5 km² with an estimated population of about 70 000 inhabitants. Kangemi can be divided into several quarters and not all of them fulfill the definition of slum by UN-HABITAT.

Methodology

The input stage was divided into three parts that consisted of mapping the points of interest, semi-structured interviews with local children and elder leaders and taking pictures of the "favourite" and "dangerous" places that were mentioned in the interviews with children. All these stages were evaluated separately and used in the input layers for the final map and analysis.

Semistructured interviews

The first stage of the data collection was semi-structured interviews with local children (aged 10-15) (see Fig. 2) and local elder leaders. Both of these groups delivered different perspectives and spatial understandings of the area. During the interviews different questions about the history of the slum, self-perception of the area and social issues within the community were asked. The interviewees shared extremely valuable information about important places within the slum that were never mapped before - places where people meet to do business or places where people meet to make decisions. This phenomenon is called "indigenous spatial knowledge" and it describes the community understanding of the area they live in. Using PGIS methods this information can be linked with the traditional "expert" GIS environment, where every place is identified by Cartesian coordinates within space. The indigenous understanding of spatial relations differs from the Western concept and it sometimes does not fit into the xyz system, used by GIS and GPS devices.

Among other things (free time areas, family places, etc.), children were asked to describe their *favourite* and *dangerous* places. While these places were described, the GPS position (see Fig. 3) of the place was taken as well as a picture of the place (see Fig. 4). This participatory method allowed children to show the picture to the rest of the community - which areas they like and which areas they dislike. This was the first time that the children had been asked what they thought about the area they live in and their opinions have been taken into account during the decision making process. This method was one of the crucial approaches within the initiative and very often brought new ideas, data and perspectives to community based research. Based on the interviews with children, the *favourite* and *dangerous* places were also mapped. The background data (the roads and borders of the slums) was provided by UNEP (United Nations Environmental Programme), for the purpose of the research.

A total of 63 elder community leaders and students from 7 local schools were involved in the project, together with a group of local volunteers, who helped with collecting the data. The whole project was supported by the Growing Up In Cities initiative by UNESCO.

Taking pictures with local children

In addition to the descriptions of the places referred to in the interviews, pictures of the locations were taken through a wooden frame (see Fig. 4). These pictures were used at the end of the project during the presentation to the local community (see Fig. 5) as well as providing additional information for the final map. This approach allowed the children to add their local spatial knowledge to the expert structures of the classical GIS approach.

PGIS differs from the classic approach in that it gives the local community the opportunity to actively take part in data collection and the selection of their points of interest as well as in the post-processing and decision making process. The involvement of the children brings another dimension to the project, to its dynamics and ownership. In very few case studies are children the expert group, especially when community development is to be discussed. In this research children were taken into account because they understand the area from their special perspective and were a highly valuable source of spatial knowledge and understanding.

Outputs of the mapping

In order to present the outcomes of the research to the community, visualization was needed - in this case it was a map (see Fig. 6). The open-source Janitor (especial JanMap) was used to convert GPS data into shp files. Selected POIs were combined with two layers from UNDP; the roads and borders of Kangemi, in order to create a map for the community leaders. Visualization is the crucial part of PGIS because if a community cannot see the results, understanding and ownership can disappear very easily.

To provide additional information to the mapped elements, the basic analysis of positioning of schools vs. *dangerous* places mentioned by children during the interviews was carried out. One of the reasons for the mapping was to identify places that the children feared the most and through analysis see if there is any pattern relating school attendance and so called *dangerous* places. Two buffer zones 100 and 200 meters around the *dangerous* places were created and overlapped with the map of schools in Kangemi. Only Kangemi Youth Centre Primary School fell into the buffer zones, so it was not possible to analyze any links between attendance and the environment of the school.

Crowdsourcing within the PGIS discourse

The word Crowdsourcing is a compound contraction of the words crowd and outsourcing. Thus Crowdsourcing means outsourcing to the crowd. The origin of this word is typical for the Web 2.0 phenomenon: an anonymous user launched the term for the first time on an Internet Forum. The term was popularized by Jeff Howe and Mark Robinson in an article published in *Wired*.

Jeff Howe proposes the following definition:

"Simply defined, crowdsourcing represents the act of a company or institution taking a function once performed by employees and outsourcing it to an undefined (and generally large) network of people in the form of an open call. This can take the form of peer-production (when the job is performed collaboratively), but is also often undertaken by sole individuals. The crucial prerequisite is the use of the open call format and the wide network of potential laborers" (Howe 2006).

From a geographical point of view, crowdsourcing is used largely in the project OpenStreetMap.org, which creates and provides free geographic data such as street maps. The project was started because most maps users think of as free actually have legal or technical restrictions on their use, holding back people from using them in creative, productive, or unexpected ways.

In the extended point of the view, OpenStreetMap data are used in the Global South countries, although often created by people from the Global North, due to the fact, that these data are in many cases much more detailed than data provided by major map services such as Google Maps, Yahoo! Maps or Bing Maps (see Fig. 7).

A practical example of GIS and crowdsourcing in the after-math of the earthquake in Haiti

A good example of crowdsourcing is the Humanitarian OpenStreetMap Team's (HOT) reaction to the earthquake in Haiti on January 12, 2010. This team, together with thousands of volunteers all over the world, was able to create the most accurate map of Port-au-Prince and its surrounding available. The map was later used by the majority of humanitarian organizations on the spot including The Food and Agriculture Organization (FAO), The Office for the Coordination of Humanitarian Affairs (UNOCHA) or the International Committee of the Red Cross.

Based on the satellite images from NOAA, GeoEye, DigitalGlobe and other companies, including Google, which were provided to the OpenStreetMap community without any

charge, the area of Port-au-Prince was mapped immediately after the earthquake. In this case crowdsourcing proved to be a valuable tool also for urgent cases and a very flexible tool for humanitarian workers operating directly in the field.

Summary

PGIS may be considered as a means of integrating local and indigenous knowledge with 'expert' data (Dunn 2007: 619). It provides the means for more efficient and socially equitable decisions which can serve the society as a more or less neutral tool (Chrisman 2005). In my case study I worked with socially marginalized groups in the slums of Nairobi while using Participatory GIS as a tool for community empowerment. While GIS has indeed made the tools for cartography available to more people than ever before, the prediction of a universal empowerment was not universally accepted. PGIS offers potentially high value combining the technical and expert approach behind GIS and the socially equal opportunities behind empowerment.

As a second option crowdsourcing offers high-skilled professionals from all over the world, who are willing to use their time, energy and knowledge for different cases. Both approaches are valid and valuable for scientists from countries of the Global South and it mainly depends of the aim of the research, which method should be chosen.

The original question from the beginning of this paper "Should we limit ourselves only to collecting data or should we cross the borders and create participatory GIS structures, where communities will be able to post-process data and analyze them according to their own needs?" is still unanswered. In my opinion, one of the next steps in the evolution of PGIS could be a combination of crowdsourcing and PGIS, where indigenous communities would work together with the global IT community on solving issues based on local conditions but in a global GIT environment, which would save the technology and human resources costs for the local community. Similar to artificial neural networks designed to learn from previous tasks, PGIS together with crowdsourcing could also evolve into a neural network computer structures. This idea goes along with Patrick Geddes's quote "Think Global, Act Local".

Figure 1: Kangemi slum, Nairobi, Kenya



Figure 2: Semi-structured interview with children 10-15 years



Figure 3: Mapping with basic PDA with GPS chip-set



Figure 4: Taking pictures of "dangerous" places through the wooden frame



Figure 5: Presentation of the outcomes to the local community after the project



Figure 6: The final map of Kangemi slum with all POIs

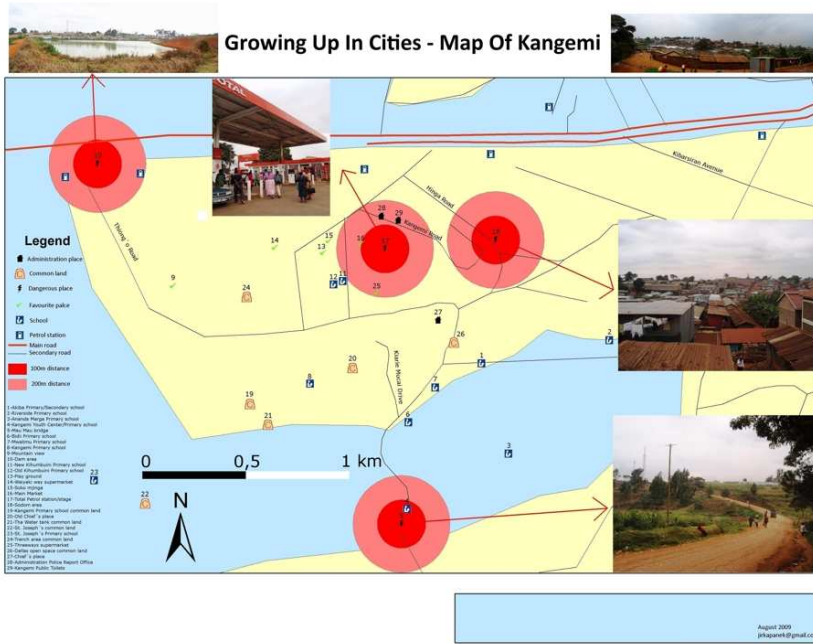
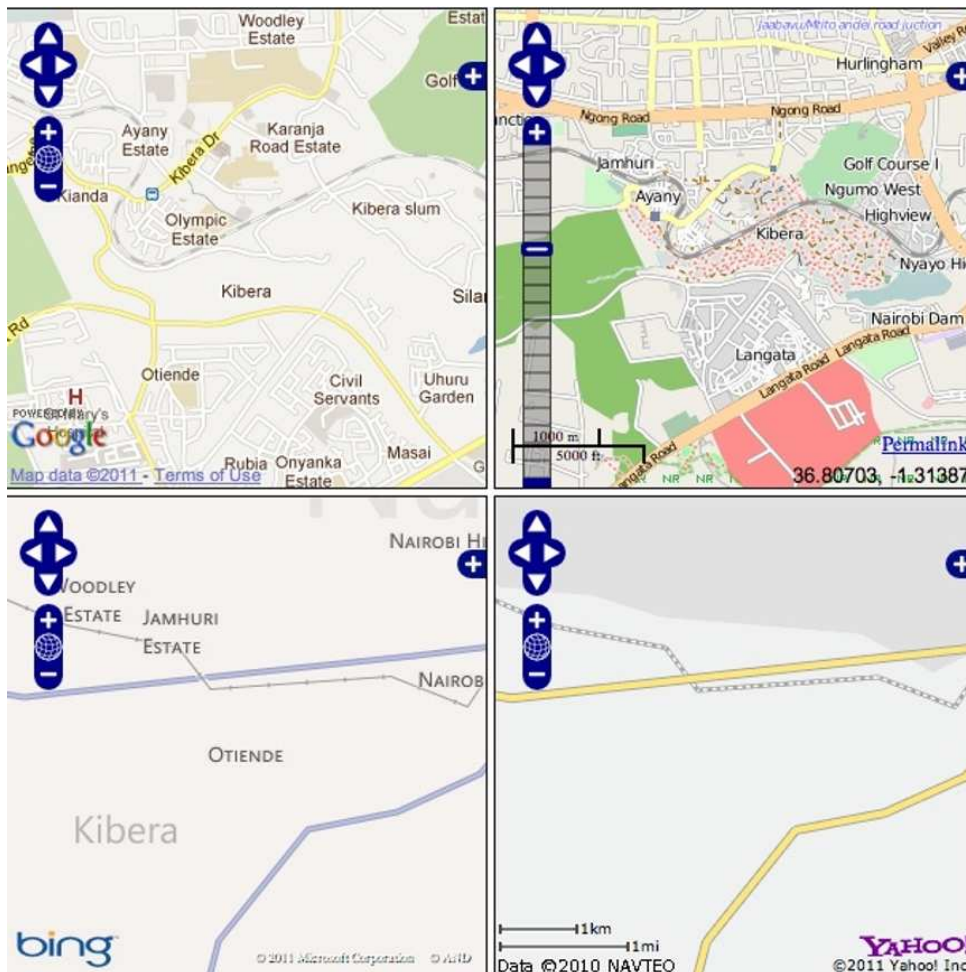


Figure 7: The comparison of 3 main maps services with OpenStreetMap (area of Kibera slum, Nairobi, Kenya)



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Romanian High-School Students "Left Behind" in the Context of Circular Migration: Some Determinants of School Achievement

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Abstract

A large number of school-aged Eastern European children have been "left behind" by their parents who temporarily live and work abroad. A limited number of studies at national level were conducted and even fewer have been introduced to the international audience. The present study attempts to add some dimensions to the body of research available on the topic, by investigating potential relations between perceptions of school environment, academic motivation and school performance among Romanian children left behind. An adapted version of What is happening in this classroom? questionnaire (Fraser et al. 1996) was applied for investigating participants' perceptions of school environment. Academic motivation was measured with Academic Motivation Scale (Vallerand et al. 1992) and the average grade for the previous semester was considered the indicator of school achievement. One-hundred seventeen secondary school students participated in the study, out of which 57 with temporary migrating parents. Results indicate that parents' absence slightly affected students' school achievement, and perceptions of school environment and academic motivation vary along with average grades. The outcomes of the study are discussed against available literature, emphasizing the need for more empirical support of the findings.

Key words: migration, children left behind, achievement, classroom climate, academic motivation

Introduction

Patterns of Romanian out-migration changed dramatically in the last twenty years, and associated social outcomes diversified. Consistent research efforts have been invested in depicting economic and sociological facets of Romanian migration flows, while educational implications were rather neglected.

In the context of Eastern European work migration, the "left behind" phenomenon became an important issue in the countries of origin, regardless the group affected by family members' migration (either children or elderly). Empirical evidences about social and educational challenges faced by children affected by parental migration are mostly available for households in Latin American, Caribbean or Asian countries (Parrenas 2005, Asis 2006). Undoubtedly, educational performances among children left behind constitute a central point in research on the issue in question. Regardless the volume of parental remittances and the quality of care provided by the supporting adults in the home-country, school achievement among children left behind is reported as declining (Jampaklay 2006), while other studies sustain that educational performances are not significantly influenced by parental migration (Kuhn 2006). Parental absence due to temporary migration may not necessarily lead to emotional disturbances or delinquent behavior, but children left behind, especially by their migrant mothers, experience migration as a form of abandonment (Parrenas 2005), a primary

source of loneliness and poor social adjustment within the peer-group (Battistella and Conaco 1998).

Studies conducted in Eastern European countries produced similar results: Bulgarian children left behind are predisposed to school dropout (Guentcheva et al. 2003), Polish children display lower school performance and increased vulnerability to deviant behavior (Rosinska-Kordasiewicz and Urbanska 2006), while the lack of parental guidance and control produces emotional and behavioral problems in Ukrainian children (Tolstokorova 2009). Several research reports are available for children living in Moldova, in the absence of their migrant parents (Molodikova 2008): they enjoy improved living conditions, but are exposed to risks as drug abuse, school dropout and socially undesirable behavior.

A study conducted by Toth et al. (2007) suggests that school achievement among Romanian children left behind by their migrant parents tend to be reduced, although they value education, under the pressure of their families, willing to invest more in further professional training than non-migrant families. A recent research on cultural effects of Romanian workforce migration (Badescu et al. 2009) emphasizes profound changes produced at the level of family relations and shared values: parents are more aware about the importance of education and press their children to continue their studies, while acknowledging their children's need for independence and increased access to resources. The indirect exposure to cultural diversity enhanced respondents' civic involvement and social confidence, but negatively affected children's educational achievement and educational aspirations. Similarly, a survey on children from a Western Romanian county concludes that parents' absence is not a risk factor for school achievement, as students with a low socio-economical family background experience similar educational difficulties (Hatos 2011). It is clear that the effects of parental absence should constitute subject of further research and clarifications.

The present study and methodology

The present study focuses on school achievement, perceptions of classroom environment and academic motivation among a sample of Romanian children left behind by their migrant parents. A large body of research focused on potential associations between psychosocial dimensions of class and school environments and students' academic outcomes. For example, we can mention the studies conducted by Goh and Fraser (2000) and Kim and Kim (1996) that indicate strong correlations between students' perceptions of their classrooms, achievement in school-subjects, attitudes towards school etc. Motivational background of school achievement lies at the center of educational research, as motivation is understood as strong psychological mechanism in supporting learning. In a comprehensive review of theories and studies focusing on this specific issue, Covington (2000) underlines the importance of considering motivation when studying educational outcomes.

Based on the available literature, we presumed significant variations of school achievement, perceptions of classroom climate and academic motivation among children coming from migrant and non-migrant families.

Instruments

Students' perceptions of classroom environment were investigated with the questionnaire *What is happening in this class?* (Fraser et al. 1996), which consists in eight subscales (each including ten Lickert scale items): student cohesiveness, teacher support, involvement, autonomy, investigation, task orientation, cooperation and equity. A separate score was computed for each subscale by summing results for individual items. Reliability coefficients of the Romanian version used in the present study have rather high values ranging between .83 and .93.

Educational motivation was measured with Academic Motivation Scale (Vallerand et al. 1992), which includes twenty-eight items subdivided into seven subscales assessing three types of intrinsic motivation (intrinsic motivation to know, to accomplish things and to experience educational stimulation), three types of extrinsic motivation (external, introjected, and identified regulation) and amotivation. Subscale scores were computed by summing results for corresponding Lickert scale items. Reliability levels for the Romanian version used within our study for secondary school students are satisfactory, ranging between .68 and .79.

The level of school achievement was analysed based on average grade for the first semester of the school year 2010/2011.

Participants

The sample included one hundred seventeen Romanian secondary school students, aged between 15 and 18 years, eighty-nine girls and twenty-eight boys enrolled in public urban high-schools. The presents study reports the research results for pupils left behind by both parents involved in circular migration at the time of the data collection (fifty-seven participants) and for children currently living in nuclear families, benefiting of the support of both parents (sixty students). In terms of permanent residence, the sample was balanced including fifty-four students with families residing in urban areas and sixty-three from rural areas. Students from rural areas included in the sample are daily involved in transfers by train or bus from villages to the cities.

Procedure

The measures have been self-administered at the end of the second semester of the school year 2010/2011, and classroom teachers reported average grades for the first semester of the same school year. Informed consent has been obtained from all students volunteering to participate in the study.

Results

Although some researchers suggest significant differences between students left behind by their migrant parents and children from non-migrant families in terms of school achievement, our results do not entirely support a similar pattern of educational performances: average grades are generally lower for students affected by parental migration, but the differences are not statistically significant. The highest level of school achievement was documented for girls coming from non-migrant families ($M= 8.25$; $SD= .60$), who perform significantly better than boys ($M= 7.23$; $SD= .84$) with a similar family situation [$t(58)= 3.99$; $p= .00$].

Results for perceptions of school climate indicate students left behind with migrant parents perceive as more intense tasks requiring problem-solving and investigation skills ($M= 35.45$; $SD= 6.81$) than students with non-migrant parents ($M= 32.63$; $SD= 7.55$) - $t(115)= 2.11$; $p< .05$. They are also more likely to approach learning tasks more autonomous and to choose personalized models of action in school contexts than their peers [$t(115)= 2.29$; $p< .05$].

In terms of academic motivation, results indicate significant differences between children affected by parental migration ($M= 11.93$; $SD= 5.79$) and children raised in non-migrant families ($M= 9.06$; $SD= 5.37$) only for the amotivation scale [$t(115)= 2.55$; $p< .05$].

Variations of the considered variables within the two groups of students have been further explored, by considering gender and residence areas (urban/rural). No significant difference has been found between girls and boys from non-migrant families for dimensions of classroom environment, while girls with migrant parents tend to be more task-oriented than boys, investing more efforts in completing school activities [$t(55)= 3.05$; $p< .01$]. In contrast, academic motivation scores do not vary according to gender among children left behind.

Within the group of students with non-migrant parents, significant differences were observed between girls ($M= 19.47$; $SD= 5.79$) and boys ($M= 15.28$; $SD= 2.44$) for intrinsic motivation to experience educational stimulation [$t(17.62)= 2.33$; $p< .05$], while gender does not account for differences within the group of participants affected by parental migration.

If family permanent residence is considered, data for students from urban and rural areas with non-migrant parents indicate more positive perceptions of the first subgroup of students cohesiveness in the classroom [$t(58)= 3.39$; $p< .01$], involvement in school activities [$t(33.79)= 2.29$; $p< .05$], autonomy in solving learning tasks [$t(58)= 2.26$; $p< .05$], task orientation [$t(58)= 2.64$; $p< .01$] and cooperation with classmates [$t(58)= 2.85$; $p< .01$]. Generally, means for perceptions of school climate dimensions are higher for students residing in urban areas than for those coming from villages.

In the case of children left behind for their migrant parents, students from urban areas express less determination in accomplishing school tasks ($M= 35.79$; $SD= 7.30$) than their peers from rural areas ($M= 40.46$; $SD= 6.16$) - [$t(55)= -2.60$; $p< .05$].

Associations between perceptions of classroom climate dimensions, academic motivation scores and school achievement have been also investigated: correlation coefficients (Pearson) indicate significant but moderate connections between school achievement and perceived teacher support ($r= .21$; $p< .05$), task orientation ($r= .28$; $p= .01$), and equity in the classroom ($r= .33$; $p= .00$). Intrinsic motivation to accomplish school task account for the strongest significant correlation with academic achievement ($r= .47$; $p= .00$), while external regulation of academic behavior for the weakest ($r= .24$; $p= .00$). As expected, amotivation is negatively connected to school achievement, regardless the migration background of participants' families, although the value of the correlation coefficient is not significant.

Discussion and conclusions

Overall, the results indicate only a weak effect of parental migration on participants' level of school performance although average grades are lower for students with both parents involved in work migration. However, we should mention a general tendency of girls to obtain higher average grades than boys, as a sign of better adjustment to challenges within school settings. These research outcomes are in line with some recent findings of similar studies conducted on Romanian students left behind (Sava 2010, Hatos 2011), but more data is needed for launching more reliable conclusions on school achievement variations according to family migration situation.

A rather unexpected effect of parental migration resides in improved students' perceptions on some dimensions of classroom climate, such as involvement in problem-solving activities and increased autonomy in approaching learning tasks. These results illustrate potential changes in classroom behavior of students affected by parental migration, due to children's need to overcome all difficulties outside the school life with limited adult assistance, which may eventually be translated similarly within the educational environment.

The results for the academic motivation scale are closer to the initial study assumptions, as scores for amotivation are significantly higher for children left behind by their migrant parents. Amotivation in academic situations may be related with hopelessness or low interest level in further education, but deeper approaches are needed for clarifying these results, as a part of the available literature suggests the opposite tendency (e.g. higher academic motivation, Rosinska-Kordasiewicz and Urbanska 2006).

Variations of perceptions about classroom psychosocial dimensions and academic motivation favoring children with permanent residence in rural areas, regardless the migration situation of the family was certainly expected, as these children are psychologically more prepared and determined to succeed in school, as a first step to improve their life conditions. Although our results are interpreted with caution given the research limits (rather small

sample, few variables associated with academic achievement included in the research design, a cross-sectional approach), they do offer additional information about the situation of children with migrant parents.

Acknowledgement

This paper is supported by the Sectorial Operational Programme Human Resources Development (SOP HRD), financed from the European Social Fund and by the Romanian Government under the contract number POSDRU/89/1.5/S/56815.

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Strategic Role of Ecotourism for Romania's Regional Development

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Abstract

The issues of ecotourism and regional development have become major priorities for public policy makers across the globe as ecotourism may increase sensitivity to host countries' political, environmental, and social climate. The main goal of the Romanian tourism is to achieve global recognition for the quality of services and natural and cultural treasures currently available. Therefore, this study investigates the potential of ecotourism in Romania, which is one of the major advantages of the Romanian tourism, being chosen by 40% of all foreign visitors. The Romanian nature (yet) untouched by human intervention, rural traditions, more than 900 protected natural areas throughout the country and beautiful landscapes are only some of the Romanian ecotourism's treasures. Ecotourism, as an alternative tourism, involves visiting natural areas in order to learn, to study, or to carry out activities environmentally friendly, that is, a tourism based on the nature experience, which enables the economic and social development of local communities.

Key words: sustainable tourism, ecotourism, environment, nature, sustainable development, competitive cities and regions.

Introduction

The idea of adopting the concept of sustainable development in tourism occurred in the early 1990s, giving rise to sustainable tourism, a concept that was quickly accepted by all international and national organizations. Thus, in 1991 the concept of sustainable tourism was defined by the International Union for Nature Conservation, World Federation for Nature Protection, the European Federation of National and Natural Parks as: "the development of all forms of tourism, the tourism marketing and management that would respect the natural, social and economic integrity of the environment, ensuring the exploitation of natural and cultural resources also for future generations" (Istrate & Bran 1996: 258; Bran, Simion and Nistoreanu 2000: 13). From this definition it follows that any form of tourism should respect the principles of sustainable development, whether it is about ecotourism, green tourism, rural tourism or business tourism.

According to the World Tourism Organization, "the development of sustainable tourism meets the needs of present tourists and those of the host regions, simultaneously with protecting and increasing future chances and opportunities. It is seen as a way of managing all resources, in a way that the economic, social and aesthetic needs would be fully satisfied, while maintaining cultural integrity, essential ecological dimensions, biological diversity and the life system" (Stănciulescu 2004).

Sustainable tourism covers all forms and activities in the hospitality industry: conventional mass tourism, cultural tourism, mountain, seaside, spa, business, rural tourism, etc. These activities are based on the principles of sustainable tourism: (1) tourism activity should be initiated through the local community's own means, and the community must maintain the control over tourism development; (2) tourism should provide jobs to the residents, that would improve the local communities' quality of life and a balance between the already existing economic activities in the area and tourist activity must be achieved; (3) a code of practice for tourism at all levels (national, regional and local level) has to be established, based on already accepted international standards. Also, guidelines for tour operators, for monitoring the impact of various tourism activities and for the limits of acceptability for different areas, may be set; and (4) educational and training programs to improve the management in the area of protecting natural and cultural resources must be accomplished (Jamieson and Noble 2000).

Ecotourism - the main type of sustainable tourism

Recently, tourism industry development has focused on the natural and authentic cultural values (Bran, Simion and Nistoreanu 2000). According to the National Institute for Research and Development in Tourism (NIRDT 2009: 10), ecotourism actually represents the most valuable form of manifestation of sustainable tourism. The ecotourism focuses on environmental conservation and the education of tourists regarding environmental protection and conservation.

According to the Association of Ecotourism in Romania (AER, 2003), ecotourism is a form of tourism in which the main motivation for the tourist is the observation and appreciation of nature and local tradition in natural areas, and which must fulfil the following conditions: (1) contributes to nature conservation and protection; (2) supports the well-being of local people, stressing local ownership, as well as business opportunities for local people (especially in rural areas); (3) has an educational component that creates awareness about nature conservation, both for tourists and local communities; and (4) requires the lowest possible negative impact on the environment and on the socio-cultural component.

The following principles have been adopted and promoted by the Association of Ecotourism in Romania (AER, 2003), based on two international models: Nature and Ecotourism Accreditation Program, developed by the Ecotourism Association of Australia, and Nature's Best, the certification system of the Swedish Ecotourism Association. AER's approach is that these principles should be put into practice by those who offer ecotourism products as well as by those who plan the ecotourism-based development of an area.

Ecotourism takes place in natural areas and is based on tourists' direct and personal experience in nature.

Ecotourism contributes to a better understanding, appreciation and enjoyment of discovering and protecting nature and traditional local culture, for both visitors and the local community.

Ecotourism offers the best tourism practices from the point of view of nature protection and sustainable development. The ecotourism product is developed in such a way as to protect and highlight the natural environment in which it takes place.

Ecotourism actively contributes to the protection of natural areas. Ecotourism offers practical means of protection of natural areas (for example, financial help for the rehabilitation of natural areas, litter collection or financial contribution to nature conservation organizations).

Ecotourism contributes to the development of local communities in natural areas. Local benefits can be obtained by using local guides, staying in local guesthouses, buying local products or using local services.

Ecotourism must ensure the reduction of the negative impact on the local community visited and contribute to the conservation of local culture and traditions. Ecotourism activities offer at the same time a practical long-term contribution to these communities.

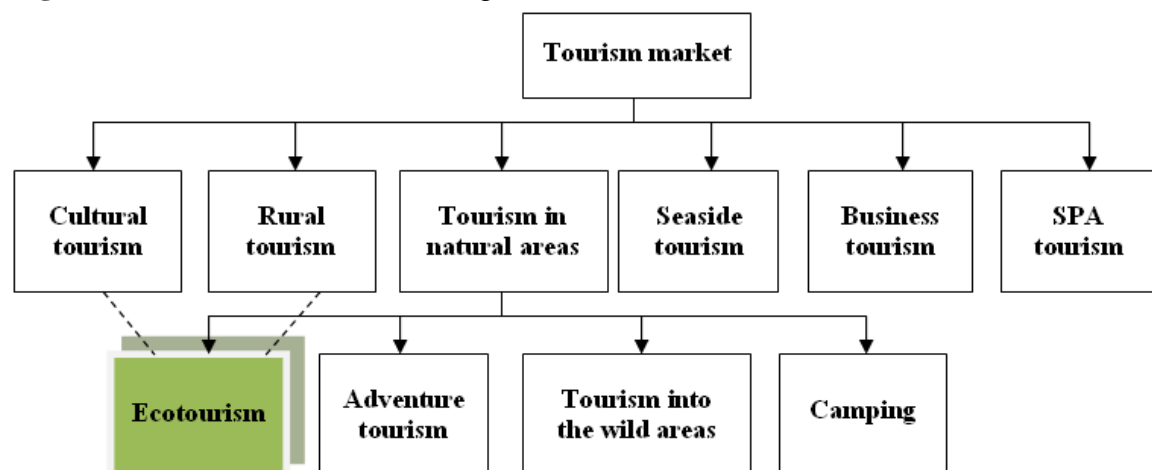
Ecotourism must respond to the tourists' expectations. Potential eco-tourists have a high level of education and expectations, so the degree of satisfaction in terms of the ecotourism product is essential.

Ecotourism marketing offers visitors complete and responsible information which leads to an increase in their respect for the natural and cultural environment of the areas visited and to a higher degree of satisfaction of the tourists.

Ecotourism may be regarded from different perspectives related to different geographical areas. Thus, if in North America ecotourism is developing in virgin natural areas, in which human intervention is minimized, in Europe, where the landscape is generally related to human presence and the local community, there are quite close connections between ecotourism and rural tourism, the two forms of tourism being hardly separable from each other. In the last decade, a greater importance to natural landscapes, as support for biodiversity and ecotourism, has started to be given at the European level (NIRDT 2009: 11).

Figure 1 reveals the position of ecotourism within the tourism market. Ecotourism appears as a tourism submarket in natural areas, while having strong links with cultural and rural tourism.

Figure 1: Ecotourism as a market segment



Source: Wood, 2002

Ecotourism is a type of tourism based on the experience of nature, which involves visiting natural areas in order to learn, to study, or to carry out activities environmentally friendly, enabling the economic and social development of local communities (Niculescu 2008). Ecotourism may include the following activities: (1) adventure activities (e.g. rafting, canoeing, equestrian tourism on predetermined routes, ski touring, bike trips on arranged routes, etc.); (2) hiking/organized walks, with guide; (3) tours for observing nature (flora, fauna); (4) trips for the experience of nature conservation activities; and (5) trips to local communities (visiting cultural sites, traditional farm visits, watching traditional cultural events, consumption of traditional food, purchase of traditional non-food products, etc.) (NIRDT 2009: 11).

For such ways of leisure activities there is a need for local trained guides, low traffic areas and gourmet cuisine recipes for each destination. The World Tourism Organization's sociological profile of a "typical" ecotourist includes people between 30 and 60 years of age, with high education and above-average income, most commonly from Western Europe and

even more specifically from countries such as Sweden, Germany, UK and France (Niculescu 2008).

Through ecotourism, the reduction of negative effects on the local and natural environment, as well as on the human population is attempted. Ecotourism areas are considered areas of major interest, with special rules that have beneficial effects on the traditional lifestyle of local people. This type of tourism can promote an interaction between local people and tourists, as well as a real interest in protecting the natural areas, not only in receiving zones, but also in the emitting zones.

Potential of Romania's development regions in the field of ecotourism

According to the National Strategy for Ecotourism Development (NIRDT 2009: 24), Romania has a highly varied natural capital. Due to physical and geographical conditions, which include mountains, plains, major river networks, wetlands and an extensive delta system (Danube Delta), Romania is the only country on the continent in whose territory 5 of the 11 bio-geographic European regions (alpine, continental, pannonian, steppic and pontic) are present. Our country has a high biological diversity, expressed both in terms of ecosystems and species level. In addition, the lack of mechanization in the forestry sector and the weak economic development led to a lower exploitation of resources than in most other areas in Europe.

The natural and semi-natural ecosystems cover 47% of the country's surface. Moreover, 783 types of habitats (13 coastal habitats, 143 specific habitats of wetlands, 196 specific pastures and hay fields habitats, 206 forest habitats, 90 specific habitats of dunes and rocky areas, and 135 farmland habitats) were identified in 261 areas analyzed throughout the country. Due to the geographical position of Romania, flora and fauna have Asian influences from the north, Mediterranean from South and continental European components from the northwest. In Romania, 3700 plant species have been identified, out of which 23 are declared natural monuments, 39 are endangered, 171 are vulnerable and 1253 are rare.

In order to preserve the biological diversity, numerous protected areas (more than 7% of the country's surface) have been established at the level of the development regions, and the future expansion of this network is taken into account.

Ecotourism has begun to develop in Romania in the past ten years, now attracting over 20,000 visitors every year, only among the customers of the AER members (Trandafir 2010). Foreign tourists who prefer ecotourism are aged between 30 and 60 years, have higher education and appreciate the nature. They often have specific interests (studying birds or some type of animal), and some of them just want to feel good in nature, away from the big crowded cities.

Most tourists come from the United Kingdom, Germany, Belgium, the Netherlands, Austria and Switzerland and they choose long routes, of at least one week. Romanian tourists interested in ecotourism represent about 20% of the total, and choose short-term programs. Most visitors come between May and October, when the weather is good for walking. Otherwise, special programs for winter are being arranged - hiking with snow rackets or ski touring, sleigh rides drawn by horses, participation in the traditions of Christmas or Easter. Tourists pay between 70 and 100 euros per day, the price including accommodation, meals, travel and guide service.

According to the AER, the economic impact of the ecotourism programs conducted by tour operators (members of the AER in Romania's development regions) is obviously increasing from 0.95 million euros in 2004 to about 1.6 million euros in 2008 (NIRDT 2009: 6). It is to mention that the impact at local level is well above the average of classical tourism. In the case of the AER members, about 80-90% of the expenditure made by tourists are in the area of the tourist program, predominant in rural areas. Given that the above data refers only

to a total of 16 operators, members of the AER, quite concentrated territorially, Romania's huge potential in developing this type of tourism can be inferred.

"ECO" projects carried out by Romanian cities

Cities, the centers for innovation, efficiency, investment and productivity, but also the main cause of climate change, nowadays must assume an important role in addressing environmental problems. Since more than half of humanity lives in cities, sustainable development and global climate change should be sought in ecological transformation of cities (Steiner 2009). Therefore, the campaigns and projects carried out by urban managers in order to reach an "eco" development of regions, cities and rural areas around are becoming extremely important these days.

The program "Green Capital of Romania"

The campaign "Green Capital of Romania" (Figure 2), one of the most extensive environmental initiatives in our country, is a competition for Romanian cities and is part of the social responsibility program "The Green Umbrella", released by Tuborg Romania in the summer of 2007, in partnership with the Ministry of Environment and Forests.

Figure 2: The logo of the program "Green Capital of Romania"



Source: Tuborg Romania 2007.

The campaign's objectives are to convince Romanian citizens of the importance and environmental programs and the active participation of people in them. The campaign wishes to encourage both local government officials and citizens to initiate or participate in environmental projects which can improve the quality of life in Romania's major cities (Popescu and Corbos 2010: 128).

This initiative rewards the municipalities that have the most efficient initiatives for the reduction of pollution (of any kind); development of green spaces or the forestation of some areas, selective collection and recycling of waste, empowerment and education of citizens on environmental protection, citizens' involvement in environmental projects, care for protected areas in the county (if they exist), use of organic products, and development of ecological tourism.

In 2010, Brasov won the title "The Green Capital of Romania", and the city will be allowed to use it throughout the whole year 2011. The main advantages of Brasov were local development policies and programs of the past three years, leading to environmental health and protection, but also to the inhabitants' attitude towards nature. For example, Brasov had the largest number of volunteers in the project "Let's Do It Romania". The introduction of the "Local register of green spaces", the implementation of some alternative and sustainable energy policies by getting involved in the European association Energy-Cities, the selective waste collection, or the rehabilitation, protection and conservation of the biodiversity in the protected area "Tampa Mountain" have played a role in earning this award.

The next competition will take place between May 25th and December 1st of 2011, and it is open to all cities in Romania. Cities can apply for one of the three categories, depending on the number of inhabitants: first category (less than 50,000 inhabitants); second category (between 50.001 and 199.999 inhabitants); and third category (more than 200,000 inhabitants). The award ceremony "Green Capital of Romania" will take place in January 2012 in Bucharest.

The program currently enjoys the support of over 1,200 volunteers from 32 counties and over 950 blog partners. In addition, more than 120,000 stickers with the message "I do not throw garbage on the street" were distributed through various means.

ECO directions for the development of Bucharest

A. Bucharest's ecological development strategy

In April 2009, Bucharest City Hall launched the first green development strategy aiming to improve the quality of life and citizens' comfort, and to put into action projects that would ensure the city's development based on the current environmental rules and standards and according to European trends.

The local authorities have decided to launch this strategy based on a research project which has revealed that Bucharest's inhabitants are very interested in the quality of the environment in which they live. Thus, 9 out of 10 citizens are convinced that environmental problems have a major impact on the quality of life. The main environmental problem faced is pollution according to 54% of the respondents, and dirt according to 37% of the respondents.

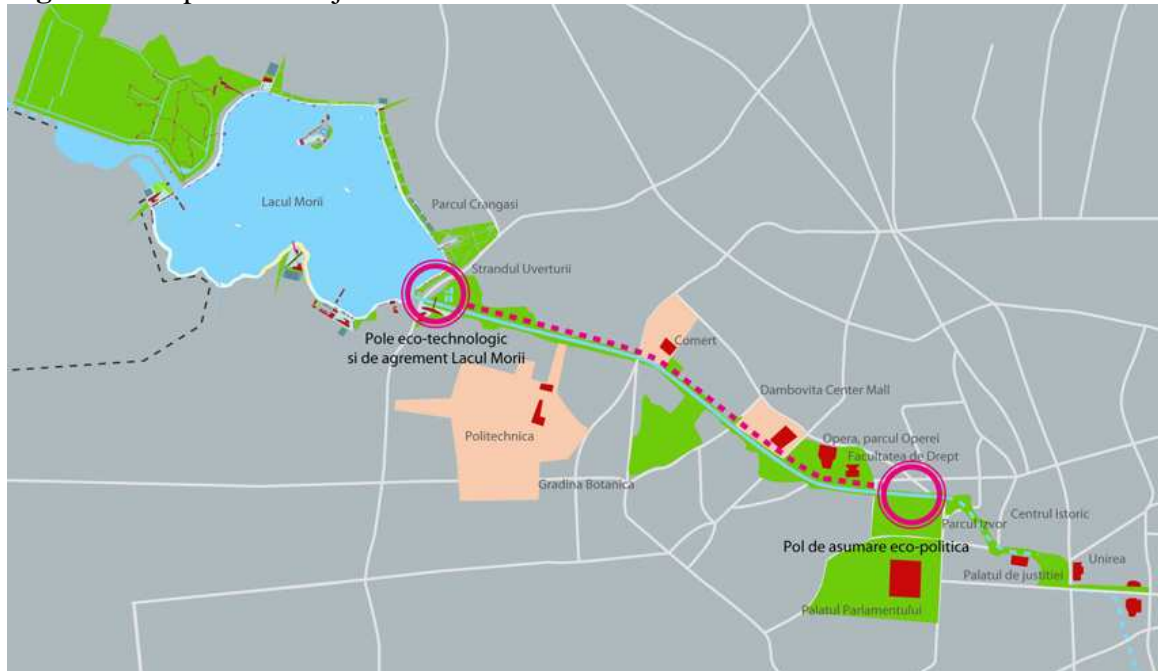
The main "eco" measures for Bucharest are the following: (1) constraining individuals and businesses to have at least 30% green space of the total terrain when constructing a new building; (2) creating eight underground parking lots; (3) setting up bicycle paths in two of the most important parks in Bucharest (Tineretului Park and Herastrau Park); (4) financing and launching the second construction phase for the Wastewater Treatment Plant in Glina; and (5) establishing the Green Patent (document that sets the minimum environmental standards of compliance with throughout Bucharest).

B. The project "ECO Bucharest 2015"

In October 2009, the project "ECO Bucharest 2015" was launched, as an initiative of a team of architects named Space Syntax (company specialized in urban development strategies), in partnership with the Cultural Foundation Art Promo (NGO acting as a cultural interface between Romania and the West, by organizing events and exhibitions) and The Ark - Stock Exchange for Creative Goods. The objective of the project is to establish a "backbone" of ECO development of the city, through innovative rehabilitation of an area of 1,000 hectares along Dambovitza's axis, encompassing Izvor Park and Morii Lake (Figure 3).

The project "Eco Bucharest 2015" is based on three components: (1) the first one aims at the regeneration of Morii Lake (Figure 4), Dambovitza River and the residual space around the Parliament; (2) the second component is focused on the economic and social revitalization by capitalizing on the potential of a polytechnic platform, research institutes, Botanical Garden, and the Palace of Parliament; and (3) the last component is a comprehensive approach of cultural promotion through the Liveland Project and Liveland Festival, that aim at building a brand with an international value. According to the promoters, Liveland is a cultural platform supporting urban revitalization in an ecological sense.

Figure 3: Map of the Project "ECO Bucharest 2015"



Source: Ivanov 2009

Bucharest needs this concept to complete or correct its image, mainly turning it into ECO or, more explicitly, to encourage the adoption of the ecological design and engineering. Thus, a new public space will be developed on the Dambovitza River, where (public or private) investments will be based on principles sustainable development. Dambovitza River will be framed between two poles: Morii Lake, focused on eco technology, which will have a role in research and public education, and the other, Palace of Parliament, with a role in reinventing a strong brand that is still linked to the past, and not to the future.

Figure 4: Morii Lake: present and perspective



Source: Dulamita 2010

The proponents of this project want to draw attention to the fact that there is no vision of the city. Even if the project is never realized, it still remains an example of what could be done if we had an adequate legal framework and political will (Ivanov 2009).

Conclusions

This paper has revealed that there is a need for sustainable development in tourism, and the connection between tourism and environment is much stronger than in other sectors. Tourism has often created negative economic, social and ecological effects, and they may be diminished through professional urban management. Recreational activities may be developed within natural areas and may bring significant revenues both to those who manage them, and to the local communities. Tourism is one of the few economic sectors through which sustainable development of these areas can be achieved, and ecotourism is the most accepted form of sustainable tourism for any country or region of the world.

Romania has a significant potential for developing ecotourism, due to its physical and geographical conditions, its biological diversity, as well as due to the lack of mechanization in the forestry sector. The campaigns and projects carried out by urban managers in order to reach an "eco" development of regions, cities and rural areas around are becoming extremely important these days. Programs such as "The Green Capital of Romania" or "ECO Bucharest 2015" are only examples of projects necessary for developing sustainable tourism of cities and regions. Ecotourism has a strategic role for Romania's regional development and is a leading point on the political agenda because it may enable economic and social development of the local communities.

Acknowledgments

This work was supported from the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/89/1.5/S/59184 "Performance and excellence in postdoctoral research in Romanian economics science domain".

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The Globalization Proces and How it Affects the Settlement Hierarchy. The Case Study of Oradea and Bucharest, Romania

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Abstract

Seventeen years have passed since the 1992 United Nations Conference on Environment and Development in Rio de Janeiro took place. When the leaders will meet next time at the Johannesburg Summit, they will confront a world situation markedly different in many ways. Globalization, characterized by the liberalization of trade and capital markets and the rapid development of information and communication technologies, has dramatically changed the world's socio-economic landscape. This can be seen in Romania too.

Even so, the 1990s was a time of increasing prosperity for countries, when the average annual rate of growth of the gross domestic product as a whole increased to 4.3 percent. The changes brought by globalization and technology push firms and governments to reorganize and refocus their own resources.

With the same starting point, we will empirically try to show why the Romanian administrative system, concerned about the use of resources, so far constrains the achievement of a balance between resource efficiency and goal effectiveness. The paper points out the existence of a possible relationship between the development state of two Romanian cities, Oradea and Bucharest, and the globalisation process. That is because today, globalization, the first feature of this study, is one of the most influential forces which have brought changes in the development process.

Keywords: development, effect, globalisation, regions

Introduction

All the places in the world have multiple levels of existence. This approach failed to recognize that change is evolutionary, that we live in a continuum, and that we cannot simply part from our past (Hughes 2003). From this point of view, Romania, like other East European countries, can be characterized by the rapid and large-scale transformation of the society that has taken place in the past few years.

Even if most parts of Romania consisted of traditional rural societies based on agriculture, industrialization and urbanization dramatically advanced, along with the trend of market globalization, causing drastic changes in their environmental situations. Cities are apparently the manifestation of these changes with contradicting aspects. Economic growth, on the one hand, causes various environmental problems, but on the other hand, it enhances the capability of making investments and mobilizing resources that are necessary for overcoming such problems.

According to the NUTS II level from the statistic European classification and to the Law no. 151/1998 on regional development in Romania, the state administration is responsible for direct law enforcement and has established the institutional framework, the competences and specific tools necessary for the promotion of the regional development policy.

As we look at the current map of Europe, the centers of excellence are mostly concentrated in great agglomerations because they attract financial and human investments, due to their own consumption and the impact upon a larger area. These centers of excellence are first of all concentrated in the political and economic capitals of the countries with population exceeding 500.000 inhabitants. Countries such as Romania do not have concentrations that are very attractive to investors – except for the capital.

Aims

Considering all the foregoing, the purpose of this study is to compare two cities in Romania, Bucharest and Oradea. First, it tries to understand the situation of the local issues from each area. Then, it makes a comparative analysis of data collected from these cities. Finally, it attempts to present the relevant city rank of each of them.

Methodology

The study consisted of two different types of research. The first type is based on certain selected cities and their potential. The second is more of an analysis of some details on crosscutting issues and overall situations from both cities. This section draws on official reports and statements of the Romanian authorities as well as reports from local authorities, agencies and the private, non-governmental sector, including public opinion surveys. Actually, all data was collected from three institutions, two Romanian – Oradea and Bucharest Municipal Council – and one an international agency – Fitch Ratings – which is a global rating agency focused on the development of fixed-income products and services bringing to market a wide range of data.

Background, discussions and results

As Fitch Rating Agency's analysis concluded in November 2008, "the highly centralized budgetary system for Romanian local governments ensures state support and control of the cities' financial position, including debt approval, but it also acts as a constraint on the cities' development flexibility. The state controls the cities' tax base, tax rates and main revenue collection, as well as important expenditures." In view of this argument we must take into account a few points, namely:

The statistical data indicates that Romania has a relatively more reduced level of regional disparities than other neighboring countries. Still, these disparities have grown rapidly and mostly between Bucharest and the rest of the country. This phenomenon has grown due to the impact of the economic restructuring, mainly in mono-industrial areas, whose population was affected by unemployment as a result of the closing of state companies. Others factors which had an impact on regional development include border regions – the regions at the border with Moldavia and Ukraine – and the less developed regions along the Danube river.

As we have mentioned, the main differences in terms of development are those between the country capital and the rest of the cities. One of the most striking features of the economic growth of the last 12-15 years was due to the increasing importance of the capital city area. Bucharest counts less than 15% of the country's populations, but contributes with more than 26% to the national Gross Domestic Product (GDP) and about 30% of the Romanian Small and Medium Enterprises (SME) are registered there. Over 50% of all foreign investments were drawn in the capital city. Bucharest is also the place that registers a great positive domestic migration. The percentage of students who carry out their studies in the capital city has grown with every academic year.

Except for Bucharest, whose situation in the economic area of the country is special, the economic growth has followed a pattern on the east-west direction. The proximity of Western markets acts as a diffusion factor of growth. Although the statistical data show some time

variations due to several local factors we can note how economic growth had a significant geographical component, the underdeveloped areas being thus concentrated in the NE, at the border with Moldavia, and in the South along the Danube river.

In this area we include Oradea, a city which has a very favorable geographical position, being positioned in the West part of Romania, but at the junction of the roads connecting Central and Northern Europe with the South-eastern part of the continent. Oradea was for a long time and still is one of the most prosperous cities of Romania, due mainly to its location on the Hungarian border. The GDP per capita output in Oradea is approximately 150% of the Romanian average.

In addition to this and according to the criteria of the World Bank (WB) for assessing investments in relation to the city population, Oradea is currently a city that may aim at investments that do not exceed 40 million \$. By means of a coherent policy of promoting joint development strategies, we could attract investments of up to 100 million \$.

According to this, a recent WB declaration made in March 2009 informs that "the foreign investors continue to show interest in the Romanian market, in spite of the international financial crisis". The main fields where investors have shown interest in Romania are manufacturing of non - conventional energy equipment, construction materials and IT.

In spite of these WB considerations, the Fitch Ratings Agency's conclusions about our studied cities informs that the rating actions on Bucharest and Oradea reflect the tight financial and governance relationships between the Romanian cities' local governments and the sovereign, whose ratings act as a string.

We believe this conclusion is a little exaggerated and even the common point of view about this subject concurs with the Fitch one. But the state could not be anything else than an evolutionary development, and the local/regional/area welfare of a country is the end result toward which political development leads in all societies [Goodsell C.T. 2004]. And because local authorities in Romania are confronted with a variety of complex urban challenges, this requires a good relationship between cities and the national authorities.

Before going forward, it is necessary to specify that the Fitch analysis of the two cities' rating is based on the ability to pay debts on time which are necessary for attracting financial resources for co-financing and pre-financing European projects. This is the reason why we consider that the Fitch's choice, when they decided to analyse the two cities and estimate their rating, was a good one, because both cities are concerned about global, regional, and national implications of today's patterns of resource use, with the increasingly obvious negative feedback on the quality of life. Even the proportions and the self-capacities between cities are inadequate; we could observe that:

Bucharest is Romania's capital, which means that not only the entire administrative apparatus but also SMEs are concentrated there.

On the other hand, Oradea is the entrance gate to Romania, which means that Oradea could be the first Romanian place where the investors get into contact with our national possibilities. Foreign investors have an increased interest in Oradea because it has a better position from the point of view of traffic and transportation. Also, we believe that even the extended cross-border relationships established at a local level between different communities over the border could be an attractor for foreign investors, because they have a good opportunity to "land" their investments starting with this territory. Perhaps this is one of the reasons why Oradea, as a municipality is the highest ranked regional center.

Although the selected cities are positioned at different levels of development, both of them show very similar development trajectories in terms of both socioeconomic development and urban environments and planning. The combination of high population densities, severe resource constraints, and thoughtful planning approach motivated both local administrative authorities to develop some innovative policies.

In both cities, major local authorities' policy statements are made to bring environmental issues to public attention. The local authorities of both cities concentrate on four areas: environmental conservation; protecting human health and the environment; environment, trade, and economy; and information and public outreach.

Local authorities must have a wide range of powers and duties. It is true that the national policy is set by the Government, but local Councils are responsible for all day-to-day services and local matters [Goodsell C.T. 2004]. If we look at the Fitch 2008 rankings report we can summarize that the agency's conclusion that both cities should focus on improving the quality of life follows the national issues and trends: more cycling; investment in public transportation; growth of the wind, solar, hydro, geothermic, and biomass energy production; and more community groups.

Considering the above, these measures are practically part of the local public administration strategy in the studied cities. The Fitch rating omitted some important facts that document the municipal efforts in this area and confirm some important achievement in the development of the city. It should be noted that the Oradea Municipality won several recognitions directly from European institutions in the last few years. For example, Oradea received the "Europe Prize" distinction in June 2005 by the Council of Europe, as recognition for the efforts in the implementation of European measures and regulations, and for their good transnational links with other communities from abroad. Thus, Oradea is the only Romanian city with such a distinguished award from the European forum. Also, in October 2007, Oradea received from the same European institution the prize "Golden Star Award" for "Youth Mobility in the EU" Project.

On the other hand, according to the Ernst & Young study, Bucharest and its neighborhood is the preferred choice for future investment in the region of Eastern Europe. The same agency said last year that the overall perception of investors of the region of South Eastern Europe had improved steadily. Among the foreign companies which have confirmed the existence of investment plans in the region, 50% intend to establish branches in Bucharest and a few other cities around it, 19% have plans for expansion of the existing operations in Bucharest, while 15% intend to buy local companies or businesses.

As we can see, the investing potential in both cities still exist, but we should not forget that the world crisis is only beginning.

We can conclude that a new framework is needed, one that encourages flexible cooperation between local authorities as well as partnerships with private and civic sector actors. For this, a few steps are necessary to accommodate local conditions:

The first step is the development of an open, networked form of local authorities that involves public, private, and civic sectors in maintaining and fostering the economic, social, and cultural resources of both cities.

The second is the purposeful management of the local knowledge of infrastructure, meaning the combination of networked economic, social and cultural knowledge of resources that makes each of our cities unique in what regards possibilities and values.

Also, the quality, depth and diversity of local knowledge infrastructure must become a primary focus of local authorities, resulting in the articulation of a balanced, knowledge-based development strategy.

Traditional hierarchical city management must be reinforced in separate specialist functions of departments, providing independent interventions. The responsibility of local authorities has shifted to conforming local possibilities and administrative procedures to the requirements imposed by central administration. Strong linkages between national and local authorities undercut the potential for area-based development.

Although we know that the public administration system in Romania has a certain dynamic, its implications in the settlements hierarchy can be simply summarized:

In the long term, cities will be able to control their destinies through a proper political lobby made at the national level (even internationally). In this sense, cities may gain more autonomy.

In the meantime (which could be forever), both cities must recognize the subversive effect of centralization on local policy-making, develop the management capacity to control its impact on local development agenda and implementation options, and minimize the impairment of local interests by global economic agents, now permitted by the national administration. Furthermore, collaborative arrangements with other stakeholders in both the business and civil society are essential because the interconnection between knowledge and the sense of place is the basis for a positive future for cities. The current emphasis in the planning field on community involvement and planning advocacy reflects a partial response to the problem, by ensuring that all facets of a given situation and all stakeholders' interests are considered.

Inequality and insecurity, social fragmentation, isolation, and exclusion, thoughtless damaging of the environment and environmental injustice are not new problems, but the context is changing. New tools and capacities are available to leverage the unique knowledge resources of our studied cities, thereby interactively influencing and shaping both threats and opportunities that arise. It is up to the citizens to act to improve the conditions of and within our cities.

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The Scale of Globalization in Aegean Towns

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Abstract

Although in everyday life, we are exposed to spatial impacts of globalization on many occasions, in general it is not discussed as rigorously as the economic, political and cultural effects. Economic, political and cultural dynamics of globalization are not always the only cause in most spatial formations. As global culture becomes widespread, the interest for the local cultural peculiarities increases. Through interactions with local dynamics, they can produce such new-hybrid spatialities and lives which mostly cannot be predicted. This paper aims to highlight the spatial effects of globalization on built environment in coastal settlements in the Aegean region exemplified by Cesme which is in Izmir, Turkey. The Aegean coast of Turkey is selected due to its tourist potential and position in global flows while they still maintain local traditions. The spatial characteristics of these towns have changed dramatically since 1970s because of the dramatic increase of domestic and international visitors. With the scope how some of the Aegean towns achieved keeping and emphasizing the local identity while some have already become an ordinary global town; it is aimed to discuss the spatial examples which global and local come together. The implication of such a sampling is important in order to discuss, how globalization affects the local assets and how local finds potentials in global in order to put the importance of its assets with the point of view diversity, heterogeneity as an important value.

Keywords: spatial identity, tourism, Aegean region, globalization, locality

Introductions

The word "global" generally evokes negative associations like 'global crisis', 'global problem', 'global warming'. In the previous century, the term "universal" was used in a different sense, as "all-encompassing", for example, as in "universal humanism", while the term "global" is perceived more as a commercial term (Yurekli and Yurekli 2002). One of the reasons for this is because economic globalization is often considered as the engine for its political and cultural dimensions.

The economic, demographic, technological and cultural criteria are most often used as indicators of globalization. Statistics, tables, charts and data are used for measuring globalization. Economic criteria are about business agreements, commercial capacities and increases of exports. It is an obvious fact that during the globalization process the flow of capital is fastened and became widespread (Globalization Policy 2011).

Migration statistics and urbanization rates of regions or countries are used as demographic indicators. The cost of communication and transportation, number of internet users, and cell

phone users are some of the technological indicators. For evaluating the cultural criteria of globalization, different factors should be taken into consideration. Statistics of international tourist arrivals, international flights, and film industry's share in the market, number of McDonald's restaurants, number of languages facing extinction are examined for this criterion. Moreover, the concentration of space and time has been an interesting element for discussion while technological developments accelerate communication and data processing.

Spatial realities, formations, buildings and the lives in them, are the reflections and the shaping forces of both the current perception and the lifestyles. With this perspective, it is necessary to discuss a global building chain (hotel chains etc.) or a global development (tourism and capital flow) that makes their spatialities real in such local settlements. This article focuses on spatial characteristics of selected hotels in Çeşme, an Aegean town in Turkey, as expressions of the global effects of tourism, since Aegean coasts attract more tourists as they are advertised more in global market.

Globalization

Globalization and its relationship with local settlements

There are various thoughts among theoreticians regarding globalization. One of the most important points is the relationship between the local and the global. The global values or developments affect the local ones most because of the sharp contrast between the scales. Therefore, local values and the lifestyles search for such opportunities in order to continue their existences and may end up with hybrid formations.

In his book *Globalization and Culture*, Tomlinson advocates "connectivity" as a key concept. As he states, globalization is not about the removal of some people from the localities but about a transformation of these localities (Tomlinson 2004: 22). For Robertson, globalization is the increasing interaction between four different life levels: person as individual, national societies, the world system, and the collectivity of humankind (quoted in Tomlinson 2004: 24). Moreover, Giddens argues that globalization makes the little and warm places to be reconstructed and to be restored so that they allow the recreation of the locality (Tomlinson 2004: 91). However, locality does not need any recreation. It is the result of the natural environment.

Notions about globalization

There are many notions to be discussed in an analysis of globalization's effects and consequences on space, to mention but a few: homogeneity, heterogeneity, glocal, hybrid, deterritorialization, non-place, or empty space. The term "empty space" refers to emptying time, emptying space, separating space from place and other processes (Tomlinson 2004: 77). Tomlinson explains that by deterritorialization he means "the general cultural situation that appears as the consequence of spreading global modernism...Deterritorialization is not a one way process, it is characterized by the dialectical relations as globalization itself" (Tomlinson 2004: 202). With this reason, deterritorialization is not the end of the localities, but is the transformation of the locality into a complex cultural space (Tomlinson 2004: 203).

Being a "hotel"

According to Auge, airports, hotels, supermarkets, gas stations etc. can be described as "supermodernity". These spaces are "non-place" (Tomlinson 2004: 151-153). From this perspective, as an accommodation type, hotels usually hold temporality. The guests come to the building, stay for some time, leave the hotel leaving all the space behind. During his visit the guest's appropriation of the place is small since they are "non-place" spaces. One "non-

place" space may become a "real" place when the new and the old and the local and the global are considered together.

The global brands or hotel chains offer and assure their customers or guests the same standards everywhere. They have to make the same comfort conditions. This is the consequence of the global money flow and the competition between the brands. However, sometimes these standards prevent the guest from experiencing the "real" place that he/she visits.

Tourism

The scale of globalization in a local settlement can be observed more easily if the place is being advertised in the global market with its tourism capacity. One of the indicators of globalization is ethnoscape, the free movement of tourists, professionals, workers, advisers, goods and services correlated with increasing transportation facilities (Kiper 2006). Tourism and culture became a global fact related with all these developments. When meeting people from other cultures, the tourist does not tend to integrate with the other. The only thing he wants is something to add on things he can find at his home; "Spain; home plus sunlight, India; home plus manservant, Africa; home plus elephants and tigers" (Tomlinson 2004: 241-250).

Tourism in Turkey

Turkey has always attracted foreign tourists with its archaeological sites, historical artifacts and its beautiful coasts. Until 1980s, Turkey had been known mostly for its historical and archaeological sites. In 1980s a dramatic change in tourism policies of Turkey occurred. Tourism marketing focused on Sun, Sea, and Sand and investments for coastal tourism facilities were promoted without a general plan and vision. From the beginning of 1980s tourism investments have been directed at enlarging the capacity of accommodation, regardless of quality. Moreover, as tourist agencies confessed, the image of Turkey was transformed from a "country of culture" to a "cheap holiday paradise". Four or five star hotels were built especially in the south coast of Turkey, where the tourists often spend all their time and money. In the last decade, as the number of people travelling abroad increases, Turkey achieves a reputation as one of the top tourism destinations (Table 1).

Table 1: Turkey – The Number of International Tourists by Years

Years	International visitors (thousands of people)	Change
1963	198	x
1964	229	15,7
1965	361	57,6
1966	449	24,4
1967	574	27,8
1968	602	4,9
1969	694	15,3
1970	724	4,3
1971	926	27,9
1972	1034	11,7
1973	1341	29,7
1974	1110	-17,2
1975	1540	38,7
1976	1675	8,8
1977	1661	-0,8
1978	1644	-1
1979	1523	-7,4
1980	1288	-15,4
1981	1405	9,1
1982	1391	-1
1983	1625	16,8
1984	2117	30,3
1985	2614	23,5
1986	2391	-8,5

Years	International visitors (thousands of people)	Change
1987	2855	19,4
1988	4172	46,1
1989	4459	6,9
1990	5389	20,9
1991	5517	2,4
1992	7076	28,3
1993	6500	-8,1
1994	6670	2,6
1995	7726	15,8
1996	8614	11,5
1997	9689	13
1998	9752	0,6
1999	7464	-23,4
2000	10412	39
2001	11569	11
2002	13247	14,5
2003	14030	5,3
2004	17517	24,86
2005	21124	20,6
2006	19819	-6,2
2007	23314	17,77
2008	26337	12,83
2009	27077	-5,42

Ref: TURSAB

At the beginning of 2000s, Turkey gained an important position in global tourism by advertising and marketing the hotels in the coast of Anatolia. In view of this position, there should be a broad vision including a tourism strategy regarding to global code of ethics in tourism and a master plan for tourism areas, taking into consideration the natural and built environment.

The tourism strategy of Turkey for the past thirty and this trend is expected to continue up to 2023. All other kinds of tourism such as thermal tourism, winter tourism, yacht tourism, and ecotourism are accepted only as alternative tourism types to coastal tourism, as it is indicated in the report of the Turkey Tourism Sector (Turkey Tourism Sector 2011).

One of the risks of this approach is that less money will be allocated for the conservation of natural and archaeological sites and cultural heritage in Turkey. On the other hand, investments into coastal tourism without planning may create "non-place" spaces with unproportional tourism facilities. The inequality of coasts and other regions of Anatolia may weaken Anatolia's tourism potential. The main problem is that the government does not have a real tourism master plan or cultural policy. All strategies, goals, and principles are uncertain and haphazard (Pekin 2011: 133-134).

ÇEŞME

Local Characteristics

Houses with patios, flagstone courts, gardens surrounded with walls, and shadowed pavements on narrow streets are the basic characteristics of local architecture in Aegean towns. White stone houses with a rectangular plan without eaves or a flat roof are typical for settlements in west coasts of Anatolia and Peloponnesus.

Cesme, an ancient Ionian settlement, is a town on the western coast of Anatolia. It is connected to Izmir with a modern highway and there are many summer houses and villas on the coast. Cesme has much potential for tourism with its thermal water, the best bay for wind-surfing and clean beaches. While the population is about 15000 in winter, it becomes ten times larger in summer time.

Three hotels in Cesme will be examined in terms of their adaptation to local architecture, contribution to the local social life and the quality of spaces offered to the tourists. In 1970s, when foreign tourists were not yet numerous, the natives of Cesme were not interested in the operation of hotels. In those years the tourists were considered as guests in many towns in Anatolia. In 1980s the globalization process was accelerated by the economic liberalism of the government. Investments were encouraged and people became aware of the opportunities of tourism.

As a consequence, there are many large and small hotels in Cesme today. Although the idea behind the hotels is to provide cheap accommodation and income for the locals, prices are very high as a result of growing property costs. As a result, Cesme is drawn into the global market and loses its specificity, being transformed into a "non-place" space.

Hotels exemplified

Hotel Altinyunus is planned in the form of the bay where it is positioned. Starting from its lobby and reception, its rooms, the social and open spaces are directed towards the sea. The wind is controlled by narrow open corridors and open stairs perpendicular to the sea. Small facades of the rooms and pergolas of the terraces do not let the strong sun rays deep inside the rooms. The use of white color on the hotel is a good approach for reflecting the strong rays.

Hotel Altinyunus was built in 1976 and it was the biggest tourism complex not only in Turkey but also in the Balkans. In spite of its size, the use of landscape, positioning of the complex, evaluating the bays and the quality of spaces can be considered as a successful solution. All social spaces - the amphitheater, the lobby, the restaurant, the open pool, the casino and the terrace cafe have the view of the yacht marina. The rooms positioned towards the sea have small spaces with their own terraces. The open corridor system is a convenient design for housing in regions with hot climates.

Hotel Sheraton Cesme is located on a long beach in Ilica. Ilica is an old fishing town and is also a thermal center. Starting from the 19th century, the Levantines of Izmir started to spend their summer vacations in Ilica, Cesme. The Cesme Beach Houses Cooperative was founded in 1953 and Cesme became a famous vacation town. First beach houses were built and bought eagerly by the elite class of Izmir. These Levantine and Jewish villas are one or two story houses surrounded by large private gardens and are built in a grid system on the crescent beach of Ilica. Some of them are almost one hundred years old. Hotel Sheraton was built in 1997-2000. In 1960s, in the current place of Sheraton Cesme one could find the Turban Hotel of Tourism Bank. Turban Hotel can be considered as an example of modern architecture with its simple rectangle plan schema. Sheraton is a global hotel chain started in 1937 and reaching 100 hotels by 1965. By 2008 Sheraton chain had 400 hotels in 70

countries. Although the Sheraton built in 1976 in Agra, India received the Agha Han Award⁹², many of the Sheraton hotels were planned without any regard to the local context.

The first Sheraton hotel in Turkey was opened in Istanbul in 1975. Similar construction plans can easily be seen by comparing two Sheraton hotels in Turkey - Sheraton Cesme and Sheraton Antalya. Both hotels are by the sea and have a "Y" shaped plan. New cladding materials are used on the facades.

Hotel 7800 was built in 2007, in violation of the building code that limited new construction on the beach. The territory near the hotel is an archaeological site and no construction is allowed. However, the seven floors high hotel stands just by the archaeological site. The architecture of the hotel is contemporary; made of glass and steel with wooden coating. The placement of the hotel is in front of villas and a gated community consisting of two story terraced houses. The hotel consists of studios and twelve hotel rooms. The studios were advertised as a loft style life on the Cesme property market. Actually, in architectural literature, lofts are industrial spaces that are transformed to houses by artists who needed more space. One cannot need a loft apartment in a town, when there is no dense housing. The town has already created its spaces and formed a tissue in harmony with the environment. The size of the hotel is the dominant element in the silhouette of Boyalik bay just like Sheraton Hotel is in Ilica. The social spaces of Hotel 7800 are not friendly and inviting except for the guests because of the guards at the entrance. Smart security systems recognize the cars before allowing them inside the garage.

Evaluation

A typical room of Altinyunus has not been renewed lately and is not furnished in a modern way. It has a small terrace with a pergola opening to the path in front of the rooms towards to sea. A typical room of Sheraton hotel, well-decorated in a classical style, offers the same standards of Sheraton hotel chains all around the world. The guest of Hotel 7800 has a studio of his own, isolated from others while the summer houses around have low walls only forming boundaries between properties.

Although the entrance to the beaches and the pools is paid and one needs a reservation for the hotel restaurants, the security precautions of the three hotels are totally different. One can enter and enjoy the open spaces of Altinyunus easily without any interruption. Its garden, its terrace and its bazaar are open for socializing and enjoying the view of the yacht marina. One can walk in front of the terraces of private rooms and no one complains about being disturbed. One can meet different people and can experience the relaxed atmosphere and friendly relations of the Mediterranean in the social spaces of Altinyunus. The Sheraton hotel is surrounded with low walls and the court as a parking area gives to the lobby. Although the entrance of the hotel is not under close supervision, the social and open spaces are not so inviting except for the guests of the hotel. Hotel 7800 is physically isolated from its environment with green walls of plants and socially isolated with security and guards at the entrance allowing inside only guests and invitees.

Sheraton Cesme Hotel can be considered as a "non-place" place. It uses an approach that can be employed to build the same life and architectural language wherever it is. The dominant element in the silhouette of Ilica is not "the big beach" anymore, but Hotel Sheraton. The hotel is out of proportion with the settlement it is built in. When one enters the hotel, he experiences the global interior of any Sheraton all around the world plus decoration details and reproduction of antique Greek sculptures. The elevated garden again interrupts the contact with sea in social spaces. The large open restaurant of Sheraton Cesme is not designed well enough considering the wind of Cesme so it had to be covered by big plastic curved walls

⁹² Agha Han Award is a prestigious award given to architects for buildings which are built with the consciousness and respect to local values, <http://www.akdn.org/architecture/>

which remind more of an aquarium than a restaurant. There is no need to travel to Cesme for having such an experience because one can find similar environment in any other Sheraton Hotel. To sum up, the Sheraton Hotel in Cesme supports an introverted life by creating a "standard global space" and paying no attention to the local (geographical, climatic, sociological, cultural etc.) features of Cesme.

7800 Hotel can be considered a good example of a "non-place" place. Although it is quite well-looking and contemporary as an architectural object alone, it completely ignores the locality. The isolated lifestyle of loft apartments does not fit in the open gardens of villas. Like Sheraton Cesme, it can be constructed by the sea anywhere in the world and presumably there won't be any difference in the lives of the guests.

Hotel Altinyunus relies on the local features. It has a common architectural language not very special or creative or spectacular that it is applied conveniently to the place.

Conclusion

If the aim of a tourism policy is to be to market localities in a globalized world, governments and local authorities should not take the bed capacity or number of hotels in a town as good performance indicator. Hotels that were planned considering all the social, topographic and climatic parameters will create spaces of greater quality. The risk of global tourism is that the scale of hotels may dominate the local identity. Global hotel chains should consider the "scale" of the settlements, without ignoring the local architecture and isolating guests from the lives of local people.

World Tourism Organization has agreed on ten principles of the Global Code of Ethics for tourism in 1999 in order to help minimizing the negative impacts of tourism on the environment and on cultural heritage while maximizing the benefits for residents of tourism destination. Turkey became a member state of the organization in 1975. In the 5th article, "Tourism, a beneficial activity for host countries and communities", it stated that the planning and architectural approach should integrate tourism resorts and accommodation in the local economic and social fabric. In the same article, the specific situation of coastal areas is also mentioned.

Governments and local authorities should cooperate with civil organizations. The architecture of tourism facilities (buildings) should be in harmony with the natural and built environment, for conserving the spatial identity of settlements. Conservation of natural and cultural heritage is more needed now since cultures and places are transforming very fast under global influences. As commercial places, hotel chains form similar places in the globalized world; the local identity (of the place) will be a requirement/qualification for sustainable tourism. Local authorities should look for hybrid solutions/ methods in regional planning for conserving the characteristics of local space. Not only the authorities but also the locals must be aware of the fact that the places conserving its local identity will be most desirable tourism destinations in a uniform globalized world. Cultural heritage should be therefore transferred to future generations for the sustainable development of localities.

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Islamic Movements in Somalia: Global or Local Jihad?

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Abstract

Somalia is perceived to be, especially by the US and Ethiopian Governments, a safe haven for various global Islamist networks. Nevertheless, at the same time, collapsed states seem to be not so much suitable for these global Islamic organizations, because of the lack of infrastructure, for example. In Somalia, there are also some local Islamic organizations, especially Islamic Courts Union (ICU) or more radical al-Shabaab. Although they have primarily local aims, some of their leaders also call for the global jihad. The paper will focus on these local Somali Islamist groups and their possible connections to global Islamic networks.

Key words: Somalia, terrorism, islamism, failed states

Introduction

Due to its prolonged civil war and chaotic political and security situation Somalia is perceived to be, especially by the governments of Western countries as well as Ethiopia, a safe haven for various armed Islamic organizations. They represent, in the eyes of these governments, a great security in the whole region as well as in the global context, due to their suspected links with global jihadist networks. In this paper I argue that al-Shabaab and other Islamic organizations in Somalia are regional organizations and their goals do not extend beyond the borders of the region of the Horn of Africa. Therefore, they do not represent any danger for the international community, excluding the AMISOM troops and Ethiopia, who engages in Somali politics and is perceived to be a foreign threat. The paper is based on the study of literature and sources as well as the official proclamations of the leaders of Islamic groups operating in Somalia, mainly al-Shabaab.

At the beginning, it is essential to define the basic terms that will be used in this study. The term "jihad" has been misunderstood and misinterpreted simply as the term for the armed holy war. In fact, it has much more meanings and it includes other aspects of the holy duties of Muslims. The basic sense of this Islamic term is a religious duty. There are several types of jihad, according to Islamic scholars, for example jihad bil-lisan and jihad bil-qalam, which mean preaching and calls for jihad, or jihad bil-mal, which signifies the religious duty of Muslims to support financially the jihad warriors and to contribute to charity (Ali 2008: 6). Since the explored organizations are known as armed groups and their goals lie in the political and military sphere, in this paper I use the term "jihad" in the simplified meaning "holy war" and "armed struggle in the name of Islam".

Islamic movements in Somalia and the emergence of the Islamic Courts Union (ICU)

Islam has always been a key factor in the Somali society and politics. First modern Islamic movements in Somalia emerged after Siad Barre's military coup, but they were not very influential yet. The Islamic factor in the Somali politics could become really significant

only after the fall of Siad Barre's regime as a result of the first phase of the Somali civil war (International Crisis Group 2005b). But even then they didn't dominate Somali politics until the Islamic Courts Union (ICU) mastered the situation in 2006 and conquered the majority of the country.

Islamic courts in Somalia were successful because they managed to gain legitimacy. TFG has been discredited in the eyes of the Somali public for its alliance with Ethiopia and also because of the fact that it was headed by the former warlord Abdillahi Yusuf. The success of the ICU was undoubtedly caused by their ability to ensure justice and security by using Islamic law in the territories administered by them (Baxter 2001).

As the ICU gained more and more power in Somalia, the TFG began to worry about being forced out of the country. Therefore, the president decided to call the Ethiopian troops to Somalia to help him defeat the ICU and extend his rule to other areas of the country. International organizations engaged in the conflict as well, particularly the African Union, which decided to send a peacekeeping mission to Somalia (AMISOM).

In December 2006, the ICU already controlled most of the Southern Somali territory between Puntland and the Kenyan border. Since mainly Christian Ethiopia feared the growing influence of Islamists in Somalia, it decided to support the TNG militarily and push the Union of Islamic Courts out of the country. Gradually taking control of all strategic towns in southern Somalia, the Ethiopian army managed on December 27th, 2006, to capture Mogadishu.

When the ICU came to power, it appeared to be unified, but in fact there were serious ideological tensions among its factions. Each of these political groups had different interests and also instruments to fulfill them. The first of these factions was a moderate wing inspired by the ideology of Sayyid Qutb, represented by Sheik Sharif Ahmed, the second was a radical Wahhabi wing led by the Chairman of the Legislative Council of the ICU, Sheik Aweys, and the third was the militant wing, Al-Shabaab. These different groups within the ICU acted in some cases independently (Barnes and Hassan 2007).

After the Ethiopian invasion the ICU leadership shifted to the Eritrean Asmara, where the ICU received financial and political support and armaments. Some more militant ICU leaders, such as Aden Hashi Ayro, Hassan Turki, and Mukhtar Rooboow decided to distance themselves from the political leadership of the ICU and tried to reorganize the ICU militias so that they were able to lead a guerrilla war in Southern Somalia (International Crisis Group 2008).

The ideological disputes were fully expressed after the defeat of the ICU by the Ethiopian army. In Asmara, a group under the name "Alliance for the Reliberation of Somalia (ARS - Asmara)" was created, acting in opposition to the TFG and led by Sheikh Hassan Dahir Aweys. Its main aim was the creating of an Islamic state within the territory of Somalia. Its ideology included Somali nationalism as well, because they tried to integrate all Somali-inhabited areas in the Horn of Africa, including Ethiopian Ogaden, Djibouti and the Northern Frontier District in Kenya (Weinstein 2008).

Another wing in the ICU was the less radical group ARS Djibouti, led by the Sheikh Sharif Sheikh Ahmed. This faction did not require the establishment of an Islamic state, but religious parties would be involved in the government (Weinstein 2008). The most radical group in the ICU is represented by the militant organization al-Shabaab, which seeks to establish an Islamic emirate within the whole territory of the Horn of Africa and to push the foreign troops out of Somalia (Ali 2008: 3).

Immediately after the victory of the Ethiopian troops in the South of Somalia, armed forces of the ICU, especially al-Shabaab, led by Aden Hashi Ayro, began guerrilla struggle against the TFG and Ethiopia. Cells of al-Shabaab attacked Ethiopian convoys and threatened the supply of Ethiopian troops. The largest exodus of refugees, violence, and military action,

however, was provoked by the Ethiopian army in Mogadishu in August 2007 (International Crisis Group 2008).

In May 2008, the Djibouti Peace Conference, which was supposed to solve the situation in Somalia, took place. The Somali TFG and the opposition represented by the ARS participated, but the negotiations were refused by al-Shabaab. In late May a second round of negotiation began, and it resulted in the signing of a peace agreement between the TFG and the ARS (Report of the Secretary-General on Situation in Somalia 2008).

In autumn 2008, the ideological and political conflicts among the various Islamic movements in Somalia fully showed and their military clashes started to occur. The TFG and Ethiopia have supported these skirmishes, hoping that a riot could lead to a broader confrontation that would weaken the Islamic movement. Fragmentation has been also reflected in the formation of new Islamic movements such as the Jalalaqsi movement in central Somalia. Formed after a five-day meeting in the town of that name in Hiiraan region in August 2008, it claims to be opposed to the Djibouti talks as well as Al-Shabaab's violent tactics. But its composition and influence are not yet clear (International Crisis Group 2008).

In December 2008 President Abdillahi Yusuf was forced to resign from his post under pressure from Kenya, Ethiopia and Western countries (Menkhaus 2009). The president known for his anti-Islamist and pro-Ethiopian attitude was therefore considered a major obstacle to achieving a long-lasting peace. On January 31, 2009, a former ICU chairman, Sheikh Sharif Ahmed, who is well-known for his moderate stance, was elected as the new Somali president.

Al-Shabaab

Al-Shabaab first emerged in 2004 as an armed wing of the Union of Islamic Courts. However, during the Ethiopian invasion al-Shabaab started to act independently and separated from the ICU. Despite their resistance, the Ethiopian army managed to fragment the Islamic militias in Somalia. But they recovered early and from 2007 al-Shabaab changed its tactics and started to use suicide bombings that are something new and unfamiliar in Somalia (Hanson 2011).

Al-Shabaab is divided into three main geographical units which operate in Somalia. The first is in the region of Bakool and Bay, the second in the southern central Somalia including Mogadishu and the third operates in Somaliland and Puntland. The fourth unit is led by Hassan Abdillahi Hersi "Turki" who is not a member of al-Shabaab but is closely aligned with it. These factions according to the UN Monitoring group report act independently of one another and there is evidence of friction between them (Hanson 2011).

For understanding the ideology of al-Shabaab, it is very useful to analyse the logo of this organisation. It consists of the map of all Somali inhabited areas in the Horn of Africa, which al-Shabaab intends to integrate under the rule of Islam. Instrument to achieve this goal are represented by the light machine guns and its ideology is represented by the Quran and shahada written above in Arabic (Ali 2008: 3). The emblem of al-Shabaab expresses that the organization's ambitions do not exceed the borders of the region of Horn of Africa.

Al-Shabaab is an inclusive Islamic movement open to all Muslims who want to fight against the TFG and foreign troops in Somalia and it also recruits foreign volunteers. Foreign fighters have traveled to fight with al-Shabaab, as have Somalis from the United Kingdom and the United States. Some Somalis reject to join al-Shabaab because of its "clanlessness", but the majority of fighters comes from the Hawiye clan (Hanson 2011). Al-Shabaab is resolutely against any negotiated settlement to the Somali conflict, its officials rejected to attend the Djibouti peace conference and they marked Sharif Sheikh Ahmed as a renegade and declared to fight against him. According to the spokesman of the movement, the first priority of al-Shabaab in Somalia is an adherence to pure monotheism, following the Sunnah and the implementation of the Sharia rule (Global Media Islamic Front 2009).

Al-Shabaab aims to establish an Islamic emirate not within Somalia only, but throughout the Somali-inhabited areas in the Horn of Africa. Ethiopia is considered as arch-enemy, fighting the Ethiopian Army is well understood as a struggle of believers against the infidels. Al-Shabaab movement also see the African Union and the United Nations as infidels and, according to the spokesman, as "crusader occupiers" whose main aim is to destroy the Somali nation and violate its sanctity (Global Media Islamic Front 2009). The Ethiopian military action at the end of 2006 is considered by al-Shabaab leaders to be part of the crusader alliance and the war led by President Bush against all Muslims (Global Media Islamic Front 2009).

The group al-Shabaab has created an extensive information network, through which it seeks new fighters. CDs and videos with "martyrdom theme" are being distributed among young people. Al-Shabaab also uses internet for its presentation, and until recently it operated a website Kataaib.net. At the end of January 2009, however, these sites were shut down by the U.S. government (Warner 2009). Al-Shabaab was also added on the list of terrorist organizations on February 26, 2008, because of its supposed links to al-Qaeda (U.S. Department of State 2008). This was welcomed by the organization because according to the spokesman of al-Shabaab "terrorizing non-muslims who come to our land (Somalia) is a religious obligation". He also says "while the greatest evil calls us terrorist, God calls us the undefeatable Mujahidiin" (Ali 2008: 5).

Al-Shabaab is nominally led by Sheikh Mohamed Mukhtar Abdirahmad "Abu Zubayr", but actually the movement is led by a group of senior leaders. Most of its leaders are supposed to be allies of al-Qaeda and it is said that senior al-Shabaab leaders were trained in Afghanistan (Hanson 2011). That is why they were put on the list of persons with links to terrorism created by the US Government. Also the spokesman of al-Shabaab, Mukhtar Ali Rooboow, stated in the interview for Sada al-Jihad Magazine, that "jihad in Somalia belongs to the global jihadist movement" (Global Media Islamic Front 2009). The strongest tie between al-Shabaab and al-Qaeda is their ideology, these groups support each other in the statements, but it is unclear whether al-Shabaab has ambitions beyond Somalia. Its aims seem to be more local and national and the statements about the global ambition of the movement seem to be only propagandistic, aiming to attract new fighters for the movement from abroad.

Islamic movements in Somalia as a global threat?

Since the beginning of 1990s, Somalia has been marked as a base for international terrorist groups. According to some sources (e.g. Bodansky 2002), Osama bin Laden was one of the main figures involved in the armed resistance against the UN and US Army operations in Somalia at the beginning of 1990s. Al-Qaeda fighters were accused of being involved in the incident of October 3, 1993, when the US Army helicopters were shot down and 18 American soldiers were killed. The involvement of foreign terrorist groups in the battle of Mogadishu in October 1993 has not been, according to my findings up to now, proved and it is only matter of speculations.

Somalia was also mentioned in connection with the terrorist attacks on the U.S. embassies in Nairobi and Dar as-Salaam in August 1998 (Menkhaus 2002). In the realization of these attacks, no Somali was involved directly, but the country supposedly served as a transit territory for personnel and materials used during the preparation of these bomb attacks. According to the U.S. intelligence services, some Somali Islamic groups also contributed to the preparation of the bombing of American embassies (International Crisis Group 2005a). Less than two months after the 9/11 terrorist attacks on the World Trade Centre, an Israeli hotel in Mombasa was blown up, again with the suspected support, both personal and financial, from Somalia.

Failed states are often perceived to be safe havens for terrorist groups. Places, where there is no effective government can provide the safety and space to hide for terrorists. By this logic, it can be concluded that in Somalia, there could be cells of international Islamist groups. However, some scholars and researchers, like Ken Menkhaus, see failed states as completely inappropriate and hostile for terrorist networks (Menkhaus 2004: 71). According to him, failed states can easily become the targets of international intervention, since the sovereignty of the state can be violated easily due to the lack of functional government. Another reason may be the dangerousness of the failed states, which causes a lack of foreigners living in these countries. Thus, any new foreigner coming to the state becomes the object of suspicion from the local community. Specifically in Somalia, international fighters also became the target of local clan militiamen, since they tried to win the favor of the international community by its anti-terrorist policy (Menkhaus 2004: 71).

Al-Shabaab was designated as a foreign terrorist organization by the US government on February 26, 2008. To be designated, the organization had to meet the legal criteria for designation under Section 219 of the Immigration and Nationality Act. One of these criteria is that "the organization's terrorist activity or terrorism must threaten the security of U.S. nationals or the national security (national defense, foreign relations, or the economic interests) of the United States" (U.S. Department of State 2011). It follows that by the designation of al-Shabaab the US government admitted that it felt endangered by an organization operating in the Horn of Africa. In the reality, al-Shabaab does not represent any real threat to US interests, and it does not even have the capacities to endanger the United States. Its main interests still remain in the Horn of Africa and in Somalia, even though the leaders call for global jihad in some of their speeches.

Conclusion

Although there may be some personal links between individuals from Shabaab and al-Qaeda, the connection of these two organizations seems to be very weak. The strongest tie between al-Shabaab and al-Qaeda is ideological and the spokesmen and leaders of these two organizations support each other in their speeches. Al-Shabaab seems to be a regional Islamic organization which only uses the global agenda to mobilize foreign fighters who could come to Somalia and help al-Shabaab with its struggle. The main goals of al-Shabaab are still within the borders of the Horn of Africa. The leaders of al-Shabaab in their declarations assault mainly the Ethiopian government and the Ethiopian army which invaded Somalia in 2006 in order to push the ICU out of the country. It is still not clear enough whether al-Shabaab has even ambitions beyond Somalia. However, with the change of their tactics from the conventional war to the guerilla fight, it is capable to carry out the bombings outside of Somalia, as they managed in Uganda in July 2010.

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Governance of Economic Regeneration of the City of Ostrava

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Abstract

The paper focuses on the economic governance structures, actors, and policies tackling the main causes of urban shrinkage which are deindustrialization, unemployment and job-related out-migration. However, there are other causes of demographic shrinkage as well such as suburbanization and changes of demographic behavior, e.g. drop in birth rates. Ostrava is a slightly shrinking city (approximately 7% population loss from 331 000 in 1990 to 306 000 in 2010). Thanks to appropriate urban and economic governance in the period 2004-2008 the population decline caused by job-related out-migration slowed down. The strategy and policy of the economic governance structures was to attract foreign direct investment, create jobs, modernize and diversify economic base. In the period 1998-2008 the Ostrava city region, in partnership with other economic regeneration actors, managed to attract foreign direct investment (FDIs) and create approximately 40 000 new jobs in different economic sectors. In the theoretical chapter urban governance is conceptualized and an operationalization of the concept is outlined.

Key words: Ostrava, deindustrialization, economic regeneration, governance, policy.

Introduction

The city of Ostrava, Czech Republic, has been a traditional industrial city with the local and regional economy based on coal mining, coke processing, iron and steel production, and related heavy engineering (Sucháček 2005). The economic development history of the city of Ostrava began symbolically in 1828 with the foundation of the leading company Vitkovice Ironworks, which gave impulses to the further extensive development of coal mining. Thanks to this resource and economic base, the economy and population grew for more than 150 years. Moreover, in the period 1948-1989, the communist regime supported the industrialization and urbanization of Ostrava in accordance with the communist economic ideology despite the environmental damages and opposite deindustrialization trends in Western countries since 1970s. At the end of 1989, the communist regime broke down due to the democratic revolution. In 1990, the political and economic transformation of the former Czechoslovakia began and the main goal of the new political elites was to return Czechoslovakia back on the natural development trajectory of Western European democratic countries with a market economy. The economic reforms were based on the introduction of the free market economy and adjustment of all economic structures to the economic structures of the most developed Western countries. The highly industrialized Ostrava was hit by deindustrialization processes, unemployment and job-related out-migration. In order to face

these challenges Ostrava city developed new economic regeneration governance and implemented policy initiatives to create jobs.

Conceptual and analytical framework for urban governance

In our research we deal with urban regeneration policy in Ostrava using the concept of urban governance and some related concepts such as the concept of modes of urban governance by DiGaetano and Strom (2003), which will be described and assessed partly through political cycles analysis. However, in our research we worked with the definition of urban governance that is provided by the UN-HABITAT: "Urban governance is the sum of the many ways individuals and institutions, public and private actors, plan and manage the common affairs of the city. It is a continuing process through which conflicting or diverse interests may be accommodated and cooperative action can be taken. It includes formal institutions as well as informal arrangements and the social capital of citizens" (UN-HABITAT, www.unhabitat.org).

After explaining and defining the theoretical concept of urban governance we have concentrated our efforts on the operationalization and practical questions of empirical research on urban economic governance of Ostrava. The basic problem here is how to study policies and governance systems and processes. DiGaetano and Strom's study on urban governance and policies is very illuminating in this respect (2003).

Figure 1: Urban governance: issues and related research questions

Issues	Possible research questions
Key actors / key decision makers / dependence of (financial) resources	Who are the key decision makers in the respective field such as economic development (i.e. formal institutions, individuals, public, private, developers, managers, owners and economic leaders, politicians, opinion makers, officials etc. at local, regional, national, supranational level)? What are the resources (i.e. know-how/knowledge, funding / money, powers etc.)?
Relations of actors / coalitions / forms of cooperation / institutional thickness	Which actors come together in determining strategic decisions, are included in decision making and which are not? Are these relations formed on an issue-by issue base, or are they permanent? Which spatial levels are integrated?
Governing logic	How can the relations between key-actors be characterized (i.e. bureaucratic procedures, clientelistic relations, informal club, populist inclusion etc.)? What is the determining logic of intractor relations (i.e. hierarchy, market, networks)?
Political objectives / agendas	What are the typical characteristics of the development agenda (i.e. pro-growth, job creation, social reform, environmental concerns)?

Source: Rink, D. et al. according to DiGaetano and Strom (2003), modified by Rumpel

Bernt et al. (2010) states that it is impossible to cover in detail all aspects of urban governance and thus we have to focus on some helpful concepts about the central dimensions of governance. Those 3 central dimensions, crucial to governance analysis, are actors, structural conditions, and normative frameworks. Actors have their interests and their patterns of interaction with other actors. Here, it is most important to explain who is responsible for what and who is taking the initiative in defining a policy or a support program. Structural conditions are legal frameworks, support programs at different spatial levels such as the EU, nation-state or region, favorable or unfavorable market conditions etc. Structural conditions determine partly the policy of actors and their behavior. In reality, both private and public actors are everything but free to do what they want. Every policy is limited by the lack of capacities such as funding, know-how, legal powers or professional personnel. Normative frameworks are shared norms, goals, values, beliefs, ideas, persuasions, discourses such as e.g. beliefs in the only positive impact of neoliberal economic policy, free markets and inflow of foreign direct investment etc. Normative frameworks influence political action by actors (or non-action as well).

Research approaches and methodology

The research design draws on the conceptual and analytical framework of urban governance and economic regeneration governance and its operationalization. The research questions are as follows:

What was the main cause of economic regeneration policy in Ostrava?

How does economic decline, job losses, unemployment and job related out-migration influenced the creation of new particular institutional arrangements or modes of governance in Ostrava? Who were the new actors and what role in the economic regeneration governance did they have?

What were / have been the strategies and policies of the economic regeneration governance like? Were the strategies dealing with shrinkage "successful"?

What have been the results and outcomes of the economic regeneration policy?

A mixed-method research design including both quantitative and qualitative approaches was applied. For the elaboration of this case study we used the following research methods and techniques: desk research – literature review for elaboration of the conceptual and analytical framework, quantitative data analysis and interpretation for the assessment of policy results, documentary analysis i.e. analysis of planning and analytical documents for exploration of policy initiatives by different actors, and qualitative research techniques such interviews (with 16 stakeholders), focus groups (stakeholder meetings with presence of the mayor and deputy mayors) and participatory observation for the evaluation and critical discussion on the empirical findings.

Governance of Economic Regeneration of the City of Ostrava

The dominant policy initiatives of Ostrava's governance system during 1990-2010 were motivated economically due to the problem of high unemployment rates, losses of jobs and job related out-migration. The major goal of the governance system was to strengthen the local economic base in the course of deindustrialization and restructuring, induce economic growth and help create new jobs.

It may be correct to state that in its last 150 years history and especially in the communist period 1948-1989 Ostrava was not the master of its fate but rather the prisoner of its external environment and structural conditions and constraints. The development of the city and the associated region (and of course, of the whole Moravian Silesian region and the Czech Republic) was strongly determined by external geopolitical and geoeconomic structures and external decisions made elsewhere.

Economic restructuring and the regeneration of the Ostrava city region has been on the top of agenda setting by local actors since 1990s. Local authorities (the city council, commission and city office) at the beginning of 1990 was very inexperienced, unprofessional and the whole governance structure immature and fragmented. The transformation of the political and economic system was implemented in a very centralized way "top-down" by a few reformists with Václav Klaus as their leader who repeatedly and convincingly put through the idea of a neoliberal free market economy without limits and based on private initiatives. At the central government level, the decision was made to close down the inefficient coal mines, coke plants, iron works and related plants in Ostrava, which caused high unemployment.

In the course of, and after, the main stage of the political and economic transformation in Czech Republic, the institutional milieu and governance structures in the Czech Republic and Ostrava changed. New actors emerged and new institutions had been created for the formulation and implementation of new economic development strategies and policies. The new economic development strategy of most Central European countries was based on the attraction of foreign direct investment (Pavlínek 2002). These new actors and institutions were Czechinvest for the attraction of investment and business support (established in 1992) at the state level, the Regional Development Agency at quasi "regional" level (1993) and the Department of Economic Development at the level of the local authority of Ostrava (1998).

According to Pavlínek (2002), after the collapse of state socialism in Central and Eastern European countries (CEECs), Western liberal economists and multilateral institutions suggested that a successful "transition" from the centrally planned economy to a market economy system could only be achieved with large inflows of foreign direct investment (FDI). FDI was supposed to play a "critical role" in the economic development of CEE and generate industrial restructuring that would spread throughout the entire economy and ultimately lead to national prosperity (Dunning 1992). FDI was often attributed such a critical role because it is often viewed as an "engine of development", a vehicle of economic modernization and a driving force of productivity development in the CEE countries. To attract large FDI inflows, the CEE countries only needed to develop appropriate institutional and policy frameworks to position themselves within the flows of global capital.

Thus, in these aforementioned structural conditions and normative frameworks, an exogenous "low road" development strategy of attracting FDI by promoting low-cost inputs was the most important economic development activity of the city of Ostrava in close cooperation with other regional actors such as the Regional Development Agency. Most politicians and experts believed that FDI would help to open the Ostrava region up and provide new innovative impulses to the regional economy and create jobs, which mirrored in the political discourse and normative frameworks at the local level as well. Throughout the second half of 1990s and up until 2008, local government actors and RDA gradually formulated and implemented a fundamentally "low road strategy", based on the promotion of low cost inputs for attracting FDI as a means of contributing to the increase of the strengths and diversification of the weakened local (and regional) economy. Additionally, certain policy measures were taken to strengthen the local and regional economy, such as the establishment of new universities and faculties, the establishment of business innovation centers, of the Science and Technology Park, and the improvements of accessibility of the city region of Ostrava or the city center renewal.

Major policy initiatives in the field of economic development by the governance system of Ostrava city region were since the beginning of 2000s the Science & Technology Park Ostrava, Business and Industrial Zone Ostrava – Hrabová, Industrial Zone Nošovice, and Mošnov Development Area – strategic business and industrial development zones. All these policy initiatives at the local level, in cooperation with the regional and national levels,

brought significant changes in employment and the degree of the diversification of the economy.

Consequently, between 2000 and 2010, in the whole Ostrava city work-commuting region, about 20 industrial zones with an area of more than 1000 hectares were prepared. Hundreds of firms established new locations in these zones, especially in Ostrava-Hrabová and Nošovice. This accelerated the re-industrialization of the local and regional economy through the influx of FDI into the automotive industry, electronics, ICT and business and personal services. These include one of the most important investments in the Czech Republic: the Hyundai Motor Company's investment in Nošovice (near Ostrava) which resulted in approximately 3,250 new jobs (X/2011) in the plant and additional roughly 7 000 jobs in supplier companies located mostly in the vicinity of the assembly plant. At the industrial zone Ostrava – Hrabová, thanks to the partnership of the local government with the development company CTP Invest, approximately 8 000 jobs have been created. The sectoral structure of the companies is very heterogeneous and diverse –advanced services – banking (GE Money), automotive (Sungwoo Hitech, CTS), logistics (DHL), media print (Ringier Print) or ICT manufacturing and services (Pegatron – Asus Czech Service). In the Science & Technology Park Ostrava (in Ostrava-Pustkovec, at the campus of the Technical University) 803 jobs in 30 companies had been created until December 2007, mostly in the new economy sectors such as ICT and R&D. In 2008-2010 the number of jobs dropped because of the crisis and in 2010 there were 650 jobs in 28 firms, plus jobs in services such as restaurant, facility management, sports center and security.

If we consider that the attraction of investors has been the main approach of economic development, job creation and diversification, then we can see that there is a correlation between the entry of investors into the particular industrial zone and the decrease in unemployment and increase in the regional GDP and wages. However, we have to mention the favorable structural conditions for economic development on the global and European market in the period 2004-2008. The drop of unemployment rate in the Ostrava city from 18.4% in 2004 to 8.4% in 2008 is an empirical evidence of the success of the economic regeneration strategy based on external resources such as FDI's and developers' resources. We have to critically state that the jobs are not in most innovative branches and they are thus vulnerable in the crisis. In 2009-2010 the unemployment rate has grown to 12.0% in 2010 again which was the case for the whole Czech Republic.

The Ostrava local authority and its representatives have supported the concept of the entrepreneurial city (Harvey 1989) supporting the private sector activities (as free market forces) in almost unlimited ways. This could be considered a good strategy in the unfavorable market conditions of an old industrial city, characterized by low local demand for economic factors, loss of attractiveness due to deindustrialization and job losses, air pollution, bad image etc. These structural conditions and normative frameworks mirror in the governance arrangements. The public sector and public policy is inferior to the interest and needs of private investors and developers. One of the reasons for that is the limited personal and financial capacity of the public sector and the missing know – how to be able to sort out the problem of economic development. The other reason could be, according to the mass media and statements by NGOs or even governmental advisory bodies (such as NERV – National economic advisory council of the government), a high level of clientelism and corruption, when politicians and officials misuse information on economic development and manipulate public procurements on behalf of their clients in order to gain all kind of benefits. The development of the city has been very dependent on the EU structural funding as well. EU financial support programs are very meaningful for the new stage of high road development strategy through innovation.

The political elites in the Czech Republic became aware of the risky dependence on FDIs and the normative framework (values, beliefs, discourses) is now slowly changing towards a more endogenous development approaches based on the mobilization of resources for high-added value and innovative activities.

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The Impact of the Rise of Chinese and Indian Automobile Industries

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Abstract

The Chinese and Indian automobile industries have shown tremendous growth during the last decade. Globalization has led to a relocation of production activities and new regions have become significant sites for international competitiveness. The rise of the Chinese and Indian automobile industries cannot be understood independently of the global geographical shifts in the automobile industry and changing roles of governments, and this can be seen as one of the most significant aspects of China and India's modernization.

Keywords: automobile industry, economies of scale, production networks, local government

The Globalizing Automobile Industry

The most dramatic shift in the global automobile industry is the sharp growth of newly industrializing countries in production and sales, notably China, India, and Brazil. The triadic structure of the automobile industry is now changing. The automobile industry has been under pressure since the financial crisis in 2008. The pressures requiring changes within the industry, such as stringent emission and safety regulation and increasing requirements for quality management standards, accompanied by severe cost competition has inevitably led to the massive restructuring of the automobile industry worldwide. The changes in manufacturing architecture, based on tier-layered and increasingly modularized production, have also affected the global geography of automobile production. In automobile manufacturing, China has emerged as the fastest-growing producer, surpassing Germany in 2006, the United States in 2008 and Japan in 2009. In 2010, China produced 18.26 million units (23.5% of the world total production). India has also emerged as a large producer, and production reached 3.53 million (4.6% of the total world production) in 2010. Together, these two account for roughly 28.1% of the total. Against that, the figure for the United States and Japan, which accounted for more than 40% of world production in 1997, fell to 22.4% in 2010. At the same time, China and India are also the fastest-growing markets for vehicles. China's domestic sales reached 18.06 million units in 2010, making it for two consecutive years the largest car market in the world. Sales of automobiles in India have also risen to 3 million in 2010, making it the sixth largest market in the world.

However, to understand the main trend in automobile production more accurately requires the company-level production figures. A relatively small number of leading automakers from advanced countries dominate automobile manufacturing. In 2010, the top five automobile companies produced about 45% of global production, and the top ten companies together accounted for two thirds of global production. Contrary to the state-level analysis, the triad producers still dominate world production. The company-level analysis results highlights that

economies of scale have always been an important factor. These can be through mergers and acquisitions, or by pursuing alliances. Although the majority of world production takes place in the home market of each producer (55.6% in 2009), China and India have received abundant foreign direct investment (FDI) from advanced countries. This trend made it possible for the leading firms involved to exploit a global market to sustain their growth.

The locations of leading assemblers have thus inevitably affected the consolidation of the parts and components suppliers as the international business strategies need to consider the firms' resource capabilities. Some automobile components suppliers have also emerged as large firms through shared management with the leading makers. The tier suppliers have themselves become assemblers with research and development (R&D) and design expertise. For the automakers, technological developments have been made possible by the use of shared platforms between different models, resulting in reduced production costs. Recent trends towards modular systems comprised of multiple parts are likely to decrease the overall number of parts at final assembly.

In the internationalization processes of firms, the firms' competitiveness is affected greatly by the local political support and local business environment including various institutions. The firms are inevitably engaged in politics, cultural practices, and social interactions. Political regimes at national and subnational levels directly or indirectly influence the firms' outcome through regulatory power. The industrial agglomeration supported by the governments has various potential advantages including rationalizing investment in infrastructure, financial support, supply of human resources, and arrangement of labor conditions, which further leads to an influx of tier II and tier firms.

The Chinese Automobile Industry

After the establishment of the PRC (Peoples' Republic of China), the country adopted the Soviet economic system and received technological support from its ally. After the introduction of economic reforms in 1978, the shift to introducing inward foreign automobile investment was a critical turning point. In 1984, VW established a joint venture with the Shanghai Automotive Industry Corporation (SAIC), called Shanghai VW. The SAIC was part of the Shanghai local government bureaucracy. VW received full support from both central and municipal governments offering tax advantages, preferential treatment in foreign currency and the supply of materials for production.

The effort to upgrade local supply firms resulted in a steady rise in local content rates. By 1997 almost 90% by value of that local content was produced within the municipality of Shanghai⁹³. Further, with the strong support of the Mayor Zhu Rongji (later became the premier), VW's share of the auto market in China exceeded 50% by 1996. Shanghai VW's remarkable success derives from various factors including favorable treatment (purchase, tax, currency, materials, communication, networks with local firms etc) mostly supported by the local governments.

The 1994 automobile industry policy by the central government aimed to achieve economies of scale by consolidating the fragmented automobile industry, regulation of domestic content, deregulation of inward investment, and regulation of imports. But it also aimed to protect the automobile market with high trade tariffs and tight entry controls. In 1996, the import tax rates on passenger cars were between 100 and 220% and on commercial vehicles were between 15 and 230%. However in the 10th Five-Year Plan (2001-2005), the central government announced the reduction of tariffs, the relaxation of import restrictions,

⁹³ Eric Thun, *Changing Lanes in China: Foreign Direct Investment, Local Governments, and Auto Sector Development*, (New York: Cambridge University Press, 2006), 105

and deregulation of types and models of car products that could be produced in China. Import tax was then gradually reduced reaching 25% on passenger cars by 2006.

In 2004, China announced its New Automobile Industrial Development Policy, which emphasized the importance of independent development of cars by Chinese companies. It also opened up the distribution and retail sectors and made it possible for foreign automakers to build a vertically integrated distribution system. In 2006, the central government announced the 11th Five-Year Plan (2006-11), which aimed to create automobile groups such that more than 50% of production became indigenous. One of the features of the Chinese automobile industry is that there exist a large number of firms with small scale production capability. Fragmented production locations inevitably mean low efficiency, and the technological standard has also lagged. They have not yet fully acquired the core technologies, including electronics control.

Changing national policy targets often bring about different management decisions at the local government level. Local governments have an incentive to support local firms to increase local development and revenue, and local municipalities want to build an automobile industry within their regions. As of 2010, there are only three regions (Tibet, Qinghai, and Ningxia) where there is no automobile maker. The supportive measures by the local governments can be seen in their purchasing cars from the local automakers, resulting in local protectionism. The central government has taken steps to restructure the automobile industry to encourage the creation of larger automobile groups beyond the provincial borders and address sectionalism. In 2009, the central government announced guidelines for the rearrangement and integration of the Chinese automobile industry in order to promote a strong national automotive sector.

In China, the domestic production is almost all targeted to sell in China. Among 2010 passenger car sales figures for China only 3 of the top 10 companies are local Chinese makers, while the rest are joint ventures allied with European, American, Japanese and Korean automobile manufactures. Foreign automobile makers have been successful and account for almost 70% of new car sales in China. To capture the real statistics of car production, we should be careful about the production by joint venture automakers. For example, the number of vehicles produced by SAIC was reported as 3.62 million in 2010. However, 63.3% of this production was undertaken by the joint venture with the General Motors (GM) and also 28.1% of the total was produced by the ones with VW.⁹⁴ Thus, in the case of the largest Chinese automobile joint company, GM and VW are the actual auto producers. Chinese state enterprises are highly dependent on the capability of the foreign automakers from advanced countries. Thus, despite the continuous effort by the central government to consolidate the Chinese automobile industry, the current structure of the Chinese industry still reflects the early stage of development.

Indian Automobile Industry

After independence in 1947, India adopted a centralized economic system on the model of the Soviet Union. In the 1980s, a partial liberalization was gradually implemented. In 1981, the central government formed a joint venture with Suzuki Motors (Maruti Udoyog). The car by Maruti was affordable, small in size and ideal for Indian roads as well as reasonable in price for a family. Suzuki's advance in India induced the establishment of joint ventures between local Indian manufacturers and Japanese parts manufacturers. This can be seen as the first step for the Indian auto components industry towards producing globally competitive

⁹⁴ Tomoo Marukawa, "Kigyo no Sannyu to Ketsugo – Jidosha Sangyo no Rei wo Chushin ni (*Entry and Merger of Firms – the case of automobile industry*)," Chugoku wa Donoyouni Hatten Shitekitanoka (*How has China developed?*), Research Report, (Chiba: Ajia Keizai Kenkyusho, 2011).

products. Today about 350 suppliers serve Suzuki in India for various categories of items like body parts, suspension systems, engine components, electrical plastics parts etc.⁹⁵

The economic liberalization policy was introduced in 1991, and the central government reduced the intervention of the government and promoted deregulation in the automobile industry. Following this, GM, Ford, and Daewoo were early entrants establishing local operations in India. In contrast to China, in 2002 the Indian government approved the 100% foreign ownership of manufacturing operations in India. Auto Policy in 2002 provided higher fiscal incentives for R&D and was targeted to develop small cars and to promote environmentally friendly cars. This policy promoted the technological upgrading of domestic automakers and the rush by the leading automobile companies, such as GM, Ford, Toyota, and Hyundai, followed. Foreign manufactures and local firms formed multiple industrial clusters attracting investment by component suppliers.

In 2006, the central government announced the Automotive Mission Plan (AMP) 2006-2016. This declared 10 years of strong support for the automobile industry, encouraged production and aimed to increase the export of vehicles. It was associated with measures to encourage investment and stimulate the domestic demand, as well as promote export. The government announced plans to upgrade the social infrastructure including areas such as highways, railways, ports and the provision of energy, which were seen to be the most serious bottlenecks of Indian economic development. The central government started to reform the tax system and reduced the commodity tax on the compact segment from 24% before 2005 to 8% in 2009. The domestic passenger car market is dominated by Maruti Suzuki, Hyundai Motors and Tata Motors. In particular, Maruti Suzuki has dominated with more than 50% of the passenger car market share. It had already achieved more than 90% of local content and held both price and brand competitiveness. In the commercial vehicle market, Tata and Mahindra & Mahindra dominate an almost 60 percent share of the market.

The export of passenger cars has risen strongly in the last decades. In Indian car exports the foreign auto manufacturers play a significant role. High import tariffs on passenger cars likely force global automobile companies to produce in India. In Indian car export, Hyundai and Maruti Suzuki dominate more than 90% of the total. Hyundai has concentrated its production sites in Chennai, and shipped to 95 countries in 2009. Hyundai uses India as a global automobile hub for production to sell both in India and to the global market.

The strong support from local governments is also critical. For example, in Maharashtra, with the largest GDP among Indian states and second largest population, automobile industrial agglomeration is emerging. In 1983, Swaraj Mazda was set up and this led to the growth of supporting industries in Maharashtra. Then an automobile concentration began in the 1990s and 2000s. Today, in terms of its share of output from India, the automobile cluster in Maharashtra accounts for almost 50% in net added value and about 35% in output.⁹⁶ The State has been politically stable and the government has supported investment. It has constructed road and train networks, and has two of the biggest ports in India. Maharashtra has successfully attracted the highest amount of FDI in India, 20.6% of total national FDI between August 1991 and March 2008.⁹⁷ Maharashtra aims to be Asia's most competitive manufacturing hub, the effort being led by a government established entity, the Maharashtra Industrial Development Corporation (MIDC). It promotes the establishment of special economic zones (SEZs) which provide economic incentives, power and water supply, together

⁹⁵ Syed Nasir Aziz Rizvi and Debroto Mukherji, *A Comparative Study of Global Competitiveness of Indian and Chinese Auto Components Industry*, (Saarbrücken: Lambert Academic Publishing, 2011), 28.

⁹⁶ Michael Porter, Hiraoka Kuwajima, Lilian Rivera, Ravinder Saroop, Jun Takai, Daisuke Ueda, *Automotive Cluster in the State of Maharashtra in India*, (Final Report, 2010), accessed July 2011. http://www.isc.hbs.edu/pdf/Student_Projects/India_%28Maharashtra%29_Automotive_2010.pdf

⁹⁷ Ibid.

with efforts to provide land and administrative support. There are 72 SEZs in Maharashtra and 80% of them are located in the Golden Quadrilateral, which contributes 80% of Maharashtra's GDP.

The state government has set the foundation of the automobile industrial concentration as one of the target policy areas. In the 1990s and 2000s, Tata Motors and the influx of foreign automakers further assisted the development of industrial clusters in Maharashtra. Tata Motors has tried to be a largely self-sufficient automobile firm and operates five automobile manufacturing locations in India, one being the research center in Pune established in 1969. It has been engaging in knowledge-seeking and emphasizes in-house R&D, Tata having modern testing facilities for vehicle crash, pedestrian safety, and pendulum impact tests etc. Tata developed the first indigenously developed light CV in 1986, sports utility vehicle in 1998, and also launched India's first indigenous passenger car in 1998 (Indica). This is seen as the result of collaboration with Daimler, emphasis on R&D, the research and testing facilities, and other equipment developments. For example, the R&D expenditure has risen continuously and jumped 10 fold in the period 2002-03 to 2008-09⁹⁸.

Since 2004, Tata has accelerated its promotion of its outward foreign direct investment. Tata took over Daewoo and established Tata-Daewoo as 100% stakeholder. In 2009, the company sold 4,857 units in South Korea and exported 4,280 units from South Korea. In 2005, Tata acquired 21 percent of the stake of a Spanish top end bus production company (Hispano Carrocera) and held a 100% stake in 2009. The company has production facilities in Morocco and provides bus components to the North African region. In 2006, Tata took over Nissan's factories in South Africa and made them a production base of passenger cars and small and large commercial vehicles targeted at South Africa and Europe. In 2007, Tata established a joint venture with a Thai automobile company (Tata's stake is 70%) and started to produce light trucks for South East Asian markets. In 2005, Tata established Tata Motors European Technical Research Centre (TMETC) in London. This centre has tried to develop design for small passenger cars and world trucks by collaborating with the research center in Pune. TMETC also invested in a Norwegian electric car company to acquire the most advanced electrical technologies. Tata established a joint venture with Fiat in Ranjangaon in 2006. Furthermore, in 2010, Tata took over an Italian automobile designing company in Turin to seek to improve designing and styling capability. In 2011, Tata started to export Nano to Sri Lanka and produced Jaguar in Pune. Tata's business has sharply expanded both domestically and in foreign countries through accelerating investment and creating production networks.

Conclusion

It is worth asking what the rise of China and India can tell us regarding the spatial rescaling of economic dynamics. Firstly, the global automobile production has shifted from advanced countries to emerging countries. The introduction of economic reform was a critical turning point for Chinese and Indian automobile industries. The roles of government in deregulation and introduction of foreign investment in the automobile industry, as well as the construction of roads and ports and the provision of energy supplies have greatly facilitated opportunities to build automobile industrial clusters. The leading foreign firms were the most critical in the technological development of the automobile industry in China and India. Local firms have acquired the technologies through forming partnerships with foreign firms in production, sales, and the supply of parts. Thus the impressive growth is not only the result of foreign automobile companies but the growing contribution of local automobile firms in China and India.

⁹⁸ Neelam Singh, 'Emerging Economy Multinationals: The Role of Business Groups', *Economics, Management, and Financial Markets*, (VO1.6(1), 2011),153.

Secondly, the national and subnational governments in China and India have also played significant roles to support the automobile industry. The industrially proactive policies implemented by local governments demonstrate the development of specific locations for industrial and institutional business environments. The strategic industrial policies have in turn created further opportunities for the leading automobile producers to establish the production sites in China and India. Thus, it is important to consider not just the state-to-state dynamics but also the dynamics of local-national-global relations. As the global competition becomes severe, more diverse and different levels of governments reacted in different ways to maximize their profits.

Thirdly, production networks within China and India have become increasingly interconnected and interdependent across the state borders. The leading international and local auto companies have begun to use China and India as hubs to supply the products to not only to the growing domestic markets but also to the international markets. The geography of production requires more study of the strategic rescaling of economic activities undertaken by economic actors which further connects specific regions in China and India with the rest of the world.

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Kists Facing Language Policy in Georgia

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Abstract

On one hand the Russian language seems to continue to function as a lingua franca in Georgia in the Caucasus even 20 years after the split-up of the Soviet Union. On the other hand, new needs and governmental educational reforms reflect the recent pro-Western and pro-European policy of the Georgian government. Georgia has been a multiethnic country for centuries. The ethnic diversity poses challenges to the effective communication of the members of the ethnic groups in the Georgian society. The current Georgian policy focuses on the reintegration of the country. The state language policy thus seems to be addressing the minority integration issues. This paper aims to present the results of the original sociolinguistic research using the method of the semi-structured interview. Firstly, it attempts to clarify the goals of the Georgian language policy and the methods of their implementation. Secondly, it will present the results of the investigation into the linguistic situation of Kists in Pankisi Valley, whose mother tongue is the Chechen language, who receive their education in Georgian and can often speak Russian fluently as this is another language taught at local schools, along with English.

Situation and language policy and reforms in Georgia

Georgia in the Caucasus has been a multiethnic country for centuries. It is a country where the Russian language continues to function as a lingua franca even 20 years after the split-up of the Soviet Union. On the other hand, the recent and current governmental educational reforms reflect the pro-Western and pro-European policy as well as new needs of the members of Georgia's linguistic minorities who had previously managed to communicate by means of Russian. The linguistic minorities' limited knowledge of the Georgian language has become a hinder to their integration into the Georgian society.

The present paper aims to describe the ethnic and linguistic composition of the population in Georgia, the Georgian language policy concerning the Georgian language and linguistic minorities' rights, and establish the objectives and reveal the results of the research conducted among the Kists in the Pankisi Gorge in summer of 2011 in relation to Georgian legal framework.

Out of the total population of over 4,300,000 inhabitants (GeoStat 2011a), the Georgians (84%) make up the largest ethnic group in Georgia, including Megrelians (or Mingrelians) (the estimate is 10-18%), Svans (0.1%) and Laz, living in Western Georgia. In addition to the Georgians, there are the following ethnic groups: Azerbaijanis (6.5 %) and Armenians (5.7%), Russians (1.5%), and others with the population of less than 50,000 people such as Abkhazians, Ossetians, Greeks, Yezidi Kurds, Ukrainians and the others. One of the smallest ethnic groups are the Kists.

The ethnic composition of the country only vaguely points to the linguistic situation. There are linguistic groups in Georgia whose languages belong to distinct language families and their respective branches (Caucasian Kartvelian and Nakh, Indo-European Slavic and

Iranian, Turkic, and others), but there are also those whose languages are genetically related although not mutually fully understandable (Georgian, Megrelian and Svan). There are linguistic groups in Georgia whose members learn distinct native languages in childhood, but who, despite this, share common national identity (Georgians, Megrelians and Svans). Moreover, there are linguistic minorities whose members learn non-official languages as their native languages, but who have been achieving education either in Georgian, the current state language, or in Russian or their mother tongue (Azeris, Armenians, Ossetians, Kists, Russians, etc.). As the main aim of the paper is to present the results of the research concerning the Kists, the following section of the paper will focus on the position of the linguistic minorities whose native languages are other than Georgian, and who do not identify themselves with the Georgian nationality. The terms native language, the mother tongue and the first language are used synonymously hereafter. The Abkhazians and Ossetians living in the separatist regions will not be covered by the present paper.

How many Georgian citizens are there who do not have Georgian as their native language? Carine Bachmann (2006: 7) estimates that "thirteen percent of its [Georgia's] population does not speak Georgian, the state language, as a first language". Obviously the percentage only seems to take into account national minorities of Azeris and Armenians, but neglects the fact that some Megrelians and Svans, who declare themselves Georgian by nationality (Kurtsikidze and Chikovani 2002: 16), often acquire non-Georgian language as their native language too or they are bilingual in Georgian/Megrelian or Georgian/Svan (Vamling 2001). Therefore my own estimate is that about 20 to over 30% of Georgia's population's native languages are other than Georgian. The largest national minorities belonging to the estimated group are the Azerbaijanis and Armenians.

The two minority groups, the Azerbaijanis and Armenians, live in the border areas of their kin countries, the Armenians in the region of Samtskhe-Javakheti, which is close to Armenia, and the Azerbaijanis in the region of Kvemo-Kartli, neighboring Azerbaijan to the south. Until recently the government has run the "national schools in the regions, which had been the inheritance from the Soviet era. The positive aspect of such schools is the opportunity for the children to be educated in their mother tongue, which enhances the children's chances to learn successfully (Dutcher 2003: 1). Their negative aspect has appeared in the present disintegration of the linguistic minorities from the Georgian society because of limited knowledge of the state language, also due to negligence of the Georgian language education at such schools. The disintegration is now considered to be a threat to the state's integrity. It shows at several levels; it is an obstacle to communication with the authorities and state administration, entering universities, finding employment as well as entering the active political life in Georgia.

The disintegration of the above-mentioned ethnic groups led to the unrests in the Javakheti region in 2005/06, and resulted in the government's concerns about irredentism. Irredentism is a sensitive topic in Georgia after the Abkhazian and Ossetian conflicts arose several years ago, and Abkhazia and South Ossetia got out of control of the Georgian Government. As a consequence of these events, the Georgian Government's goal is the re-integration of the country as well as the integration of the disintegrated people.

Considering the Georgian language policy, transition towards the Georgian language education thus became the fundamental aim of the language reforms. The language reforms are being implemented primarily through the body of the Ministry of Education and Science (hereafter MES) of Georgia and its programs. The implementation of the state language into general education is stipulated by law. As Articles 4 and 7 of the Law of Georgia on General Education (2005) (Mekhuzla and Roche 2009: 8) stand, all Georgian citizens are entitled to receive general education in the state or in the native language. The same law, however, requires that the state language is used as a language for conducting the subjects of the

Georgian language and literature, history and geography. The reform ensuing from the law was to be implemented by the school year 2010-2011 (US English Foundation 2006). However, the reforms have only been initiated recently, and it will take a few years to finish the transition towards the state when the Armenian and Azeri children will be able to speak Georgian fluently.

In 2010/2011 only 40 multilingual schools started teaching history and geography both in the native language and Georgian (there are still over 100 national schools where the implementation of the reforms has not been initiated) as there is an apparent shortage of Georgian language teachers. Approximately one third of the learnt content was to be taught in the Georgian language (Kilasonia 2010). The amount of the curriculum taught in Georgian should rise to two thirds in the next school year (Barabadze 2010). In a 24 Saati daily newspaper interview, Akaki Seperteladze, First Deputy Minister of Education and Science explained the process of supporting the state language, enumerating its following stages: "Teaching will be held in the state language as well as the native language in order to achieve the equivalent competency in the native and state languages. ... But studying the subjects in the state language will increase after time. Transition to the state language will be held step by step. ... subjects envisaged in the national curriculum will be taught in the state language, but the native language will be taught as the subject and it will be given maximal hours" (Kilasonia 2010).

On one hand, the importance of multilingual education as "the main supporter of human rights protection and integration" is emphasized by Seperteladze. When speaking about human rights protection, the First Deputy Minister seems to have in mind the availability of university education, enhancing job opportunities, and opportunity to participate in the political life for Georgian citizens. On the other hand, the multilingual education is regarded as a tool of multilingual transitional education program (see the previous paragraph quotation – Kilasonia 2010) which should lead to the implementation of the state language as the major language of education for minorities. This way the native language of the minority would be only taught as a subject and kept on the sidelines in the future. This would result in minorities' integration into the Georgian society, but also assimilation, minority rights infringement (in case individuals prefer the minority language for general education), and have even further, harmful consequences to the minority children's successful learning.

Numerous studies have proved that education in the mother tongue has certain advantages. Nadine Dutcher (2003: 1) states that "[t]he outlook for successful education is brighter when the school builds on the foundation of the mother tongue in teaching a second and third language. Such is the promise of mother tongue education." Teaching the mother tongue as a second language while the child receives the general education in another language might then lead to deterioration in children's successful learning. To summarize the issue, I will quote the speech given by the President Mikheil Saakashvili (2008) in the Council of Europe in January 2008 "What about the children who are denied the right to learn their own language? ... The way forward must be based on political negotiation that ensures Georgia's territorial integrity and respects fundamental human rights, including minority rights." It is time to start these negotiations and ask the Georgian citizens in what language they intend their children to achieve education.

Kists and their language situation

The next section of the paper will introduce the Kist ethnic minority, describe their sociolinguistic situation, and discuss their attitude to the state language policy. Kists are the Vainakh (Chechen) people who started migrating to the Pankisi Gorge in Eastern Georgia, Akhmeta District, in Kakheti Region about 200 years ago. The population of Kists is more than 7,000 people (GeoStat 2011a) in the present, most of whom live in six villages in the

Pankisi Gorge. Most of the Kists are Sunni Sufi Muslims. The highlander customary law (adat) is present in Pankisi and it seems to prevail over the Islamic law of sharia (Interview with Kist women in summer 2011; Sanikidze 2000: 273).

The aim of my research was to find out about the local linguistic situation. As a sociolinguist, I was interested in different varieties local Kists use to communicate in different situations, and in their attitudes towards the state language policy. The research presented here is mainly based on the two semi-structured expert interviews conducted in the village of Duisi in August 2011. Two female members of the local Kist community were interviewed. One was a 42 year old representative of the local teachers, a teacher of the Georgian language in a local school. The other was a 22 year old representative of the young generation, a University postgraduate student with a bachelor's degree.

The two interviews have revealed the following: The situation in the Kist villages in Pankisi Gorge can be described as a broad diglossia, i.e. the existence of two genetically unrelated languages, one of which is used as a high variety and the other as a low variety complementing each other while used for communication in distinct social domains. The local Kists speak the Kist dialect of the Chechen language, which functions as a low variety in the community. They learn it as their native language in childhood in their families. The Kist dialect of the Chechen language belongs to Nakh languages of the Caucasian language family (Čermák 2009: 67). The Kist dialect displays a number of words adapted from the Georgian language. There are sub-dialects of the Kist dialect in the Pankisi Gorge. The main distinctive feature of each sub-dialect is its specific intonation, and its speakers come from a different village.

All the Kists in the valley speak to other Kists in the Kist dialect in everyday communication. They claim to be passing on the Chechen language skills well, and there does not seem to be a language shift (Holmes 2001: 51-65), according to the interviewees' statements. Kist Chechen is also the language of communication between Kists and their Chechen relatives and friends from Chechnya, with whom they maintain close contact. Kists watch TV programs in three languages, Chechen (broadcasting from Chechnya), Georgian and Russian. The interviewees did not seem to prefer programs in one language to the ones in the other two.

The Kist children learn the Georgian language only after entering the school, where they receive education in the Georgian language, which functions as a high, literary variety in the local community. Georgian is a language in which they learn to write and read first. Then the language is used for general education and for communication outside their community. They usually cannot write or read in the Chechen language with the exception of a few individuals who have learnt the Chechen version of the Cyrillic alphabet with special letters for distinct Chechen sounds in special courses, e.g. when studying at university in Tbilisi or living and going to school in Chechnya. In the past the Chechen language was to be introduced into the curriculum before the split-up of the Soviet Union according to the older of the interviewees, but the tumultuous political changes destroyed the plans.

The local community of Kists has recently decided to introduce the Chechen language into their school curriculum within the framework of general education. Their aim was to teach it as an obligatory subject to all Kist children in the local schools. The interviewee herself gave the main reason for their decision: "The Chechen language will stop developing in Pankisi if the children do not learn to write and read in it." Therefore the representatives of the local community sent a letter to the respective authorities in Tbilisi asking permission for teaching Chechen as a compulsory subject. However, they were only allowed to teach it as an optional subject to the children who want to take it. The reason for the decision has been provided; Kists are not a national minority according to governmental officials in Tbilisi, therefore have no right to achieve their education in their mother tongue. The older interviewee's response to

this was that she as well as most of her neighbors in the valley certainly feel to be Kists by nationality, in spite of the fact that Kurtsikidze and Chikovani (2002: 14) claim that "[t]o this day, they identify themselves as Kists, and for official purposes declare themselves of Georgian nationality." The nationality issue will be further discussed and analyzed below. The interviewees also realize that the Chechen language issue is "a sensitive topic" in the time of the country's attempts at reintegration and the recent threats of irredentism in the Javakheti region.

After I have examined the 2002 Census questionnaire, it has been discovered that it does not allow choosing any other nationality than Georgian, Abkhaz, Ossetian, Azerbaijani, Russian, and Armenian. Thus the fact that Kists choose the Georgian nationality might not be surprising. The Census of 2002 results as presented online (GeoStat 2011a), however, do not include Kists into the Georgian ethnic group either. The state's approach to the national minority issue thus seems to be inconsistent.

As has been mentioned above, children achieving education in the mother tongue are more successful learners. It was also confirmed by the teacher-interviewee that it is a hard job to teach the Kist children anything in the Georgian language as they begin to think in Georgian only in the sixth or seventh grade of school (i.e. at the age of ten or eleven). Therefore the learners' success when achieving general education is again at stake. Contrary to her own complaint about the difficulties children have to face when being educated in Georgian, the older interviewee presented another aspect of the issue: "It is good to learn the Chechen language at school as a subject but it is not good to learn in the Chechen language. Not for Kists in Georgia. We do not have textbooks. Georgian is necessary if you want a job and study at university." Therefore she seemed to realize the importance of the integration function of the state language for their community.

In addition to the above-mentioned consequences of receiving education in a non-native language, the fact that Kists cannot read or write in their mother tongue prevents them from reading the Chechen literature in the Chechen language, thus disintegrating them from their own culture. The younger interviewee's own motivation to learn writing and reading in the Chechen language is also the desire to read literature in it. She has taken a Chechen language course at university in Tbilisi as an optional subject.

The Kist children started learning the English language as an obligatory subject from the first grade like children at all schools of general education in Georgia in 2010/2011. Considering the situation of Kists, whose children already learn another non-native language from the first grade, this is a controversial innovation for their community. Learning two non-native languages, Georgian and English, puts a double strain on the children, and does not ensure their successful learning.

In spite of the hardship, Kists seem to have positive attitude to learning English. In 2008 The Roddy Scott Foundation was established in Pankisi by Roddy Scott's parents. Roddy Scott, a British journalist and filmmaker, who spent months with Kists and refugee Chechens in Pankisi while making a film about them, died during fights in Ingushetia in 2002. The foundation provides funds for Roddy Scott Education Centre in Duisi, where the local Kist children learn English and IT skills. The Centre also provides a nursery. It offers children classes of English after compulsory school hours. The English teachers employed in the centre are local Kists who have been trained for teaching English.

I made an attempt to elicit Kists' opinion on advantages and disadvantages of learning foreign languages. Russian classes are being gradually replaced by the classes of English in the Pankisi three schools. English seems to be a popular language here, symbolizing pro-Western reforms and improvement in the economy. The younger interviewee stated that English may be useful for Kists or any Georgian citizens' individual plans, for their careers. The knowledge of English is required from most applicants for qualified jobs in the present,

Russian is only regarded as an advantage. So English is the language good for finding employment, although doubts had been expressed if English can be useful for finding a job in all European countries, where people speak national languages. Further, English is the language which opens the door for students to study from textbooks and journals in English, it might become the language of international conferences in the future. In everyday life English can be used in communication with tourists coming to Pankisi with development of agrotourism. The tourists' money are one of few opportunities to increase local families' budgets as unemployment is high there. English is the language of computers and the internet. One can also find the knowledge of English useful when having to read instructions on a product.

Another language, which is still a number one lingua franca in communication between local linguistic minorities and Caucasian or Western tourists in Georgia, is Russian. Russian is still taught at schools in Pankisi, even if it seems that the number of classes of Russian will be reduced in the future according to the local teacher. In spite of the fact that Russian is not an obligatory subject at schools in Georgia, it is obligatory for children in Pankisi, they are not offered another language to learn as an option at the moment. Russian is a language which can be used in communication to people from other post-Soviet countries, e.g. when one travels to Kazakhstan. Even at Tbilisi University a Russian section has been opened recently for the students from the neighboring countries who intend to study Caucasian regional studies. The local people seem to consider knowledge of Russian very important.

Last but not least we should mention another language that is important for Kists. Kists are Sufi Muslims, which means that they use Arabic in praying. The elder generation, both men and women, still practise "zikr", a meeting in a mosque where members of the community chant God's name and Arabic rhymes and dance rhythmically. Some of them learn to read in Arabic to be able to read Koran, but it does not seem to be a common practice in Pankisi.

Conclusion

The Georgian administration's argument against establishing the Chechen language at Kist schools as a compulsory subject is that Kists are not a national minority. There is no clear-cut definition of a national minority, and not even experts agree on it. Different countries and institutions define the term in a different way in relation to objective facts, subjective attitudes of the people concerned and the context. The objective facts may include for example number of individuals within the group of people, whether they are traditional occupiers of the region they live in, or whether they arrived recently, etc. The document "Ethnic Minorities in Georgia" prepared by the Committee for Human Rights and Ethnic Minorities of the Parliament of Georgia (Zakareishvili, Zedelashvili and Urjumalashvili 1996) reveals the Georgian approach to this issue. The document claims that there are representatives of one hundred nationalities living in Georgia, but only some of them can be considered as belonging to local ethnic minorities. The main factors used for qualifying as a national minority are their number and the settlement compactness. However, after reading the document it has been discovered that the Abkhazians are not considered an ethnic minority as they are regarded "as the native population" (Zakareishvili, Zedelashvili and Urjumalashvili 1996). Therefore the historic factor seems to play a significant role in this issue too. Kists are not regarded as a national minority in this document despite living in compact settlements in relatively high numbers. The reason might be that they arrived in Georgia only 200 years ago.

The subjective attitudes also play role in determining whether individuals belong to a national minority. The attitudes actually involve individual people's identity. For example, most of the Muslim Kists state they are ethnically Vainakh but some of the Christian Kists might also claim to be as Georgian as Kist and fill in the Georgian nationality in census questionnaires (Kurtsikidze and Chikovani 2002: 14).

The European and Western world perception of the minority concept has also been developing over the time. The typical elements in the first definitions appearing in Europe in 1970s is numerical inferiority of the minority group and its different ethnic, national, cultural, religious or linguistic characteristics as well as a non-dominant position of a group of citizens within a state. However, none of the first definitions took into account the fact that a majority group may occur in a non-dominant position, thus achieving a minority group feature and becoming a minority. Helton (1998) comments on this dominancy aspect of the definition as follows: "The question of who constitutes a minority, thus, has more to do with political and power relationships than with numerical characteristics."

In the 1990s another element, the right to self-determination, is added to the definition of minorities, in particular national minorities. The definition of national minority in the Document of the Copenhagen Meeting of the Conference for Security and Co-operation in Europe (CSCE 1990) states that: "(32) To belong to a national minority is a matter of a person's individual choice and no disadvantage may arise from the exercise of such choice." The appearance of the subjective element in the definition of the national or other minorities seems to legally protect the minorities against the situation in which the state might want to deny their existence with the aim not to recognize their rights. The following quotation is also in support to the status of the Kists as a national minority: "The existence of a minority does not depend on a decision by the State, determined by objective criteria such as language, ethnicity or religion, but on self-identification. It depends on the will and decision of those individuals who collectively see themselves as different to the majority, on a sense of belonging to the group and a commitment to the preservation of the identity of the group" (CSCE 1992).

The last paragraphs of the paper will be devoted to the issue of the legal framework established in Georgia in relation to the rights of linguistic minorities. No law on minorities exists in Georgia, and the minority issue is only vaguely mentioned in the Article 38 of the Constitution of Georgia, which gives its citizens "the right to develop freely, without any discrimination and interference, their culture, to use their mother tongue in private and in public." At the same time the Article 38 balances this right by promoting the country's integrity and obviously even placing it above the minority rights: "...the exercise of minority rights shall not oppose the sovereignty, state structure, territorial integrity and political independence of Georgia." Concerning the court, the Constitution ensures that individual people who do not speak and understand the state language are provided with an interpreter as legal proceedings are to be always held in the state language (Article 85). Being a member of the Council of Europe, Georgia ratified the Framework Convention for the Protection of National Minorities in 2005, which is the only minority rights protection legal framework in Georgia at the moment.

The European Charter for Regional or Minority Languages has not been ratified by Georgia in spite of the fact that Georgian political representatives promised to do so years ago. The above description of the situation in Georgia seems to be in agreement with Popjanevski's statement that "Governments [Georgian and Azerbaijani] have remained reluctant to ratifying instruments at all, as they are believed to be counter-productive to integration of national minority groups" (Popjanevski 2006: 8). The reintegration of the country and the integration of the disintegrated population are priorities in the present state policy controlling also minority rights protection. Elene Tevdoradze, Chair of the Parliamentary Human Rights and Civic Integration Committee, expressed her opinion that the legislation on language policy would not be changed, nor will Georgia sign the Charter before the restoration of territorial integrity (Transparency International Georgia 2007: 7).

In order to protect linguistic minorities' rights, it is necessary for Georgia to find a balance between integration aims and minority rights protection, reconsider the national minority

definition, acknowledge the existence of the national minorities such as Kists, and in agreement with the official MES statements on the present language policy, provide them with such conditions that would give them the opportunity to choose the language of general education for their children.

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Global Influence of the BRIC Countries

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Abstract

The BRIC acronym was created in 2001 from the initial letters of Brazil, Russia, India and China by the Goldman Sachs experts. At that time it referred to four countries, in April 2011 the four were joined by South Africa. Since the statistical indicators for the year 2011 have not been published for all the BRICS countries yet, this paper presents data for the year 2010 and therefore without South Africa. These countries have a high economic potential and are becoming important world economic players. In the first decade of the 21st century all these countries were growing economically faster than the world economy and it is assumed that they will have overtaken the EU by the year 2020 and they will have dominated the world economy by 2030. The BRIC occupy 26% of the world's land coverage, have 2.86 billion inhabitants altogether (45% of the world's population), 1.43 billion of them belong to the economically active population, which represents 44% of the global labor force.

Key words: The BRIC countries, economy, market, global influence, mutual cooperation.

Brazil, Russia, India and China have a high developing potential and they represent a huge market. And it is exactly the market – a trade outlet, and a purchasing power that all the countries of the world are looking for. And no global company dares to ignore new consumers. At the same time, the BRIC countries offer entrepreneurs low operating costs, attractive profit margins and an opportunity to do long-lasting business. Therefore entrepreneurs relocate their production exactly to these countries, although they are economically different.

The global influence of the BRIC countries has come through for a long time. However, in 2010 their influence was the most significant. According to the data of the World Bank (World Bank 2011) the BRICs' share of the global GDP was 18.48 trillion USD (nearly 20%), while China accounted for one tenth. The highest per capita GDP value of these countries was reached by Russia (15 900 USD), then by Brazil (10 900 USD), China (7 400 USD), and the lowest one by India (3 400 USD). However, it is necessary to realize, that both China and India have the highest number of inhabitants in the world – more than one billion (1.33 billion and 1.18 billion respectively), so their GDP per capita will be lower than in the case of Russia and Brazil.

Considering the next economic indicator – foreign exchange and gold reserves, these countries had a total of 3.68 trillion USD which according to the International Monetary Fund (2011) corresponds to 40% of the world reserves. The order of the BRIC countries in the world ranking was then as follows: 1st - China (2.6 trillion USD), 3rd - Russia (483.1 billion

USD), 6th - Brazil (290.9 billion USD), and 7th - India (284.1 billion USD). Table 1 and Graphs 1 to 4 summarize selected economic indicators of the BRIC countries and the most developed countries in the world: the USA, the EU and Japan (their ranking is written in the brackets).

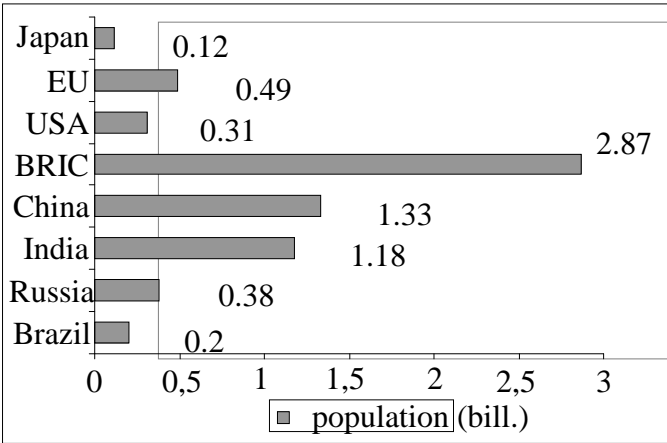
As for the national GDP the BRIC reached lower values than the USA, the EU and Japan, but as a whole they had a higher GDP (56.52 trillion USD) than the USA, the EU and Japan together. The BRIC countries lagged behind in the GDP per capita, they reached an average of "only" 9,400 USD/capita, while the total average of the USA, the EU and Japan was over 38,000 USD/capita. However, their GDP real growth rate is noteworthy. All the BRIC countries had a higher real growth rate (3.8 %-10.3 %) than the most developed economies – the USA, EU and Japan (1.8 %-3.0 %). A similar development marked the capital assets share of GDP, when the BRIC reached from 18.5 % of GDP (Brazil) to 47.7% (China), while Japan had 20.3%, the EU 18.6% and the USA 12.8%.

Table 1: Selected indicators of the BRIC countries, the USA, the EU and Japan

Country indicator	GDP at PPP* (billion USD)	GDP per Capita (USD)	GDP Real Growth Rate (%)	Labor Force (million)
Brazil	2.19 (8.)	10.900 (104.)	7.5 (18.)	103.6 (6.)
Russia	2.22 (7.)	15.900 (71.)	3.8 (94.)	75.5 (7.)
India	4.04 (5.)	3.400 (163.)	8.3 (12.)	478.3 (2.)
China	9.87 (3.)	7.400 (125.)	10.3 (7.)	780.0 (1.)
BRIC	18.32	Ø 9 400	Ø 7.4	1 437.4
USA	14.72 (2.)	47.400 (10.)	2.7 (138.)	154.9 (4.)
EU	14.91 (1.)	32.900 (41.)	1.8 (154.)	225.3 (3.)
Japan	4.33 (4.)	34.200 (38.)	3.0 (131.)	65.7 (9.)

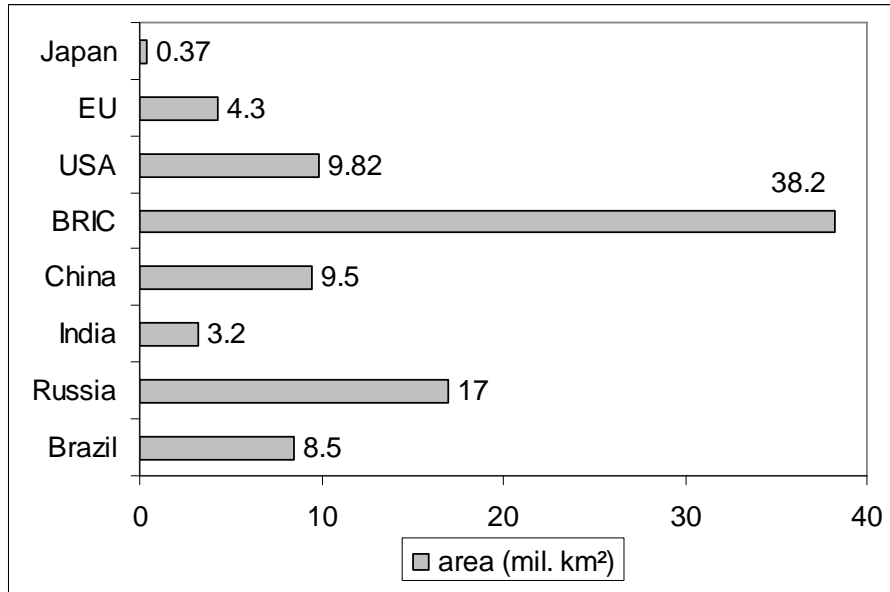
The source: CIA WORLD FACTBOOK (2010); GDP at PPP* - Gross Domestic Product at Purchasing Power Parity

Graph 1: Population size in the BRIC and the USA, the EU and Japan



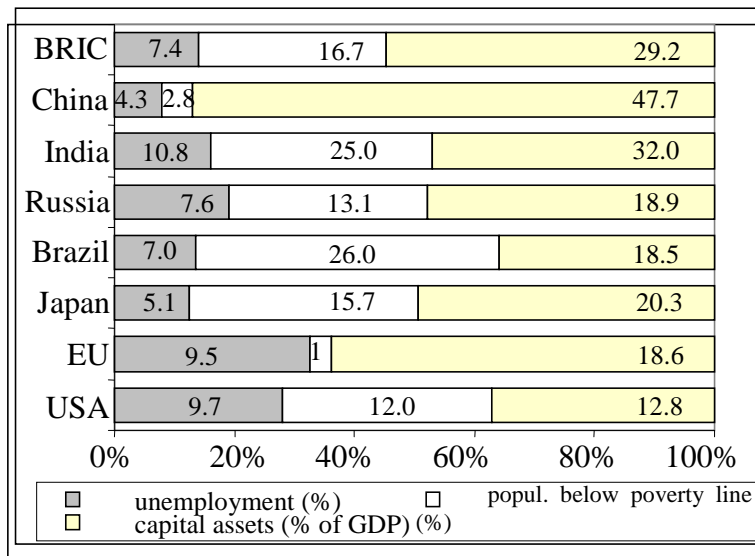
Source: CIA WORLD FACTBOOK (2010)

Graph 2: Surface area of the BRIC and the USA, the EU and Japan



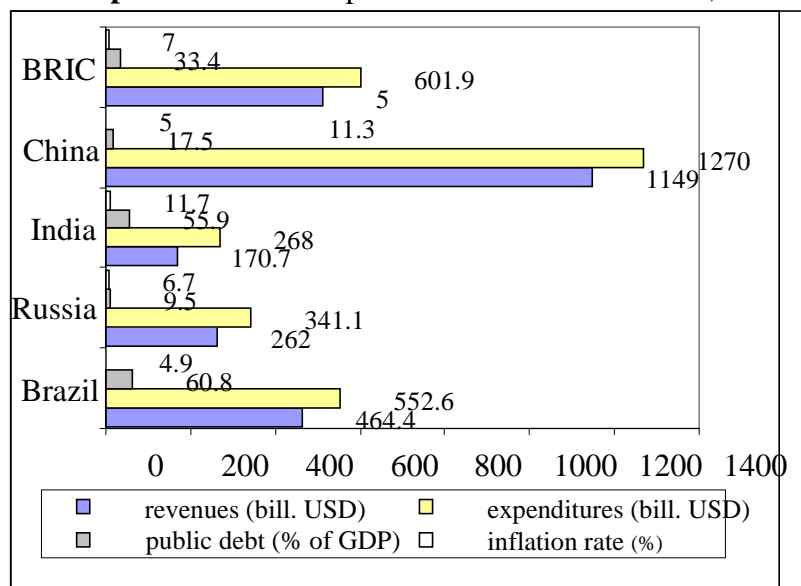
Source: CIA WORLD FACTBOOK (2010)

Graph 3: Proportion of unemployment, population below the poverty line and capital assets



Source: CIA WORLD FACTBOOK (2010)

Graph 4: Proportion of revenues, expenditures, public debt



Source: CIA WORLD FACTBOOK (2010)

Mutual cooperation

All the BRIC countries cooperate closely in several areas, which have, or in the future will have a global character and influence, and thus they will strengthen their position in the world. It is, for example, the opportunity to negotiate mutual agreements on trade in national currencies. This will enable them to shift their mutual cooperation to a new, qualitatively higher level. In a sense, the BRIC will become independent from the world's major economic centers (mainly the USA) and thus can partially avoid collisions, which occur in the global economy, especially, the impact of the financial and economic crisis on the economy of the country.

In the recent past the threat came from the USA, since in 2009 the Federal Reserve System authorized an increase in money supply of 600 bill. USD. These however, were not secured by assets, so there was a rapid influx of dollars into developing countries (through investments) and the domestic currencies became more expensive. This situation had also an impact on the exchange rates, since different bubbles can develop. The countries, of course, are beginning to protect themselves against such speculative investment capital, adopt measures to prevent the influx of dollars, and prefer investments from other countries.

Nowadays, even the BRIC countries operate globally, strengthening their position in the world even more. An example of such geopolitical and geoeconomic strategies is the effort to stabilize the international financial system and they want to create an international reserve currency system, which would ensure stability and security. Their representatives see the solution in the abandonment of the dollar and its replacement by a local or national currency. The new international reserve currency system would, according to the BRIC countries, guarantee stability and security, which the American dollar is no longer able to guarantee in the present monetary system. The BRIC countries will try to use broader, so-called Special Drawing Rights (SDR) in the international system. Nowadays, the SDR are composed of the American dollar, the euro, the Japanese yen and the British sterling⁹⁹.

⁹⁹ Special Drawing Rights (SDR) have served since 1969 as a single monetary and accounting unit used by the International Monetary Fund. Originally the SDR unit was bound to gold (0,888671 g of pure gold which corresponded to the U.S. dollar parity of that time). Since 1974 a standard basket of currencies method for the SDR valuation has been used. First it was composed of the basket of 16 world currencies, differently weighted, since the year 1981 it was a basket of 5 currencies: USD 42%, DEM 19%, JPY 13%, FRF 13% a GBP 13%. The

The MERCOSUR countries (Brazil, Argentina, Uruguay, Paraguay and Venezuela) are gradually cleansing their markets of the dollar in favor of national currencies. The rouble, actually, has already obtained the status of the regional exchange currency in the area of Russia and the Post-Soviet States. The competition between the Chinese yuan and the American dollar is well known. Strategically, China wants – directly or indirectly – to dedollarize the global financial structure and to make the yuan the reserve currency. If it succeeded, international markets would also trade in yuans. And China, as well as the BRIC countries, could strengthen their position in the global economy in this way.

Information sharing about possible speculative attacks on the hard-currency, fund and raw-materials markets is another important tool for the BRIC. However, the BRIC countries do not want to, and even cannot, exist separately, they understand that they are a part of the world economy and they want to hold a dialogue and share the information with other countries, or blocks as well (G7, G20, the EU, APEC, the UN and so on).

Nowadays, the BRIC countries are creating a common information database to analyze the condition of their food security, since the issue of production, consumption, and supplies of food has become global. They are also negotiating about exchanging agricultural technologies, because the provision of sufficient food to their inhabitants will become a key concern in the future.

The BRIC cooperate actively with the UN – they became co-authors of the UN General Assembly resolutions on the prevention of any types of weapons deployment in outer space. At the last BRIC summit (April 2011) on the island of Hainan the members passed a joint declaration on mutual dialogue and cooperation in the area of politics, business and economic relations and mutual cooperation in the sphere of science, healthcare and ecology.

The BRIC face the same tasks connected with economic development, technological modernization and the social system development. These priorities open further space for cooperation whereby these countries can reach their objectives faster.

Another example of their common effort in the framework of cooperation with the United Nations is the fact that Brazil, as well as India, are interested in becoming permanent members of the UN Security Council, which is supported by both Russia and China. Russia and China are permanent members of the UNSC with a veto power, and they have confirmed that they "attach the importance to the status of India, Brazil and South Africa in international affairs" and they "understand and support their aspiration to play a greater role in the UN" (Medvedev 2011).

The BRIC members agree on the need to reform the UN Security Council to make it more representative and effective. The Brazilian President Dilma Rousseff said: "The reform of the United Nations and its Security Council is essential. It is just impossible that we should still remain attached to institutional arrangements that were built in the post-war period." (Rousseff 2011). The South African President Jacob Zuma also called for the reform of the United Nations Security Council to give developing nations a greater say in urgent issues.

The BRIC

There is an interesting situation regarding individual BRIC countries. Because of the extent of the paper we have focused only on certain economic, political and social particularities. Brazil and Russia dominate more in the supplies of raw materials, China and India are becoming manufacturers of products.

Brazil as the only BRIC country achieved during the crisis (in 2009) the lowest slump of shares – a loss of 15%. Nevertheless it is not a country without risks: it has had a higher

content of the basket is reviewed every 5 years. In the years 2006-2010 the SDR basket-composition was as follows: USD 44%, EUR 34%, JPY 11% and GBP 11%.

inflation rate (6.5%) than developed countries for a long time. The Brazilian currency – the Brazilian real (BRL) predominantly strengthens, but during the financial crisis it usually weakens rapidly which means a loss in the most unsuitable time for foreign investors.

Despite these facts the companies such as for example Taiwan Foxconn decided to expand in the Brazilian market because on the one hand the labor price in China is increasing, on the other hand the subsidiary localization in Brazil will lead to the geographical diversification and mainly to the penetration of the Latin American market. The production directly in Brazil has brought its inhabitants a decrease of the unemployment rate since new job positions have been created. Advantageous customs regimes have simplified trading. If Brazil managed to capitalize on human potential it could become a global player with a even greater influence.

The business relations with China are intense but also tense. Brazil supplies the Chinese industry with a great number of raw materials and China then floods the Brazilian market with its cheap products. Thus it limits the success of Brazilian products to the Brazilian market. The economic boom of Brazil and the rapidly growing exports are in a large measure pushed by Chinese consumption. China, for example, imports tens of millions of tons of iron ore, soy beans and other commodities. Brazil also has serious social problems such as crime and poverty. From the political point of view it should avoid left-wing populism.

Due to its domestic economic and political development Russia overcame the consequences of the global economic crisis. At that time the shares slumped by 28% but nowadays the country is moving towards recovery. It spends a great amount of finances on research, energy industry (nuclear energy and alternative energy sources), as well as on the development of new technologies within high-tech industries, which will become a "workhorse" of its economy in the future.

Russia has a huge advantage of the great quantity of crude oil reserves (the 8th place in the world) and natural gas reserves (the 1st place in the world). These raw materials have already been playing a key role in the revenues to the state budget and in the future, when the raw materials reserves will be depleted by other countries, Russia will become the major and the most important exporter of these materials (Slobodníková 2010).

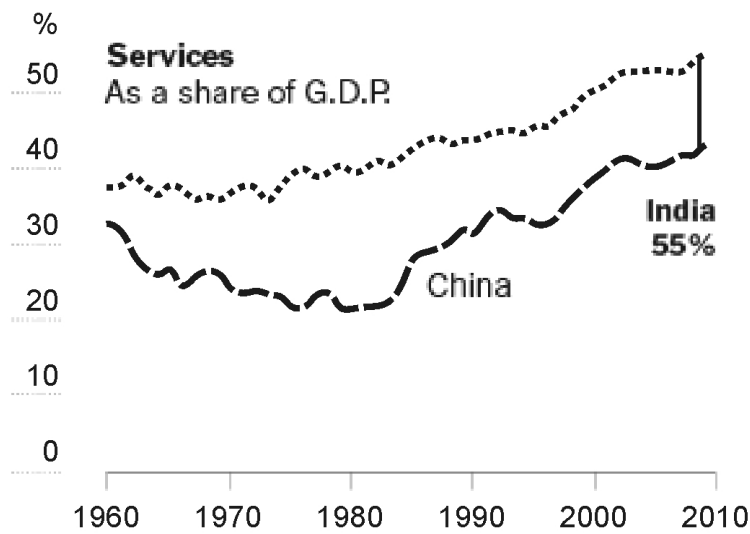
The problems with which Russia struggled in the year 2010 were associated with a 41% drop in investment flows. This situation reflects the less favorable investment climate because of a low quality of the state and local administration, corruption, economic crime, and big administrative, technical, and information obstacles. If we compared the overall economic situation in the BRIC countries, the situation in Russia is better than in Brazil, but worse than in China and India. In the future, Russia will face the changes in both the ethnic and religious structures of its inhabitants – a natural decrease (extinction) of the state-building nation on the one hand and an increase of the number of Muslim and Chinese inhabitants.

India also experienced the shares slump (-26%) due to the impacts of the economic crises. However, the position of India is being consolidated also because of considerable strengthening of the increasing domestic demand. Moreover India is not as dependent on the prices of raw materials as Brazil and Russia. As for the attractiveness of investing on the stock exchange India was ranked second among the BRIC countries, right after China (Halligan 2011).

At the beginning of 2011, India was elected the chairman of the UN Counter-Terrorism Committee and has the status of a non-permanent member. This is also the area, where the global influence of India can be expressed.

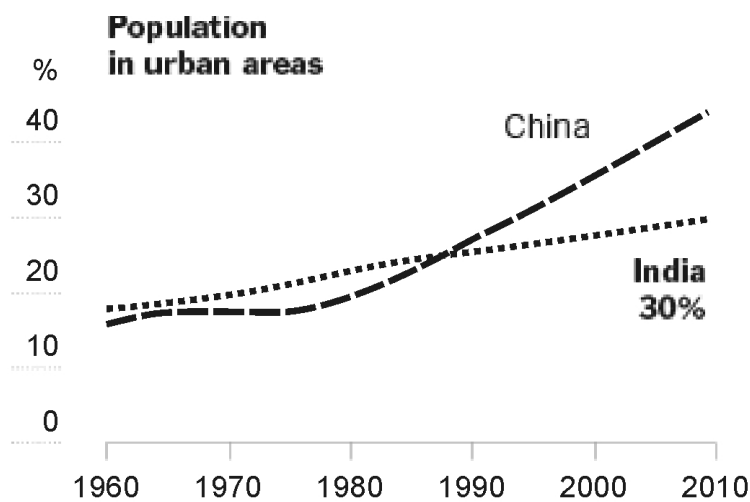
The graphs 5-7 show comparisons between India and China concerning the proportion of services in GDP (India has a higher one), the proportion of population in urban areas (India has a 30% share) and a proportion of population under 15 years of age (31%).

Graph 5: Much of India's growth has been driven by industries that do not require good roads to move goods. In contrast, manufactured exports have played a larger role in China's rise



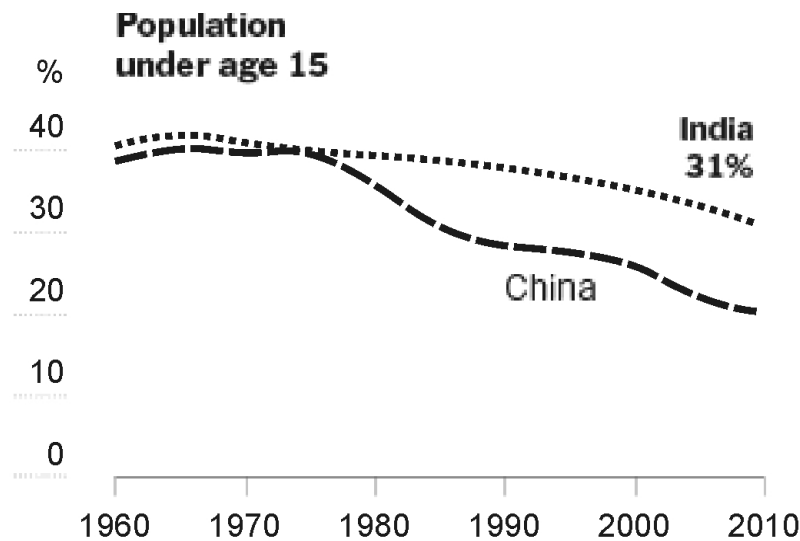
Source: <http://www.nytimes.com/interactive/2011/06/08/world/asia/india-china-graphic.html?ref=india>

Graph 6: China has urbanized more quickly than India, in part because manufacturing companies tend to require more workers than services



Source: <http://www.nytimes.com/interactive/2011/06/08/world/asia/india-china-graphic.html?ref=india>

Graph 7: India's population is younger than China's. More young workers may make rapid growth easier for India in the future.



Source: <http://www.nytimes.com/interactive/2011/06/08/world/asia/india-china-raphic.html?ref=india>

There are significant social, political and religious differences among India's inhabitants (a fading-away tradition of the caste system) leading to numerous unrests and conflicts. The instability of the country requires considerable expenditures for the internal security, but also for the external defense due to the potential conflict with Muslim Pakistan.

There are big regional differences in India, a considerable unemployment rate (10.8 %), only 27% women's employment, lower investment rate (25% of GDP), inflexible legislation, problems with potable water, pollution, an insufficiently developed social infrastructure and other problems.

The positive aspects of contemporary India include the high number of young people in the labor force, an increase of the number of highly qualified people, universal usage of English, increasing investments in science, technology and education, relatively low labor costs creating the significant scope for the outsourcing, a developing middle class stimulating domestic demand, etc.

China dominates over the other BRIC countries in the sphere of production and consumption. One example is the production of aluminum, copper, cars, clothes and other products. In the recent decade the total car production in China has increased nine times (to 18 million pieces), that is more than the production of 16 eurozone members, or than the production of the USA and Japan together. In the year 2010 a record of 77.6 million cars were produced in the world, a quarter of them in China. This country offers the things which the investors look for the most: a huge market with new customers, lower operating costs, attractive profit margins and opportunities to do long-lasting business. The growing purchasing power of inhabitants will be one of the main driving forces of rising demand.

Based on the previous development in retail selling of food there are presumptions, that in the year 2015 China will surpass the USA and the sales high will exceed 1 trillion EUR. As the most populous country, China attracts investors and in this respect is only second to the USA. Foreign investors also do not avoid investing in Brazil, India and Russia, where they can see a long-term appreciation of their finances.

However, the Chinese economy flourishes mainly thanks to huge state investments and exports. But despite this fact China still remains the most interesting country for investors, since it has an advantage in regulating the inflow of the speculative capital to the country, in

contrast with Brazil. However, China's economy is overheating and the government tries to reduce the increasing inflation to 4%.

There are also big regional differences and income differentiation highlights the poverty problem. For example, in 2010, about 200 million Chinese people (15% of inhabitants) lived on one dollar a day.

Conclusion

The economic potential of the BRIC countries remains above-average and their market situation in the mid-term and obviously, in the long-term is expected to improve. This will further deepen the global influence of the BRIC countries. However, it is possible that for a long time these countries will not play a role of the axis around which the global economy and politics will rotate. The economic dynamics of the BRIC countries can seem impressive, but as for their standard of living these countries still lag behind the developed economies. Smaller areas of prosperity sharply contrast with areas of poverty. It will probably take decades before these countries solve their most critical and pressing social and economic problems, such as poverty, criminality or unemployment.

A decade of rapid growth (2000-2010) is not sufficient for the BRIC countries to pick up the baton from the present global economic leaders – the USA and the Western Europe. The BRIC countries may surprise the world with their development within ten years provided there will be a quality improvement and further economic growth. Moreover, there are other countries in the world with fast growing economies. They are referred to as the MIKT countries - Mexico, Indonesia, South Korea and Turkey. These countries may become competitors of the BRIC.

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Globalization and Identities – A Constructivist Approach

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Abstract

Globalization is associated with a new regime of sovereignty as a result of the emergence of some new forms of non-territorial economic and political organization in the global field. Such a reality transforms the state into an interface between the global system constantly shaped by the forces of globalization (especially economic) and the subnational system mainly characterized by the decentralization of power. First, nation-states have functionally become parts of a vaster pattern of global changes and, second, the idea of global politics underlines the complexity of the interpenetrations that transcend states and societies, adding to them a large network of agencies and organizations. Within such an anarchical context the predictability of these interactions may be analyzed through the perspective which reflects the intensification of the global and regional engaging patterns. In such a context, from a constructivist perspective, the study tries to underscore the way the state is shaped by the global transformations and, at the same time, the way the state is transforming itself under the pressure of such challenges. So, I will underline the shift from globalization to fragmentation as a reflection of political costs mediated by the state: sometimes, globalization changed the accent from the domestic sectors; on other times, the domestic interests had priority and so the result was international fragmentation.

Keywords: state, globalization, constructivism, identity.

Far from generating a theoretical consensus, or at least a functional convergence among analysts, globalization deeply affects the economic, political and socio-cultural contemporary reality – "globalization is a complex historical process which manages to unify the continents. It is equally a cultural, political and technological process and also an economic one" (Smith 2006: 5). Or, as Ian Clark said, the great challenge of those analyzing such process is "to measure and quantify the impact of globalization over the economic, political and cultural spheres" (Clark 1999: 34).

In this study I will try to stress the manner in which, at the political level, the state is affected by the global changes and, at the same time, the way in which the state reacts and transforms under the pressure of these challenges. I will not argue in favor of a zero-sum game: if nation-states don't completely lose their meaning then, certainly, the nature of modern politics, and especially contemporary one, changes profoundly.

Traditional Theoretical Perspectives

Globalization is the favored term to describe the international reality after the end of Cold War, and most of its researchers refer to it as an evolutionary process (Modelski 2008: 12-29), a historical transformation (Mittelman 2004: 4-5) or as a multidimensional reality (Hopper 2006: 139) which comes from "diversity which is part of its intrinsic nature" (Clark 1999: 35). The constant element of these approaches is represented by the illustration of the growth of

interdependences as the result of the "growing interconnectedness reflected in the extended flows of information, technology, capital, goods, services, and people throughout the world" (NIC 2004) on one hand, and of the growth of the opening, transparency level, on the other hand (Modelski 2008, Group of Experts on the United Nations Programme in Public Administration and Finance 2000: 2-4).

Thus, "globalization implies complex processes which internationalize domestic politics – but, at the same time, shape foreign politics according to the growing internal pressures", which actually reflects the fact that "nation-states have learnt to share sovereignty using national and global institutions and, at the same time, to open their economies regionally and globally" (Group of Experts on the United Nations Programme in Public Administration and Finance 2000: 1). Moreover, globalization becomes synonymous with the acceleration and intensification of mechanisms, processes and activities which promote global interdependence and, ultimately, the global economic and political integration.

Especially economic processes have been in the center of attention. It becomes more than obvious that "the globalization of the world economy has affected and will continue to affect almost every aspect of the domestic and foreign affairs" (Gilpin 2004: 219). Accepting such a reality, depending on the way we regard the advantages or disadvantages generated by the free market, the debates on globalization have shaped three large perspectives. On one end of the spectrum we find the neoliberals who see the free market as the only way to maximize prosperity. On the other end, we find the economic nationalists who support a populist perspective, rejecting globalization by applying restrictions on the free trade in order to correct economic inequalities created by globalization. Globalization is also criticized from the communitarian perspective; the supporters of this radical point of view think that globalization is responsible for capitalist tyranny, imperialist exploitation and also for the unprecedented degradation of the world ecosystem (Gilpin 2004: 221-39). Dani Rodrick, one of the most important representatives of the communitarian perspective, thinks that the core objective of this approach is represented by the "return to the local independent and cohesive communities" (Rodrick 1997: 2).

Leaving behind this extremely limited paradigm of globalization There are other ways in which we may analyze globalization. David Held identifies three distinct schools: hyper-globalists, skeptics and transformativists (Held 2004: 26). For the followers of the hyper-globalist thesis, globalization produces profound changes within the organizational and functional structure of the human communities because "the traditional nation-states have become unnatural, even impossible business units in a global economy" (Ohmae 1995: 5). The skeptics try to demystify globalization claiming that the internationalizing does not imply "a profound or even important restructuring of the world economic relations" (Held 2004: 30) or the position and role of nation-states in international politics. Placing themselves between these two extremes the transformativists (Giddens 1990, Scholte 1993, Castells 1996) will argue that "globalization is a core driving force of the fast social, political and economic changes which recreate modern societies and the world order" (Held 2004: 31). According to transformativists, governments and states in their traditional form pass through a series of profound changes which result from the fact that the border line between domestic affairs and the projection of national interest on the international level is blurred and, in some cases, even disappears.

Globalization and State Identity

State contracting and the decline of official regulation determine the actual abolishment of the existing restraints for the free movement of persons, goods, services and capital. As Scholte (2000: 34) says, "the public sector must come to an end in coordinating the forces of the market in global context". Moreover, according to Martin Carnoy and Manuel Castells,

the very source of globalization has been represented by the capitalism restructuring process – both of the state and corporations – meant to overcome the mid 1970's crisis. This reform was profoundly liberal in nature: "deregulation, liberalization, and privatization, both domestically, and internationally were the institutional basis that paved the way for new business strategies with the global reach" (Carnoy and Castells 2001: 5).

On the other hand, at the international level, globalization represents or creates the necessary conditions for the manifestations of some entities which erode the traditional role of the state as the single international actor. This means that globalization is associated with a regime of sovereignty as a result of the emergence of some "new and mighty forms of non-territorial economic and political organization in the global field, similar to multinational corporations, transnational social movements, international regulatory agencies, etc." (Held 2004: 33). In other words, international and transnational organizations and movements compete with the state, generating a crisis of state authority; in this manner, loyalty is transferred from the state and/or society to the lower or higher level units (Viotti and Kauppi 1997: 6-9).

As we have already mentioned, there are three classical perspectives to talk about the state and globalization. From the first perspective, the state loses its meaning, because important decisions are made outside the state apparatus, either in private entities or international organizations (such as World Trade Organization or International Trade Chamber) (Hal land Biersteker 2004). From the second, the state remains about the same as always without registering important changes; from this kind of view, globalization becomes possible mainly because of the state, and thus there are not so many changes in the international system, the state maintaining its traditional power of implementing the policies it formulates (Krasner 2004: 60-81). The third perspective is based on the argument that the state adapts or even becomes transformed but it still remains the critical actor in the international system.

Apart from the major differences that are encompassed by these approaches we need to stress that all of them are elaborated on the "assumption that the national level and the global level are mutually exclusive" (Sassen 2007: 45) and that the direct implication is to exclude some terms which cannot be analyzed from the perspective of this dual-disjunctive logic (an example is represented by the technical regulation agencies such as the IMF).

Thus, what we need is a new analytical perspective, different from the above mentioned: "the state becomes one of the strategic institutional realms in which the critical analysis of the development of globalization takes place" (Sassen 2007: 45). This development does not automatically produce the decline of the state nor it maintains its original form – "the state becomes the place for the foundational transformations within the relations between the public and private sectors, in the internal balance of power as well as within the larger space of national and global forces where the states must now function" (Sassen 2007: 45).

Such a *via media* (Wendt 2011: 66-67) or middle ground (Adler 1997: 319-63) will allow for conceptualizing state identity as "at the same time changeable and relatively stable" (Zehfuss 2001: 339). This means that accepting the interpretative approach of the constructivism we can decide that international system (in the hypostasis of globalization) as a hypostasis of social reality builds the actors and determines the mechanisms through which they (self-) define. Equally, the international system is constantly (re)constructed on the basis of the system actors' interaction (including states). From the constructivist perspective, social agents and structures are mutually built through interactions, complex interdependences (Keohane and Nye 2009). Interpreting the identity meaning, Maja Zehfuss claims that for Alexander Wendt "the international environment is created and recreated in process of interaction" meaning by this that "actors' identities are not given but are developed and sustained or transformed in interaction" (Zehfuss 2001: 317-18).

From a similar point of view, Ian Clark considers that easy value judgments must be avoided when they refer to globalization and fragmentation. If globalization is synonymous with technological and political developments after the Second World War, it is not synonymous with cultural uniformity and homogenization, even though the economy has become internationalized. Culture (even knowledge), in its wider sense, has become a major political force which will constitute an important challenge towards the state because "cultures avoid to be localized and linked to the spaces physically defined" (Saurin 1995: 256). Therefore, globalization will depend on our understanding concerning fragmentation (both on the regional and national level). "Without understanding fragmentation as a dialectical response to globalization" but rather as "a new aspect, even as a creation of globalization" (Clark 1997: 29) we will need to exclude any form of political determinism and underline "the impact both globalization and fragmentation have on the behavior of the state. The stress must be on the shift between globalization and fragmentation, not as a mechanical instrument but as a reflection of the political costs transfer mediated by the state: sometimes globalization shifted the stress from domestic sectors; on other times, domestic interests had priority and thus it appeared as international fragmentation" (Clark 1997: 31). The integration / regionalization process from the European Union represents an example for the manner in which fragmentation and globalization can function in a different way than in an exclusive logic.

Such a reality – with the two presented components – place the state as the interference between the global system constantly shaped by the forces of globalization (especially economic) and the substate system characterized mainly by decentralization of power, decision-making and knowledge.

In this paper, I argue that globalization can be understood as a manner in which "identities may change through interaction" (Zehfuss 2001: 319), even if these identities are the states (or just because of this). "Globalization needs also to be understood as a number of changes within the state, and not simply as a range of external forces set against it...Historically, transnational forces and the separate state have developed in tandem" (Clark 1997: 52). In other words, such a model allows us to capture the interaction between the substate and suprastate levels at the state level like a "combination of relative autonomy and symbiotic interdependence" (Mann 1997: 477).

If globalization is a process, and some of its main consequences can be analyzed at the state level, then, the state itself can be analyzed from the processual perspective. The postmodern state is no longer based on the balance of power system and no longer underlines the importance of sovereignty or a clear division between domestic and external politics (Cooper 2007: 41-81). The postmodern state is a product of globalization and is one of the actors populating the space of "postinternational politics" (Rosenau 1990: 6).

Today, globalization limits state sovereignty and at the same time redefines its social borders. If the classical nation-state implies the existence of a national community as a referent, then globalization forces the state to modify this frame of reference, national communities lose their political representation channel and the next move is represented by the development of nationalism against the state. Therefore, as a natural development of the state "the separation between nation and the state is a fundamental process characteristic of our time" (Calhoun 1998: 98). Without generalizing this separation, we must underline the fact that the state loses its attributes offered by modernity. The global economy and the informational revolution have seriously reconfigured the fundamental institutions of the governing processes peculiar to the modern state and thus they modified two of the central features of the modern state: sovereignty and territory.

Conclusion

In this new power geography, globalization implies at least "a partial denationalizing of national territory and a partial shift of some components of state sovereignty to other institutions, from supranational entities to the global capital market" (Sassen 1996: 146). In other words, sovereignty and territory are relocated in other institutional arenas outside the state and outside the traditional territory framework, sovereignty being decentralized and territory partly denationalized. As a result of such changes the nation-state finds itself forced on one hand by the global market forces, and on the other hand by the political imperatives of the power shift. Therefore, if the market forces denationalize the territory, the power shift is made placing sovereignty in a variety of institutional arenas of the transnational (legal) regimes.

In this framework, globalization must be understood considering the redefinition of the power relations. First, nation-states have functionally become parts of a vaster pattern of global changes and, second, the idea of global politics underlines the complexity of the interpenetrations that transcend states and societies, adding to them a large network of agencies and organizations. Within such an anarchical context the predictability of these interactions may be analyzed through the perspective which reflects the intensification of the global and regional engaging patterns.

Acknowledgement

This paper was made within The Knowledge Based Society Project supported by the Sectoral Operational Programme Human Resources Development (SOP HRD), financed from the European Social Fund and by the Romanian Government under the contract number POSDRU ID 56815.

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Globalization and Glocalization

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Abstract

Globalization became the buzz-word of our era. Interestingly, it is stated only seldom that globalization involves numerous local impacts. Indeed, particular manifestations of global processes can be contemplated in concrete localities and polarity between the global and the local is not accurate. The main objective of this article is to discuss the socioeconomic nexuses between global processes and localities. Taking into account contemporary socioeconomic developments, we are increasingly entitled to talk about the process of glocalization that involves both global and local aspects. Global and local represent two sides of the same coin and the nature of contemporary spatio-temporal processes may be better understood by recognizing and analyzing socioeconomic aspects of glocalization.

Key Words: globalization, glocalization, socioeconomic consequences

From Fordism towards post-Fordism

The immense socioeconomic changes in 1960s and 1970s were usually depicted as the transformation of advanced countries from Fordism to post-Fordism. According to the 'regulation school', Fordism was a mode of capital accumulation that originated in 1914 when Henry Ford introduced a five-dollar, eight-hour workday for the assembly line production of cars (Aglietta 1979).

The regime of intensive accumulation was formed already in 1930s, but mainly after World War II, when it constituted a true bait mainly for Western Europe both physically and mentally destroyed by the war. This societal-economic paradigm called Fordism was prevailing in basically all advanced countries until 1970s, when the oil crisis hit practically the whole planet.

The Fordist way of production appeared to be obsolete in the new socioeconomic conditions. It was claimed that the Fordist industrial production was too rigid, non-flexible and finally leading towards the decline of competitiveness. All of these changes finally stimulated the gradual appearance of a new system of flexible accumulation that was based on new core innovations.

New findings in the sphere of microelectronics and information technologies enabled the transformation of production, which started to utilize flexible computerized and robotic systems. New information and communication technologies enormously speeded up the operations on financial and capital markets as well as the transfers of capital. We cannot omit liberalization of the world trade and a quick movement of capital in combination with deregulation measures. If rigidity in the labor market, owing to trade-unions or cultural impediments, was the main feature of Fordism, extreme flexibility became the central concept in the post-Fordist era (Harvey 1989).

These transformations in the organization of work facilitated the further growth of productivity, which became the officially proclaimed necessity vis-à-vis the sharpened

competition at the global level. Increasing differentiation of the society and the saturation of the society in advanced countries with consumer goods changed the patterns of consumer behavior and heightened the scope of specific needs and wishes. Enterprises were forced to respond flexibly and started the production of smaller and special series of products. Obviously, those happenings were detrimental to the mass production based on Fordist principles.

Table 1: Differences between Fordism and post-Fordism

FORDISM	POSTFORDISM
ECONOMY AND THE PRODUCTION PROCESS	
Economies of Scale	Economies of Scope
Mass production of homogenous goods	Small batch production
Society of mass consumption – less differentiated demand	Differentiation of demand and individualization of consumer styles
Large stocks and inventory	Minimal stocks (just in time)
Testing quality ex-post (rejects and errors detected late)	Quality control part of production process (immediate detection of errors)
Dominance of industry	Dominance of tertiary sector and rise of quaternary sector – deindustrialization
Cost reductions through wage control	Learning-by-doing integrated in long-term planning
Payment per rate (based on job design criteria)	Personal payment (detailed bonus system)
Single task performance by worker	Multiple tasks
High degree of job specialization	Elimination of job demarcation
Vertical labor organization	More horizontal labor organization
Trade Unionism	Individualism
SPACE, STATE AND IDEOLOGY	
Welfare state – extensive social security system guaranteed by state	Post-welfare state based - privatization of social security systems and collective needs
Keynesianism and state interventionism – market regulation	Neoliberalism – deregulations, support of free market functioning
National, central, exogenous regional policy	Territorialized' endogenous regional policy
Subsidized state/city	'Entrepreneurial' state/city, sharpened interregional/intercity competition
Centralization – hierarchical top down management	Decentralization – emphasis on bottom up activities, new public management
Public sector regulates and controls private sector	Public Private Partnership, co-operative behavior of the public sector, which stimulates the activities of the private sector.

Source: Modified according to Harvey (1989)

The implementation of new information and communication technologies further accelerated the advent of post-Fordist tendencies. Production became flexible enough in order to respond to market requirements. Manufacturing capacity that played relevant role in the

course of Fordism became less important and specialized demand turned into the decisive factor for the management of production. Very often, the pivotal developmental change was characterized as a change 'from a producer's market towards a consumer's market' (Rumpel 2002).

Piore and Sabel speak about 'industrial divides' that embody the periods of Fordist mass production and post-Fordist flexible specialization. According to them, the first industrial divide took place especially after 1920s and complies with the Fordist societal-economic paradigm. The second industrial divide should be perceived as a consequence of economic pressures in 1970s and is based primarily on post-Fordist categories (Piore and Sabel 1984).

General Features of Globalization

Globalization can be comprehended as one of the most important phenomena of the contemporary world. Concurrently, globalization has abundant interrelations with post-Fordism. Recent years witnessed its quick evolution and global processes shape the relations on our planet more and more. At the same time, global processes create an environment that the world has never experienced before. Although we are talking about global processes, at the same time we can contemplate their ample local and regional impacts, which is of great importance for this article.

There are numerous approaches to the definition of globalization. While some talk about globalization as a historical epoch, the others claim that it is only one of the great narratives well known from the history. Economists perceive almost exclusively economic causes and consequences of globalization and sociologists focus on its social sources and impacts. Very often, we can hear that this process involves the unification of various cultures and worldwide spread of Western values. The quick pace of globalization caused that the process itself is qualitatively ahead of other, e.g. democratic or moral components of space (Soros 1998). To sum it up, there is nothing like generally accepted definition of globalization.

Global processes bring far-reaching social, economic and cultural implications. Until now they could not be carefully investigated because there is a wide consent that globalization is only beginning. Moreover, for the transformations of recent years, a distinct spatial differentiation is symptomatic. Some companies and communities have been substantially more apt than others to reap benefits from global processes. On the other hand, remaining companies and communities have obtained little except increased marginalization.

However, globalization can be generally perceived as a dominant general trend that changes the organization of the society at the world level. From the economic perspective that influences remaining spheres substantially, it is a process of change from the national to the global scale of integration of production, exchange and consumption. This process was enabled mainly by the technological informational revolution that provided the basic infrastructure for the formation of the global economy (Sýkora 2000).

Social and Economic Impacts of Globalization

Globalization brings ample social and economic impacts. One of the most serious aspects is the augmentation of uneven social and economic development. It is caused by the different power and abilities of firms, individuals and subsequently localities, cities, regions and states to participate actively in globalization. The division of the power is not mirrored merely in inequalities between people or enterprises; the key players of globalization influence the character and priorities of the public sector. States find themselves under increasing influence of multinational and transnational corporations and world financial markets. The public sector distinctively yields to increasingly aggressive private activities.

One of the most relevant impacts of the informational revolution and the accompanying phenomena of global character is the quickly advancing time-space compression. The concept

of time-space compression depicts increasing movement and communication in space, widening of social contacts in space and human perception of such changes. Growing spatial mobility and surmounting the spatial barriers are enabled by technological progress in the field of production, transport, communication, and information.

Thus, the size of the world of 1960 was one fiftieth of the 16th century world. Increased functional integration made possible by time-space compression has led to the emergence of a global scene of accumulation, consumption and production. The role of time and space in our everyday lives has changed dramatically over last few years. The world is rapidly diminishing in our perception (Harvey 1989). Time-space compression subsequently affects the character of the society.

At the same time, one can contemplate also the geographical expansion of social contacts. The concept of time-space distancing depicts the processes leading to the weakening of the integration of social relations in localities and their expansion in virtually global space (Giddens 1990). Put succinctly, remote interactions became an increasingly relevant trait of human life.

One has to notice that various individuals and social groups play different roles in the framework of our contracting world. There is sharp discrepancy between those who act as parts of the global communication network and others who lack the access to these networks. Uneven distribution of the options of using the global information system (such as internet, for instance) stems from differences in industrial development, generational differences and wealth inequalities. This leads to the strengthening of the already existing inequalities and the formation and proliferation of new ones (Sýkora 2000).

Most of the actors, constitutive of globalization, are located in large global cities. Many of those who are mostly absent from the processes that contribute to globalization, are also concentrated in global cities. Such simultaneous concentration of executive-professional-managerial technocracy and urban underclass in the urban spaces is reflected in the increasing social and economic polarization. On the other hand, the majority of the underclass is concentrated in non – metropolitan areas, regions and localities. But the destinies of such territories are increasingly affected precisely by the global, influential and at the same time typically distant actors. Such kind of intense external control of provincial territories became one of the symptomatic features of the modern epoch due to the fact that this control is performed both in economic and administrative – political terms (Sucháček 2008).

Towards Glocalization

One of the most important features of the Fordist period was the dominance of the nation-state level in the formation of socioeconomic and political reality. The nation state was comprehended as almost a natural scale through which both subnational and international processes and phenomena were understood. The crisis of Fordism and the ascent of post-Fordism imply a substantial territorial re-scaling of a series of regulatory practices (Peck - Tickel 1994).

Concurrently with the gradual fading of the nation-state, the phenomenon of glocalization emerged. It should be comprehended as a process, which involves numerous economic, institutional, and socio-cultural connotations. At the same time, it has to be underlined that particular manifestations of global processes can be observed in concrete localities and the presumed duality between the global and the local is not exact.

Glocalization comprises two processes: globalization and localization. While localization refers to human beings, individual subjects, organizations, communities or localities, globalization embraces the planetary processes. However, the underlying causes of global processes can be always found in concrete localities. Glocalization is often interpreted as 'think globally and act locally', which is perceived as possibly a proper strategy for the future

sustainable development of the whole planet. The term expresses the human capability to overcome (at least mentally) the various territorial scales.

From an economic perspective, we can hear almost every day about the turbulent and volatile character of global processes; at the same time, economic subjects constitutive of globalization can be found in particular localities. Companies are simultaneously intensely local and intensely global. The lowering of the scales of the regulation of work and of social reproduction coincides with an increasing scale in the organization of the economy and the forces of production (Swyngedouw 1996).

The processes of glocalization and the re-definitions of territorial and functional scales are perhaps most pronounced in the financial system. For instance, speculative foreign exchange market grew from a modest 15 billion USD in 1970 to well over two trillion today (Swyngedouw 1996). And to allocate these immense flows of hot money in an appropriate way, space and place do matter again.

Glocalization is also quite frequently perceived as a concept that is being adopted by large economic entities. It means tailoring the company's products and services in order to comply with the interests of strongly differentiated local markets across the globe. So, pecuniary interests are surely one of the driving forces of glocalization.

From an institutional standpoint, weakening the influence of the state means the transfer of more activities to both global and local levels. For example, the formerly practically 'nationalized' collective bargaining (as well as other regulatory practices) has been transformed to strongly localized forms of negotiating wages and working conditions. Naturally, this results in a growing amount of interactions among global and local players. Concurrently, the concept of government, based largely on strictly hierarchized structures is largely replaced by more flexible governance that pragmatically couples the formerly strictly divided private and public sectors (Sucháček and Kořveková 2005).

Last but not least, glocalization involves also social networks, which are in compliance with the conception of time-space distancing. Communication devices reached a high qualitative level, which enables us to bridge the long distances without difficulties. Incidentally, these developments do not stimulate (and sometimes even weaken) genuine, face-to-face communication.

In Lieu of Conclusion

The global and the local represent two sides of the same coin and the nature of the contemporary societal processes entitles us to use also the term 'glocalization'. It is appropriate to return to the population and individuals that still represent the primary impetuses of societal development. At the same time, the economic, social, institutional and other superstructures created by people indeed find themselves under the process of territorial and functional transformations. However, these transformations at the global level have their sources in particular groups of the population constitutive of globalization that exist physically and consequently they can be always classed into a particular time-space context or at a particular place in a concrete time. In other words, glocalization simply does matter.

Contrary to the historical experience, transmitters of globalization are not fixed to one place anymore; and the same applies also to the non-negligible part of the population that does not play a major role in globalization processes. Nonetheless, the global existence of 'travelers' – and no matter whether businessmen, i.e. rather transmitters, or tourists, i.e. rather receivers of globalization – attests to the fact that global mobility remains a mobility between concrete localities. The global – local nexus is inherent to the character of spatial processes in general since global processes would not come into existence if there were no localities.

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Global and Local Enterprises Facing the Challenges of the Learning Region

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Abstract

The main aim of this paper is to present research findings on the development of the learning region in the Silesia voivodship, Poland. The theoretical framework based on Florida's considerations was used to interpret in-depth interviews with entrepreneurs recruited from regional enterprises. Research was conducted in all four sub-regions of the voivodship which differ in the cultural context as well as the level of development and industrial tradition. The main examined relation was the interconnections between human capital, innovation ability and cooperation between all main actors. The main conclusions show that the knowledge economy sets new rules for the functioning of enterprises and the market. Industrial regions transform their economy with specially appointed institutions. It also depends on the entrepreneurs themselves, their attitudes and approaches to knowledge and learning. Knowledge is now becoming a key resource. The results of the empirical research in the Silesia region also confirm a growing interest in innovation. However businesses are still not clear about scientific and institutional cooperation in the creation of knowledge capital.

Key words: learning regions, creative class, enterprises, innovations, regional cooperation

Introduction

Global and also local enterprises play important roles in creating learning regions. The theoretical framework of this paper builds on considerations developed by R. Florida and his followers. The paper draws on in-depth interviews with entrepreneurs recruited from regional enterprises. Studies were conducted in all four sub-regions of the voivodship which differ in the cultural context as well as their level of development and industrial tradition. The goal of the paper is to evaluate the attitudes of entrepreneurs towards learning regions and their role in the learning region development, paying attention also to similarities and differences between global and local enterprises and the prospects and limits of building a learning region in the Silesia voivodship.

Theoretical background– what is a learning region?

Global economy is based on knowledge economy. It sets new rules for the functioning of enterprises and the market. The interconnections between human capital, innovation ability and cooperation between all main actors become very important. Global enterprises are looking for suitable regions to locate their factories taking into account not only low maintenance costs, communication infrastructure, and human capital, but also potential cooperation with R&D institutions.

Richard Florida was probably the first to write about the learning region. At about the same time, Peter Senge focused his attention on values as elements of corporate culture. He called these values disciplines (Senge 2004). In his opinion the pillars of such organizations are personal championship, mental models, common vision, team learning, and systematic

thinking. However, the proposal of Peter Senge did not extend beyond the scope of the enterprise. By contrast, Florida considered some of these factors in the context of a whole region. He defined the learning region as an area of linking competence, active personal and institutional connections, and wide involvement in the public and private partnership (Florida 1995). These institutions were acting like a magnet attracting talented people who form the creative class. Florida emphasized that creative people are looking for new attractions, which include high quality cultural services and varied opportunities of entertainment (Florida 2005). Florida's view met with criticism, but also became the inspiration for further research using other methods.

Gradually, the concept of the learning region has been developed in to a complex model that takes into account various dimensions. In this model, regional cooperation between all actors and the quality of management in enterprises seem to be especially interesting. Some researchers underlined particular roles of different institutions. In their opinion, the learning region is characterized with a special kind of management rooted in the institutional density (Asheim 2000). It concerns the appropriateness of collectively prepared and accepted principles of storing, using and transmitting knowledge. The appropriately functioning infrastructure is necessary for that – not only motorways but information highways also. Other scientists pointed to the so-called regional innovative paradox which connects regional factors with innovative actions of enterprises (Oughton, Landabaso and Morgan 2002). The learning region is also a region where all regional actors cooperate closely on the institutional level for creating and implementing a regional system of innovations (Boekema and Morgan 2000). Other conducted studies also considered the role of social capital, management and education on the regional level (Osborne, Sankey and Wilson 2007). A good research on learning regions should therefore take into account many aspects connected with human capital, the functioning of companies and institutions and also cultural specificity.

Silesia – an industrial or a learning region?

Silesia was a typical industrial region with a predominance of the state-owned sector. After the political and economic changes in Poland at the end of 1980s, there was a necessity for industrial restructuring, which would increase efficiency and competitiveness. All conducted changes led to the creation of a knowledge-based economy and participation in the processes of globalization. Privatization related with the change of ownership structures of state-owned enterprises and restructuring of coal mining was difficult because of various reasons. The social and economic costs were relatively high. Some coal mines were supposed to be aided by investment and social projects, but some of them had to be closed down. This brought a new situation in which employees were forced to create small and medium-sized enterprises. People from Silesia showed entrepreneurial skills and took advantage of the situation starting small and medium-sized business.

The Silesian voivodeship is one of the smallest in Poland in terms of size although it is inhabited by almost 5 million people. The voivodeship has a polycentric nature - there is no one main center that would fulfill metropolitan functions. The Silesian region is considered to be the first in Poland in terms of communication infrastructure, transport accessibility and industrial base. In today's Silesia we can observe a dynamic development of high – tech branches. Silesia is a leader in terms of the percentage of academic and research employees of all employed in the R&D sector. Although it is difficult to say that Silesia has already become a learning region it seems to have a huge potential, which properly used may facilitate the strengthening of innovation in the whole region.

Preparation of the research and methodology

Interconnections between human capital, innovation ability, and cooperation between all main actors are the most important in creating a learning region. In main part, they all depend on entrepreneurs. For that reason this paper focuses on the opinions of entrepreneurs.

Our study has been conducted in the first part of 2011 in all four sub-regions of the voivodeship. It is based on 60 interviews among the regional companies. This qualitative method and interview technique gave all respondents a free hand in their responses. The interviews focused on the opinion of entrepreneurs on various issues – their attitude to human capital, and knowledge transfer, applying innovations, and cooperation between all actors. All presented quotations will be divided into global (international) and local (regional).

Entrepreneurs about their attitude to human capital and knowledge transfer

It seems to be obvious that every entrepreneur knows that human capital determines their success. In fact it depends on the entrepreneurs themselves, their attitudes and approaches to knowledge and learning. Interviews conducted among entrepreneurs confirm this. There are some differences between global and local enterprises. It is more difficult for smaller companies, because they often do not have the means to offer employee benefits. This often causes that they cannot find an employee:

"Now the young generation has its own demands. It's more difficult to get an employee. It used to be like that: A boss came to an employee and said what to do and why it should be done. Now it must be a dialogue between both of them" (local industrial company)

However some of them try to do their best in raising their human capital. One representative of a local enterprise said:

"We have taken actions whose aim was to create a package of employee development and give them chances. It's one of our priorities to promote and give the possibility of self-development of managing staff and employees working on projects" (local service company)

Local enterprises also attempt to implement changes in management. They have come to the conclusion that it is better to invest in employees and give them a greater autonomy. An interesting factor in work motivation seems to be an emotional connection to the region:

"One of our surgeons left us some time ago. He rented an apartment in Krakow - he was a young guy. He settled there and now is a leader. But once he called me that he wanted to come here. We went together for dinner, I showed him everything – I did not have any secrets. He made proposals to go to Krakow to our boss. He also made other proposals. They all refused. They feel connected with Silesia. Earnings are good. The level of work is good. They are close to the house - we all live within 50 kilometers. The proposals to move to Krakow were not attractive to them. This organization, technology – it is not everything, because you still get along. Our doctors have a chance. Here you feel safe." (local service company)

Although local companies can offer fewer possibilities, their employees feel safer because of the regional connection.

Interviews with representatives of global companies indicate that they use centrally issued procedures of management not always appropriate for Polish conditions. However, they invest more in their employees, they often offer better payments, social packages and possibilities to develop. It is connected also with bringing new cultural patterns.

"We have really very experienced employees - I think we could not find better ones in the entire country. We care about their development, we have different possibilities like system of motivation, evaluations and course training." (global industrial company)

It should be added, that some of the global enterprises invested in the state-owned sector. They met with some obstacles connected with restructuralization. Their opinion can be used not only for their workers, but also other people who work in local companies. It shows people's general attitude to change:

"I know some people, especially in industry, where the side effects of the older system are strong, destructive till today and they influence the attitude towards employees, people and women in the labor market"(global industrial company)

There were a few responses from local companies which supported this view:

"Some of employees simply do not want to work. What can I do? I do not pay them because I like them. Skipping the fact that they have no qualifications I must fight for clients." (local service company)

One can notice visible differences in the attitude towards human capital before and after the economic transformation. The economic and political freedom gave a lot of chances to compete for the best employees. Both global and local enterprises appreciate the knowledge of their workers, especially technical specialists. Local companies have less stability on the market. Sometimes such an approach is connected with some old - capitalistic view of management - only profit and free market principles matter. It concerns at different levels both the global and the local enterprises.

Entrepreneurs about their attitude to innovations

One can also observe some changes in the attitude to innovation. There seems to be a growing interest in innovation. The research presents a moderate optimism by both kinds of companies. Local enterprises are concentrated usually on technical improvements and minor marketing innovations. They were taciturn or even secretive on that topic.

"If we think only about money we won't have innovation" (local service company)

Some of them try to apply innovations connected with human resources management – it depends on attitudes to employees. They usually did not want to talk about actual innovations, but rather preferred to complain about the lack of time for patenting procedures and the lack of stable cooperation with regional R&D institutions. Only some wanted to boast with their own laboratories and innovations.

"Yes, we have our laboratories where our specialists work on new products but I cannot show it to you because – you understand ... it is a hard market. A lot of our foreign partners wanted to see it, but it is easier to show and very difficult to compete." (local industry company)

Local companies are afraid of stealing ideas. Global companies in fact have their R&D sections in the head office - usually abroad or in Warsaw. Their problem is also a lack of stable cooperation with regional R&D institutions and no on-site laboratories.

"Some regional professors are completely unprepared for the new market rules. They do not know languages, are not flexible... and all these formal procedures – it is completely not for these times" (global industry company)

Nevertheless both kinds of enterprises noticed improvements in the climate stimulating innovations. Global companies are more realistic in applying innovations, but in fact more passive. Local companies have mainly financial problems, but sometimes their spontaneous innovations bring them a lot of advantages. Generally, the present optimism gives hope for the diffusion of an innovative climate.

Entrepreneurs about cooperation between all regional actors

The research shows a variety of assessments concerning regional cooperation. Although the social and economic transformation brought economic and political freedom, cooperation has not yet sufficiently developed.

Global enterprises have generally positive opinions about cooperation – especially with local governments. Scientific cooperation looks more complicated. They often make an impression that there is no reason to settle in place – they are only installing factories. Almost all respondents pointed out many activities leading to cooperation, investments and

competition. But the cooperation is usually on the cultural and social level – rarely on the scientific one. Global companies try to apply CSR strategies, so their actions are usually connected with responsibility for local community.

"We have good relations with the president of Rybnik, we also take part in local events every year. Our employees know that they can count on the company. Every year we help children to make their school packages." (global industry company)

This cooperation on the basic level is not enough to create a learning region. But respondents noticed some obstacles especially when talking about regional policy and scientific cooperation:

"I don't see cooperation. I know that this region has a big potential, some good universities, highly skilled staff, (...) But I can't find a common policy (...) to me it is not coherent" (global industry company)

Respondents were rather critical in assessing cooperation between different actors in the Silesia region. Their criticism concerned particularly scientific cooperation and cooperation with different incubators, parks and R&D institutions:

"I don't have good memories with such kind of institutions, because action taken by them weren't finalized and were inefficient" (global industry company)

Global enterprises usually have their own laboratories abroad, so they do not need regional scientists.

"The work which is done by the university stays there and it has nothing to do with what happens in companies, enterprises, and labor markets. The companies are able to function without university's help and it isn't an added value. (...) The analyses are so expensive that we use only our internal knowledge". (global industry company)

The only cooperation which takes place with global companies concerned students.

Unfortunately local companies have also little scientific cooperation. Respondents underlined the artificial hierarchy and integrity of individual academic centers:

"In my opinion everything in Poland is treated too seriously, too officially, and it's also the reason why nearly everything goes wrong - people are too stiff to communicate well. The most important thing is a contact with other people (...) To me communication is very difficult (...) The same situation is at the University. Everywhere there are titles etc. and signs as dr, director etc." (global service company)

Local enterprises rarely cooperate with scientist. Each company undertakes individual actions. Sometimes the cooperation is multilateral but superficial and without any major commitments. Usually – those enterprises which are active - receive EU grants to finance equipment, machine parks, but they do not take part in scientific programs. Few of them have own R&D sections. Respondents from local enterprises indicated the Silesian ethos of work as very precious. Local entrepreneurs stressed the role of institutionalized political and economic elites, but the opinion about them is rather negative. Their actions are weakly visible, because they act rather separately. They are afraid of excessive dependence on policy – especially reduced taxes for chosen companies.

Generally it can be stated that in both cases – global and local enterprises – scientific and institutional cooperation is on a low level. The fundamental contacts on the social and cultural level are part of CSR strategies of global companies and not always conscious actions of local ones.

Final conclusions – similarities, differences in opinion, chances and barriers in building a learning region

The aim of this paper was to show the results of research done among global and local enterprises in the Silesian voivodship. Facing the challenges of globalization they are partners together with other regional actors - like experts and decision makers – in building probably the first learning region in Poland. The most important conclusions can be divided into similarities, differences in opinion, chances and barriers in building learning region.

The most important similarities refer to the fact that both kinds of enterprises:

- identify the strengths of the region: heavy industry - iron, steel, mining industry, medicine, automotive industry, IT, aviation industry,
- point out many activities leading to the creation of a learning region (cooperation, investments, competition),
- notice abilities of creating a learning region (research centers, industry, economic potential, special ethos of work, communication infrastructure),
- appreciate knowledge of workers, especially technical specialists, make efforts for a greater autonomy of workers and better investments in employees,
- introduce changes in management,
- occasionally try to cooperate with regional R&D institutions.

Nevertheless there are much more important differences in their opinions:

- Global companies have more formalized management and are better prepared for market fluctuations,
- Local companies are more spontaneous in taking a risk and implementing innovations, which is sometimes good for them,
- Global companies are rather not ingrained in local society but take care about image and CSR,
- Local companies rather take unplanned actions and usually have good relationship with local governments.
- There is direct link between the opinion of interviewed respondents, their behavior, and the chances and barriers in building a learning region in Silesia. As the main chances or opportunities respondents indicated:
 - pioneer transformation on many levels of enterprises which leads to the creation of an innovative climate
 - a lot of advantages of the region: numerous people, high earnings, staff of engineers – experts, good infrastructure, close to the state borders, preferred mental features – diligence,
 - a creative group of individuals (entrepreneurs, experts, politicians) at the local level.

As main barriers respondents stressed:

- all processes have a compartmentalized character – it concerns applying innovations, knowledge transfer, right attitude to human capital, cooperation between all actors,
- no elites clearly formulate and implement development goals of Silesia, there is a low level of cooperation between entrepreneurs, scientists and politicians,
- many other obstacles (bureaucracy, policy and politicians, competition of sub- regions),
- a lack of stable financial and moral support for building the bases of a learning region.

Respondents gave a lot of suggestions for further research. Today it can be stated that building trust on the regional level is a necessity. The main reason for the low level of cooperation between actors in the Silesia region is just a lack of trust and openness.

Acknowledgements

This paper is based on the author's research financed by Ministry of Science and Higher Education (project No NN 116 3355 38 entitled: "Industrial region as "a learning region" – sociological conditions of the transformations on the example of the Silesian Voivodeship)

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The Impact of Globalization on the Traditional Value System

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Abstract

The article addresses the problem of changes in values in the traditional Silesian communities under the influence of openness and globalization. First, the author points out the theoretical context of her analysis relying on the theory of K. Krzysztofek. Then, in turn, she examines the three most important Silesian values e.g. work, family and religion. The historical basis of the evolution of these values and then the changes that occurred under the influence of globalization will be presented briefly. Research findings of Silesian sociologists and of the author are presented in the article. The scenarios of changes in values are shown in the conclusion.

Keywords: globalization, tradition, values.

Introduction

Globalization affects all areas of life. In the period of systemic transformation, Poland opened itself to the world. The accelerated pace began to reach not only the technical innovations and economic solutions, but new ideas, values and behavior patterns. Under the influence of globalization, openness, information coming from the media, and contact with other cultures, traditional values are changing. The globalization processes also affect local communities with their traditional values. Such communities can also be found in Silesia where traditionally, attention was paid to the importance of values such as work, family and religion. The article aims to evaluate the extent of the changes in these values on the basis of my own research as well as the research of selected Silesian sociologists.

Theoretical context of the analysis

The concept of globalization is one of the most popular concepts. Globalization takes place on many levels. The most important of them can be distinguished as economic, social and cultural levels. Among these, the most important considerations for this article are the social and cultural aspects. Globalization in fact contributes to the expansion of the Western European and North American culture. This leads to a marked weakening of the national and cultural identity of many ethnic communities. There has been a significant change in the sphere of traditional forms of consciousness, and the axiological orientation, including religious, psychological and mental characteristics developed earlier. Globalization cannot be reduced to global systems of social and economic linkages. This phenomenon also has a local dimension (Giddens 2006: 73). Krzysztofek provides five scenarios for the reaction of local cultures to the impact of globalization (2002: 27-129). The first is the full acceptance of global culture i.e. Simple Acceptance. However, this applies mostly to young people. The second possibility is a total rejection i.e. Lack of Acceptance. The generational factor is important because the elderly are more resistant. The third is a form of selective adaptation i.e. Partial Acceptance and Partial Rejection. The fourth possibility is hybridization i.e. Co-

adaptation of Cultures. It is a compromise between nationality, ethnicity, locality and universality of the consumer culture. The last option is the cultural duality i.e. two levels of culture. This is the most desirable effect of the influence of global culture, which does not lead to the destruction of cultural identity. People can also participate in national and ethnic cultures while remaining within the global culture.

This model can be applied to the analysis of the system of the group of values, which is one of the elements of identity. This analysis will be presented on the basis of the Silesian community. In traditional communities in Silesia there were three essential values of work, family and religion. This is shown in ethnological and sociological research (Swadźba 2008: 10-26). These three values are subject to a process of change under the influence of globalization.

Work ethos or ethos of consumption?

In the traditional Silesian community, work played a very important role. The Silesian communities have been working communities since the nineteenth century. Work was the basis of existence for the workers and their families. A person as an employee along with his qualifications and earnings was subject to assessment. The educational actions of German employers (getting used to the discipline, while developing social advantages of work) and the teaching of the Catholic Church led to the formation of a peculiar ethos of work (Swadźba 2001). In the period of real socialism, work was the main theme of the system. In order to implement the ideological objectives, the traditional "Silesian ethos of work," was embraced but with the rejection of its cultural context. The period of systemic transformation after 1989 particularly influenced the change in the perception of work. Employment in the industry, especially in mining, decreased. Professions and their related qualifications were reassessed. In the 1990s, the aspirations of obtaining higher education increased rapidly (Swadźba 2005). Work began to be a valued asset once again. This resulted from three factors: first, the privatization of many industries and services, where one was either self-employed or worked for a private investor, who demanded hard work; secondly, high unemployment, as well as difficulties in obtaining a good job; thirdly, attachment to jobs in the public sector even those that were poorly-paid, because of its certainty and the remains of social guarantees. The conditions of the market economy called for the restoration of the value of work (Swadźba 2001, Swadźba 2008).

The ethos of work went through a similar process of change. The author believes that globalization factors affect three aspects of the work ethos.

First, due to the change in the professional structure, the young generation, already much better educated, joined the service. Undertaking such work requires different operating characteristics than working in industry. Mainly initiative and entrepreneurship are valuable. Work should also give the possibility of satisfaction and self-fulfillment, as indicated in sociological studies conducted in the traditional communities of Silesia (Swadźba, 2008). The highest values were obtained by those features of work which are related to existential values: "certainty of work" and "good wages", as indicated by more than 80% of respondents. But no less important are the values of self-fulfillment (50 - 64% response rate). Respondents indicate here the important aspects of "working with friendly people" and "lack of tension at work." Therefore, the atmosphere at work and relationships with people are important for them. Also quite important for the respondents is "work being interesting," and "having equivalent skills". The absence of such features leads to dissatisfaction in work. The third level of importance concerns the validity of responses of social spheres and self-realization, the most important being "respect for work," "job responsibility", work in which "you can achieve something," and "giving great opportunities for advancement"(20 - 36% of

respondents). These characteristics are associated with the achievement of higher positions and promotions at work.

Second, work plays a very important role in the lives of women. Cited sociological studies have indicated that work is a great value for women. First of all, almost all the features of work in the responses of women reach higher values. With the exception of "good wages". Women prefer to work because of its social features and creative development. The material dimension of work and the possibility of promotion are of less importance to women than to men. This means that women's professional work is a more important value in life than for men. This is a generational change that occurs in old traditional communities, where the woman's place was at home with the children. Professional work and its execution is for Silesian women of very high value and is already inscribed on a permanent basis in their way of life. They cannot imagine their lives and social relationships without work. This change is also becoming more widely accepted by men (Swadźba 2009). This shows the changes in the traditional system of values.

Third, the value system of young people changed. Research shows that young people appreciate work (Swadźba 2008). Important aspects of work are existential, creativeness and self-realization. The social aspect is of less importance. But for the young generation besides work, leisure is also very important. Analysis of the following statement: "work should be put in the first place, even if this means devoting more time to it" showed that young people are reluctant to agree with this statement (Swadźba 2008: 70-71). Only 4.1% of young respondents agreed strongly, compared to 25.6% of people aged 60 - 69. 40.5% of young respondents disagreed, while only 13.5% of older respondents disagreed. The young generation spent their free time realizing their self-fulfillment by for example devoting time to hobbies. Leisure time is also needed for consumption. Young people often take loans to buy all kinds of goods. More and more purchases are made once a week (often on Sundays) in malls. Sociological studies have shown that shopping is often done on Sundays by 37% of those surveyed, 1 / 3 (34%) occasionally, and 29% never go to stores on Sunday (Zak and Zielonka 2007). Sunday shopping is relatively done more often by younger people with a higher financial status. Consumption is an increasingly important aspect of the life of the young generation of Silesia.

Traditional family or Civil union?

Family was another important value in traditional communities of Silesia. Regional endogamy linked the local communities by bonds of kinship (Mrozek 1965). The family, community of the workplace, and residence were the reference systems of the Silesians. The family provided a sense of security and the need for affiliation (Świątkiewicz 2001). The period of real socialism strengthened the role of families. The Silesian family became a refuge of existence for the traditional values of work and religion (Świątkiewicz 2001).

The period of systemic transformation was a difficult time for the realization of the basic functions for many Silesian families. Due to the opening to the world and globalization, the family became subject to new designs and trends. First of all, the family was transformed, as shown by statistics, by a notable decline in the number of marriages. In the 1990s the descendants of the previous demographic slump entered the age of marriage, but there was also a shift in the average age of marriage (for men and women). These processes affected the number of children in families. In this period there was a decrease in the fertility of women in Silesia which further declined from 1.22 in 2000 to 1.17 in 2009. Most babies are born in families, although in recent years an increasing number of births took place outside marriage (in 2002 – 14.5% of the total, in 2009 - 16.8% of the total).

In sociological research, family still proved to be a great value (Zygmunt 2008). Neither sex nor age nor education affects the significant exceptions to this trend. A typical person who

did not recognize the family as an important cause is a person aged 20 - 29, having a basic vocational or secondary education (Zygmunt 2008). Respondents did not only ranked family as the most important value, but there is also a large distance between it and the other axiological values (e.g. work, religion). Studies carried out in Rybnik showed that for the majority of respondents the family was the center of focus and integration of values, and the place of creation and transmission of culture. It is the family supporting traditional values, storing them in the open and referring them to future generations (Świątkiewicz 2009). Tradition fosters family celebrations, which are an opportunity to strengthen family ties in a circle of the extended family. The specific feature of such meetings is the exclusion of people not belonging to the extended family.

Sociological studies carried out in the areas of Silesia show a continuous implementation of the traditional family model. Świątkiewicz and his colleagues found a predominance of complete families - 86.6%. Most of the maidens, divorcees and widows live alone. Alternative forms of family life based on co-habitation and civil unions are marginal and represent 1.8% of the total (Świątkiewicz 2009). Other studies carried out on the younger generation show that the majority intends to get married (72.6%) (Zygmunt 2008). As for the rest, 13.6% were in favor of permanent relationships (but not marriage), and 9% would prefer to meet multiple partners. Only 3.5% intends not to marry. Formalized families are often more valued by girls than by boys. Religious attitudes also influenced this phenomenon, the more religious being more in favor of the traditional family model. There is some evidence for a beginning erosion of family values, especially among the youngest generation. However, overall, in traditional Silesian families modernization changes, involving the greater availability and acceptance of alternative forms of family life and marriage, did not cause significant transformations.

Religiosity – traditional or selective?

The third important value in life was the Catholic religion. Religion was one of the most important factors in the crystallization of social consciousness. It created a community of beliefs and facilitated a subjective and conscious understanding of the world. It introduced an order which concerned the spheres of work and family. It stabilized the local community life and contributed to its social integration (Świątkiewicz 1997). These functions have been weakened in the period of real socialism, but the period of the 1980s definitely strengthened religiosity.

Studies conducted by other authors at the beginning of this century still show that for the vast majority of the inhabitants of Silesia, religion is important (Górny 2008). More than half of women surveyed (55.1%) considered religion as a very important matter, and 32.6% as rather important, and a total of 77% of men admitted that for them religion is a rather important matter. People for whom religion is not important in life are mainly young men, mostly students (Górny 2008). The importance of religion in the lives of Silesians can also be inferred from their self-declaration of belonging to the Catholic Church. In studies conducted in 2009 by Świątkiewicz, for women the percentage was nearly 97%, and for men - 86%. Families which were studied were also religiously homogeneous (79.6% of marriages declared homogeneity). It can be concluded that religion, despite the processes of modernization is an important part of life for Silesians.

The confirmation of the role of religion in life is participation in religious practices. The comparative national studies show that the Diocese of Katowice has average rates of dominantes in Poland (51.2% in 1992, 50.9% in 1999). It should be pointed out that it is an urbanized metropolitan area. In such communities, rates of participation in the masses are always lower (e.g. in the Diocese of Warsaw - 37.1%). Conducted sociological studies seem to confirm these calculations. Świątkiewicz indicates that over 50% of inhabitants of Katowice attended religious services every Sunday (Świątkiewicz 1997: 2009). In

sociological studies conducted in the Katowice archdiocese, the percentage of "Sunday Catholics", that is, people participating regularly and irregularly in the Sunday services is 81%, the percentage of people participating in the weekly Sunday mass is above 55% (Świątkiewicz 1997). Also, later studies of the author and other sociologists indicate the continuing high rates of religious practice in Silesia. The place of particularly intense religious practices in Silesia is the region of Rybnik as shown by a study by Górny and Świątkiewicz. The first of the authors indicates that 69.9% of respondents participate in practices on Sundays and religious holidays (in studies of Świątkiewicz 69.8%) (Górny 2008: 115, Świątkiewicz 2009: 177).

Factors that affect participation in religious practices are the cultural transformations that are associated with globalization. They relate to the individualization and subjectivization of criteria for living in their faith and the weakening of the importance of religious institutions and the institutionalized model of religiosity. As indicated in research conducted among the youth of Katowice, young people practicing on each Sunday and public holidays accounted for only 27.8% of the total (Górny 2008). The approach to standards of sexual morality is also selective. Religiosity is therefore regionally diverse, even in native Silesian areas. It is stronger in areas with predominantly indigenous populations, and weaker in areas of high migration.

Summarizing this period, it must be stated that globalization factors seem to have somewhat affected the value of religion. There has been an abandonment of institutional religiosity by the young generation, especially men. However, the core of religiosity remained intact and even expanded in family celebrations. Strong ties with the Church endured and the dominant model of religiosity is that of the Church and Catholicism. This demonstrates the influence of cultural traditions in Upper Silesia. Cultivating these traditions, however, is diversified by regional and structural factors.

Conclusion

Globalization spread all over the world and reached local communities, where traditional values used to prevail. These values (work, family and religion) are changing under its influence. However, they do not change simultaneously on the same level with equal intensity. Using a theoretical model of Kazimierz Krzysztofek giving five possible scenarios for the reaction of local cultures to the impact of globalization it is not possible to distinguish only one model for the studied local communities. However there are three scenarios of reaction depending on the generational factor, education and social position.

The highest percentage of residents of the old traditional communities implement the third scenario involving the adoption of the external forms of global culture (clothing, lifestyles, consumption), but at the same time preserving and continuing their traditional values. This applies to both older and younger generations.

Among some young people the first scenario dominates, which is characterized by a full acceptance of global culture. This means the rejection of traditional culture and a fascination with consumption.

A small part of well-educated residents of traditional communities realize the last scenario. It involves participation in the local culture and preserving traditional values, especially family and religion, while, at the same time, assimilating the universal cultural code and participating in global culture.

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Gas Pipelines, LNG and Shale Gas in the Political Game within Euro-Russia (with a Special Reference to Poland)

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Abstract

The decisions to build Nord Stream, South Stream, Nabucco and other gas pipelines, to build LNG terminals and to explore shale gas in Europe are elements of the geopolitical game between Russia, EU member states, first of all Germany, Italy, France as well as other European states, including Poland, the EU as a separate player, and the USA. Participants and especially rules of the game are not clear. Individual elements (events) in this game can be subjected to various interpretations depending on political bias, time and country of origin of those who interpret them. Individual decisions provoke reactions. The crucial in the game is the Russian – German decision (2005) to build the Nord Stream pipeline connecting Russia with Germany across the Baltic Sea bypassing Poland and other countries. By some observers it was interpreted as an element of the Russian – German strategic partnership which neglects the interests of Poland and other transit countries and the very European unity. The same can be said of the Russian – Italian South Stream. As a reaction to the too high dependence on Russia there emerged the idea of building Nabucco connecting the EU with the Caspian Sea area. Besides, Poland, in order to keep Yamal pipeline (from Russia via Poland to Germany) operating, accepted conditions of the 2010 Russian – Polish agreement on gas deliveries that are highly advantageous for Russia and to a some extent contradictory to EU competition policy in gas industry. Another reaction of Poland to the new situation was the decision to build Liquefied Natural Gas (LNG) terminal in Swinoujscie port as an element of the cross-European "north-south gas corridor" from Swinoujscie to Krk (Croatia). Construction works have started but a problem of access to the port has emerged as the fairway to the port, located in the German territorial waters, will be blocked to bigger ships by the pipe of the Nord Stream put directly on the sea bottom and the German side ignores Polish appeals to dig in the pipe into the sea bed. This behavior of the German side can be interpreted as an attempt to block building of the LNG terminal. Another element in the game is the shale gas. Poland supports the idea of its exploitation by American firms on its territory. This technology is, however, controversial for its impact on the natural environment and is subject of disputes in the European Union.

Keywords: Poland, European Union, Russia, Germany, gas pipelines, Nord Stream, South Stream, Nabucco pipeline, Yamal pipeline, Swinoujscie LNG terminal, shale gas

Introduction

One of the crucial elements shaping contemporary international political and economic relations is international energy trade, and, within it, the natural gas trade. The role of gas trade in international relations results from the importance of energy as such, from the characteristics of natural gas as a source of energy (considered as "clean" and "safe" energy compared with coal and nuclear energy) and from technological and economic characteristics

of gas exploration, exploitation and transportation (limited scope for market, pipelines being the main way of transportation, high capital and technology requirements). These involve political decisions of national governments concerning e.g. exploration and exploitation of gas fields, building gas pipelines, building and location of gas terminals and other infrastructure, etc., international agreements and regulations.

The involvement of political factors makes gas trade an element of a geopolitical game. This game is especially complicated in the geographical area encompassing Europe and Russia ("Euro-Russia") given the intensity of political and economic relations between the countries involved, the high number of countries, their different interests resulting from different roles as suppliers, consumers and transit countries, from their geographical location and economic, political and technological strength. Additionally, there is a supranational player, the European Union, especially the European Commission, as gas trade regulator and as institution supporting integration of energy networks of member states. Last but not least, the game is also complicated by the not always clear relations between national governments and firms (so called "national champions") – to what extent firms fulfill political aims of governments and to what extent governments promote interests of their firms?

Multiplicity of actors and complicity of their interests and intentions make analysis of the game especially difficult and subject of different and changing interpretations, largely depending on national origin of those who interpret, let alone their personal interests as lobbyists of particular players, and on the changing international situation.

The aim of this paper is to present, as objectively as possible, this game. The focus of the analysis is Poland, as an example of a country participating in the game. The analysis covers first of all the period after 2000, with only some remarks concerning earlier events.

The main players

We can distinguish several players in the Euro-Russian gas game. These are countries (and their governments), firms, international institutions (mainly the EU) as well as influential personalities. They can be divided into four groups: suppliers, consumers, transit countries and regulators. The list of main players is, obviously, to some extent arbitrary. Among suppliers the most important, especially from the Polish perspective, is Russia. Other producers can be complementary alternatives for Russia. Countries importing gas can be divided according to their degree of dependence on Russian gas and according to their general economic and political strength determining their position in the game. Also transit countries can be divided into groups depending on their geographical location and position in the game.

The list of the main players can be presented as follows:

- Russia (government and Gazprom) – the main natural gas supplier
- "Stronger" European countries and their firms (in first instance Germany, then France and Italy) – final consumers of Russian gas, but less dependent on it than the "weaker" countries, and political and economic partners of Russia
- "Weaker" EU member states (Poland, other Central European and Baltic states) – consumers of Russian gas, strongly dependent on it, and at the same time transit countries between Russia and Western Europe
 - Nordic Baltic countries – transit countries between Russia and Western Europe
 - Ukraine and Belarus as the area of Russia's special interests ("near abroad") – consumers and transit countries between Russia and Western Europe
 - Caspian Sea area (Azerbaijan and others) – potential sources of alternative gas supply to Europe
- Norway as supplier of gas for some European countries and alternative source of supplies for some other countries

- Turkey and Georgia – consumer and transit countries between the Caspian Sea and Europe
- The European Union (represented by the European Commission) – energy industry regulator and promoter of competition and integration of the EU energy market
- USA and its firms – exporter of LNG (liquefied natural gas) to Europe and supplier of technology and capital for shale gas exploration and exploitation
- Natural environment protectors, especially in Western Europe – supporters of natural gas and opponents of shale gas
- Influential personalities: Putin, Schröder, Berlusconi, Merkel... - promoters of cooperation between Russia and Western Europe and of Russian pipelines.

Possible interpretations of aims of the players

While the list of main players seems to be quite obvious, more complicated is the question of their intentions and aims. This is especially important because moves of players largely depend on their perception of other players' intentions, or, in other words, on rules of the game.

A special source of uncertainty as relates to its intentions is Russia. We can propose several interpretations of its aims in the game:

Russia wants to regain the position of a global superpower by harnessing the economic potential of disunited Europe into its policy, especially by close relations with Germany (and other countries) and by disuniting (by rewarding some and punishing other countries) and "neutralizing" the European Union as a potential geopolitical rival (Varga 2008¹⁰⁰, Helm 2007)

Russia wants to form a strategic alliance with Europe due to the economic complementarity and geographical proximity of the two sides, impacts of this policy on individual European countries being negligible side effects

Russia wants to reintegrate the Soviet space (maybe except the three Baltic states) without political ambitions towards the EU, the main political target of this policy being Ukraine and Belarus

Russian government and businesses are reliable partners guided by strictly economic motives aiming at strengthening their profits and bargaining power by increasing their supplies (their share in the European gas market), raising prices of gas and by bypassing transit countries, individual steps in pursuing this policy being dependent on actual circumstances. (Russia as a reliable partner without political ambitions often appears in texts and declarations of some German experts and business people, see: *Russland ist 2008, Moskau nutzt 2009*)

The second player is Germany and its firms. Two interpretations of its intentions in the game can be presented:

¹⁰⁰ According to the Hungarian expert Tamás Varga the idea of building a pipeline directly connecting Russia and Germany and bypassing Poland and the Baltic countries has a strictly political significance. It is an element in Russia's long term and large scale political strategy. Its main aim is to make Germany dependent on Russia (on Russian energy supply and on profits resulting to Germany from its role as a distribution center of Russian gas in Europe) and thus to make Germany Russia's ally or assistant, and, at the same time, to "draw" Germany out of the European Union and thus to "neutralize" the EU as a political player. A secondary aim, fully compatible with the main one, is to weaken Poland and the Baltic countries by making them vulnerable to Russian energy blackmailing (by possible turning off the supply of natural gas to them in existing pipelines without affecting supplies to Russia's main partner – Germany). According to this reasoning, it is up to Germany to accept the role of Russia's strategic assistant and "neutralizer" of Europe and Russia's partner in weakening and blackmailing Poland and other countries between Germany and Russia.

Germany wishes a strategic alliance with Russia to make Germany the "hub" of Russian gas supplies, regardless of its effects on "weaker" countries and on the European unity¹⁰¹, and at presenting it as beneficial for Europe (while offering the "weaker" countries symbolic political gestures or neglecting them) (example of this policy being Germany's support for the Nord Stream pipeline)

Germany benefiting from cooperation with Russia while being suspicious towards special relations with Russia and trying not to destroy the European Union and not to make it too dependent on Russian energy supplies (support for the Nabucco pipeline).

Another player whose intentions are not clear is the European Union represented mainly by the European Commission: the question is to what extent it represents interests of the European Union and its unity as a whole, and to what extent it represents interests of the biggest countries, especially Germany, in the Euro-Russian gas game.

As regards other countries, their aims seem to be strictly economic and determined by their position as exporters, importers or transit countries, and on their dependence on individual sources of imports (those highly dependent on Russian gas trying to diminish their relative dependence on imports from Russia while the others desiring to increase imports from Russia). Their participation in the game consists in reactions to their internal needs and to moves of the main players, or more correctly, to their own interpretations of the moves of the main players.

It should be stressed that interpretations themselves are also elements of the game as players try to influence other players' interpretations of their own intentions, encouraging or discouraging them from taking specific steps¹⁰².

Events – actions and reactions in the gas game (especially after 2000)

The gas game in Euro-Russia really began after the collapse of the geopolitical division of Europe into blocks in 1989-91. In the first decade the game was determined by the political and economic weakness of Russia, by its inability or lack of interest in large-scale geopolitical games and its needs to export more oil and gas to earn badly needed hard currency. One of the significant results of this situation was the construction of Yamal gas pipeline from Yamal peninsula in Russia via Belarus to Poland and Germany. It was of crucial importance for

¹⁰¹ Such an interpretation is presented for instance by Dieter Helm (2007), professor of energy policy at Oxford University. He denounces the attitudes of Germany and France in their dealings with Russia in energy industry, especially the Nord Stream pipeline, as detrimental for European interests: "The reluctance of member governments to allow a similar role for the EU [as in the case of Kyoto protocol, reduction of CO2 emissions, etc] in the security of supply matters has already had real costs to the EU, and the choice is now between the national interests of the dominant countries – particularly Germany and France – and the wider EU interests" (p.2), "in the case of energy the fear in other European countries is that Germany's national interests in energy are rather different from those of Europe as a whole, and the bilateral relationships which Germany has been pursuing with Russia are at the expense of the European wider interests. Of all the manifestations of this tension, the Baltic Pipeline is the most obvious example" (p. 35). "The Baltic Pipeline not only increases Russian power in respect of Ukraine, but it also serves to remind Poland and the Baltic states of their historically somewhat precarious position sandwiched between Russia and Germany. (...) Unsurprisingly, then, there is suspicion that the Baltic Pipeline is a German – Russian enterprise, rather than a European – Russian, and a divisive rather than inclusive step" (p. 36). "As noted above, the Russian strategy has been to pursue bilateral agreements with individual EU member states, against the backdrop of 'special relationships' with Germany. In this, it has been largely successful. Germany is the Russian hub, with all the strategic, industrial and security benefits that follow" (p. 52).

¹⁰² Especially active in this field is the former German chancellor Schröder advocating for Nord Stream and discouraging Nabucco (see for instance opinions on him in the Romanian press presenting him as "Moscow's advocate" (*Moscova vorbește...* 2008, Dubravie 2008). Contrary to Schröder, his former minister of foreign affairs Joschka Fischer, employed by Nabucco, defends the viability and purposefulness of Nabucco (*Fischer keilt...* 2009)

Poland as it made Poland transit country between Russia and its main economic partner – Germany.

The situation started to change after 2000 when Russia became politically and economically stronger, prices of Russian oil and gas went up and the West, including Europe, became weaker and disunited (among other things over the Iraqi war and over relations with the USA) and Russia became a desirable partner for some European countries to counterweigh American influence. Russia started to carry out an active foreign policy using gas supply as its weapon, or at least Russia's activity was so interpreted in some countries, especially in Central and Eastern Europe. To avoid too strong dependence on Russia these countries, supported (one may say: halfheartedly) by the European Commission, undertook some actions to limit this dependence.

The situation changed, again, in 2008 as a result of

a) the economic crisis which also hit Russia and made it more inclined to cooperate with Europe,

b) the military conflict between Russia and Georgia in 2008 (which sparked suspicions as to the imperial ambitions of Russia regardless of direct causes of the conflict),

c) the gas conflict between Russia and Ukraine at the beginning of 2009 (turning off the gas tap for several weeks which hurt not only Ukraine but also some countries down the pipe) which raised doubt, even in Germany, the most reliable partner of Russia in the West, as to Russian intentions.

Quite independently from these events the United States, due to exploitation of shale gas, ceased to import LNG and thus contributed to a decrease of prices of liquefied gas and of natural gas in general in Western Europe.

Among the concrete events in the gas game after 2000 the following should be mentioned as the most important:

Nord Stream pipeline (decision in 2005, in 2011 almost ready for exploitation), a Russian-German project, connecting directly Russia with Germany across the Baltic Sea bypassing Poland, Belarus and the Baltic states

South Stream pipeline (decision in 2007, under construction), a Russian-Italian project, connecting Russia with the EU across the Black Sea bypassing Ukraine and being competition (or complementary, depending on interpretation) for Nabucco

Nabucco pipeline (first idea in 2002, organization in 2004), a European project (supported mostly by some "weaker" states and the EU, but in 2009 joined by a big German firm - RWE) to import gas from the Caspian Sea area to Europe, to reduce excessive dependence on Russian supplies

EU energy policy: demonopolization, liberalization, building of interconnectors to integrate national energy systems, "unbundling" (separation of gas supply from operating gas pipelines), as the main elements of the "third energy packet" (2009, in force in 2011) to weaken the position of Gazprom and to strengthen the energy security of EU member states

The shale gas: proponents (USA), opponents (environmentalists), impact on gas market in Europe (2010, 2011).

Polish reactions and actions

The aforementioned actions and reactions involved all players in the game forcing them to take a stance. One of them is Poland (Polish government and other representatives). The position of Poland is determined by its relatively high dependence of gas imported from Russia (2/3 of total consumption, remaining 1/3 being from domestic production) and the location as a transit country between Russia and Germany, which was considered as advantageous. The list of Polish reactions and actions can be presented as follows:

Strongly negative reactions towards Nord Stream as harmful for Poland and not necessary for Europe, suspicions towards Russian – German strategic partnership

Attempts to stop building Nord Stream by the EU and to persuade the EU to build an alternative pipeline on the land (called "Amber" from Russia via Estonia, Latvia, Lithuania, Poland to Germany) (both failed due to strong pro Nord Stream lobby in the EU and hesitation of some partners, mostly Latvia)

Rejection to import Nord Stream gas from Germany, as it would make Poland being on the end of the pipe (importing Russian gas from Germany)

Giving priority to keep Yamal pipeline functioning, acceptance of Russian conditions in the 2010 Russian – Polish gas agreement, not fully respecting the EU "third packet" (the agreement was concluded before the 3rd packet came into force), problems with "unbundling" in the agreement leading to an involvement of the European Commission in the Polish – Russian negotiations. Quite paradoxically, the European Commission, so enthusiastically advocating EU – Russian cooperation in gas industry, represented by the German commissioner for energy, warned Poland against too close a cooperation with Russia¹⁰³

Project of building LNG terminal in Swinoujscie port (north-western Poland, near the border with Germany) (the idea put forward in 2006, in 2011 under construction), this project has encountered problems of future access to the port by bigger ships via German territorial waters due to putting of the Nord Stream pipe on the sea bottom in the fairway

no reaction of Germany to Polish requests to dig in the pipe, since 2007 to June 2011, deliberate blocking of the LNG terminal?¹⁰⁴

June 2011, chancellor Merkel promises that "the pipeline will be dug in when the terminal is ready and the pipeline makes problems to the terminal" (Tusk po...2011), but doubts remain (if Germany really will dig the pipe in when the pipeline is already functioning, and who will pay the cost)

Building of interconnectors with the Czech Republic and Slovakia in the framework of the "North – South gas corridor" from Swinoujscie to Krk (Croatia) entailing Nabucco (Kublik 2011)

Promoting the idea of "energy solidarity" and emergency measures in the EU

Support for shale gas exploration and exploitation, concessions to (mostly) American firms (70 koncesji 2011, 70 concessions for shale gas)

As can be seen, the Nord Stream project provoked a series of reactions by the Polish government, to some extent contradictory ones. On the one hand is the project of building LNG terminal to import LNG from Qatar, and on the other hand is the Polish – Russian gas agreement securing long term supplies from Russia. While imported LNG may diversify sources of imports, there is a doubt if not too much gas will be imported. Poland opts for closer cooperation within the European Union in energy policy, but at the same time it gave concessions to Russia which were objected by the European Commission. These seemingly contradictory moves are, however, justified by moves of other players and by Polish interpretation of these moves: building of LNG terminal (as well as the "North – South gas corridor") was a direct reaction to the Nord Stream project deemed as hostile and dangerous for Poland (given its history Poland is extremely sensitive to cooperation between Germany and Russia against Poland) and the agreement with Russia had to be concluded in 2010 because the previous one was expired and the Russian side made use of its strengthened bargaining power to impose its conditions (this strengthened bargaining power was a result of the Nord Stream project giving Russia possibility to turn off Yamal pipeline without doing harm to Germany).

¹⁰³ For more details of the Polish - Russian gas agreement and gas pipelines see *Europe's gas pipelines 2010*

¹⁰⁴ Some Polish experts have no doubts that the attitude of Germany is a deliberate attempt to block the LNG terminal, see *Dlaczego Niemcy blokują (Why does Germany block development of LNG terminal in Poland)*

The above list of Polish actions and reactions is, of course, not complete. It does not include, e.g., the recurrent idea of building a gas pipeline from Norway, controversy between the Polish government and some firms concerning building or not building a connector to import gas from the Nord Stream (which would undermine the viability of the LNG terminal at Swinoujscie) etc.

Conclusions

There is a political game taking place in the European – Russian space concerning gas supplies. Each participating country wants to strengthen or defend its position as exporter, importer or transit country and to promote their firms on national and international markets. The relative strength of the players is changing depending on the general economic and political situation and on specific situation in the gas industry (e.g. changing prices, new technologies). There are, however, some limits to the game. Egoistic attitudes of individual countries, especially those belonging to the EU, are mitigated by common rules established by the EU and by the desire not to destroy the unity of the EU. While there is a natural contradiction between exporters and importers concerning prices, both sides are interdependent and cannot fully impose their conditions. Importers want to diversify sources of supply, exporters, mainly Russia, want to diversify markets, both want to diversify routes of transportation. Small, not so spectacular but important actions, such as building short interconnectors integrating national energy systems and competition and solidarity rules established by the EU are changing the nature of the game. The game is losing its political and confrontational character and is becoming more concerned with technical and legal details. It does not mean that "the game is over". Problems of the Swinoujscie LNG terminal is a case in point.

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The Impact of Energy Consumption on Economic Performance in the Era of Globalization

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Abstract

Energy is an important input for most industrialized and developing countries, where energy is used as a direct or indirect input in the production of most goods and services, and transportation. In addition, nowadays, energy market globalization such as energy industry transformation, multinational energy cooperation and opening energy market is apparent around the world. In order to gain more insightful understanding of the connection between economic growth and energy consumption due to energy globalization, the purpose of this paper is to investigate the impact of energy consumption on economic performance. The panel data of world and regional real GDP, population, capital formation and energy consumption for 29 years, starting from 1980 to 2008, are constructed from World Development Indicators of World Bank and International Energy Statistics of EIA, respectively. The explanation of globalization in energy market and energy consumption are reviewed and connected to the world and regional economic performance. In addition, the econometric analysis of panel data, such as panel unit root test, panel cointegration test, is applied to this empirical research. The results show a causal relationship between various energy consumptions and economic performance in the period of globalization.

Keywords: energy globalization, energy internationalization, energy consumption, economics performance, panel unit root test, panel cointegration model

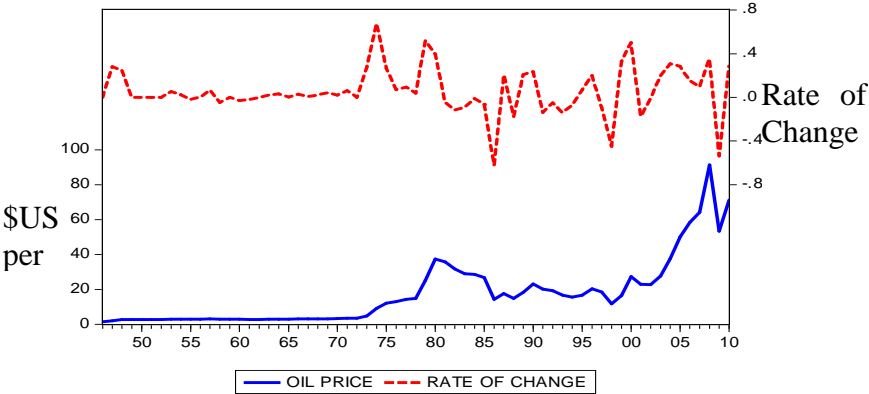
Introduction

Over the past 20-30 years, globalization came in many flavors, including both economics and energy. Energy has become more important not only as a major input for production and consumption activities but also as a factor in international politics. In history, before the Industrial Revolution of the 1890s, human beings had only a moderate need of energy. Therefore, in classical economic theory the major inputs for production are only land, labor, capital, and entrepreneurship. With industrialization, the demand for energy grew. Even though coal was a major primary energy resource for many countries and was used widely in the industrial sector, it was not sufficient. In 1821, the first natural gas was dug and used to light the homes and streets. In 1859, oil was discovered and used to make kerosene for light. The first gasoline car was not built until 1885. With the invention of internal combustion engines, the demand for oil grew, so petroleum gradually began to displace coal in the energy industry.

Since 1890s, mass production of automobiles created a demand for gasoline, and oil became most used energy source in the 19th century. In terms of the globalization of oil, Bina (2006) divided the history of Middle Eastern oil into three stages of development: first was the era of colonial oil concessions (1901-1950), when many international oil companies such as Chevron, Conoco, Exxon, Mobil and Shell entered to the Gulf Region for oil exploration, development and production. Second was the era of transitions and transformation (1950-72), highlighted by the formation of OPEC in 1960. In 1973, the Arab OPEC nations banned, or stopped selling oil to the United States and Holland to protest their support of Israel in the Yom Kippur War. Later, the Arab OPEC production was cut by 25%, causing some temporary shortage, and the tripling of oil prices.

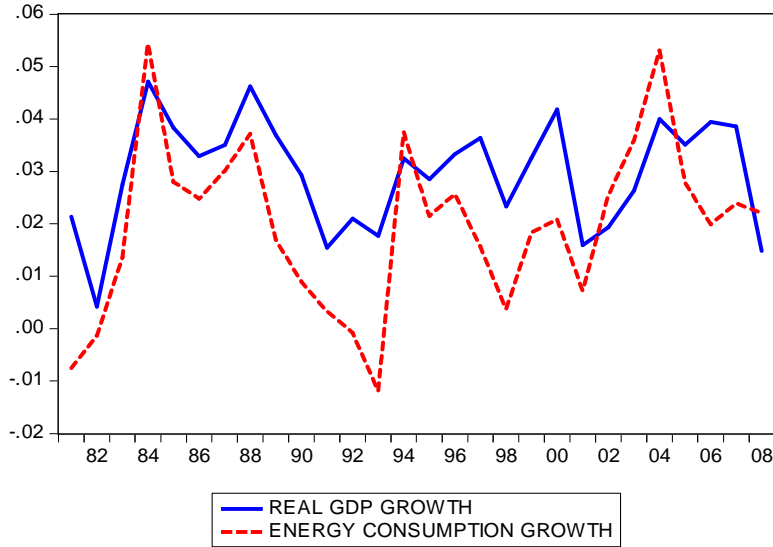
Third was the era of post cartelization and globalization (since 1974) with the oil prices rising and fluctuating due the political uncertainty in the Gulf region: Iran revolution (1978-1980), Iran and Iraq war (1980-1988) and Gulf war (1990-1991), the OPEC quota setting policy, and several economic crises – the Asian financial crisis (1997-1998) and the world economic recessions in 2001-2002 and 2008-2009. Figure 1 presents the plot of synchronous world crude oil price and the rate of change during 1946-2010. These movements display the effect of globalization of oil in oil price and return movement. Before 1974, oil prices and the rate of oil price change were quite stable, subsequently oil prices have fluctuated greatly.

Figure 1: World Oil Price and Rate of Change



However, the rising cost of energy reduces money available for human labor. The price of oil climbed from \$10.44 to \$98.42 between 1999 and 2008. Substantial research has been conducted on the linkage between oil price shocks and macro-economic performance. Most of them found a negative relationship between oil price and economics growth (see, for example, Lee and Ni 1995, Reinhart 1991, González-Romero 1992, Jiménez-Rodríguez and Sánchez 2004, and Kilian 2008).

Figure 2: Real GDP Growth and Energy Consumption Growth



In economic theory, the primary factors of production are capital, land, and labor, while fuels and materials are intermediate inputs. On one hand, capital and labor are reproducible factors of production, on the other hand energy such as coal, oil and natural gas are nonreproducible. Even though some service activities may not require the direct processing of materials, all production or economic processes involving the transformation or movement of matter in some way require energy. Therefore, the role of energy or other natural resource is significant in driving economic production and economic growth both directly and as a complement to labor and capital in the production processes.

Figure 2 shows the plots of real world GDP growth rate and world energy consumption growth rate. Due to the role of energy in economic production, we found the co-movement between energy consumption growth and economic growth. Therefore, under global macroeconomics system, the economic growth does not rely on only financial system and international trade and capital flows but also on energy resources and energy flows.

The paper has two main objectives, as follows: (1) We investigate the evidence of economic performance and energy consumption in the era of energy globalization. (2) We construct the macro panel data and apply the panel econometric methods to examine the long run relationship between real GDP and energy consumption. The rest of this paper is organized as follows. Section 2 discusses energy consumption and economic performance in the era of globalization. Section 3 describes the model specification, econometric methodology and data used in the empirical analysis. The empirical results are analyzed in Section 4. Section 5 provides some concluding remarks.

Methodology and Data

Model specification

The following multifactor neoclassic Cobb-Douglas production function framework is used to find out the relationship between different factors of production (including energy) and output:

$$\ln \text{output} = f(\ln \text{energy}, \ln \text{capital}, \ln \text{labor}) \quad (1)$$

In macroeconomics, output is measured in term of gross domestic product (GDP), labor is population. If all variables are divided by population in order to represent in per capita term, the model (1) is

$$\ln \text{GDP per capita} = f(\ln \text{energy per capita}, \ln \text{capital per capita}) \quad (2)$$

The panel version of equation (2) can be written as follows:

$$\ln \text{GDP per capita} = \alpha_{0i} + \beta_{1i} \ln \text{energy per capita} + \beta_{2i} \ln \text{capital per capita} + \varepsilon_{it} \quad (3)$$

where i is cross section and t denotes time periods. ε_{it} is the error term with the usual statistical properties while α and β are coefficients.

Panel Unit Root Test

This paper deals with panel data with large country cross sections and long annual time series. In terms of macro panel data, Baltagi (2008) explained that nonstationarity must receive more attention because the test statistics and estimators of interest have normal limiting distributions, and lead to the problem of spurious regression. Thus, the Levin, Lin and Chu test (2002) (LLC) and Im, Pesaran and Shin test (2003) (IPS) are applied for individual panel unit root testing in this paper.

We use a simple panel model with a first-order autoregressive component:

$$y_{it} = \rho_i y_{i,t-1} + z'_{it} \gamma_i + \varepsilon_{it}$$

where $i = 1, \dots, N$ denoting cross-section units or countries and $t = 1, \dots, T$ denoting time.

The z_{it} represent the exogenous variable model, ρ_i is the autoregressive coefficients, and the errors ε_{it} are assumed to be stationary error term. Panel unit root tests are used to test the null hypothesis $H_0 : \rho_i = 1$ meaning y_i contains a unit root or nonstationary against $H_1 : |\rho_i| < 1$ meaning y_i is said to be weakly stationary.

LLC test is one of the most widely used panel unit roots test. LLC test assumes that there is a common unit root process so that ρ_i is identical across cross-sections, and the null hypothesis $H_0 : \rho_i = \rho = 1$ against $H_1 : \rho_i = \rho < 0$ for all i . Following basic Augmented Dickey Fuller (ADF) specification:

$$\Delta y_{it} = \alpha y_{i,t-1} + z'_{it} \gamma_i + \sum_{j=1}^p \theta_{ij} \Delta y_{i,t-j} + u_{it}$$

which assumes a common $\alpha = \rho - 1$. Thus the null and alternative hypothesis for the test are $H_0 : \alpha = 0$ and $H_1 : \alpha < 0$. p is the lag order for the difference terms. Even though, the null hypothesis makes sense under some circumstances, the alternative is too strong in the empirical case (Maddala and Wu 1999). This limitation has been overcome by IPS (2003).

IPS test relaxes the assumption of a common autoregressive parameter by allowing for some of individual series to have unit roots, and does not require balance data set. IPS test also allows for heterogeneous coefficient of $y_{i,t-1}$ across different panel members. Therefore, IPS test specify a separate ADF regression for each cross section.

$$\Delta y_{it} = \alpha_i y_{i,t-1} + z'_{it} \gamma_i + \sum_{j=1}^p \theta_{ij} \Delta y_{i,t-j} + \varepsilon_{it}$$

The null hypothesis is $H_0 : \alpha_i = 0$ for all i against the alternative hypothesis given by:

$$H_1 : \begin{cases} \alpha_i = 0 & \text{for } i = 1, 2, \dots, N_1 \\ \alpha_i < 0 & \text{for } i = N + 1, N + 2, \dots, N \end{cases}$$

Panel Cointegration Tests

After testing the presence of unit roots in panel data, testing for cointegration between economics performance and energy consumption and capital is carried out by using cointegration test developed by Pedroni (1999, 2004) and Kao (1999). This test allows the heterogenous slope coefficients (β) across cross sections, fixed effects and individual specific deterministic trends. Consider the panel regression model:

$$y_{it} = \alpha_i + \delta_i t + \beta_{1i} x_{1i,t} + \beta_{2i} x_{2i,t} + \dots + \beta_{Ki} x_{Ki,t} + e_{it}$$

with tests for the null of no cointegration for each cross section being based on the residual \hat{e}_{it} using $\hat{e}_{it} = \rho_i \hat{e}_{i,t-1} + v_{it}$ or $\hat{e}_{it} = \rho_i \hat{e}_{i,t-1} + \sum_{j=1}^{p_i} \psi_{ij} e_{it-j} + v_{it}$. Under the null hypothesis of no cointegration $H_0: \rho_i = 1$ against two alternative hypothesis: the homogeneous alternative $H_1: \rho_i = \rho < 1$ for all i and the heterogeneous alternative $H_1: \rho_i < 1$ for all i , Pedroni (1999) provided 7 tests as follow:

Panel v -statistics:

$$T^2 N^{3/2} Z_{\hat{v}_{N,T}} = T^2 N^{3/2} \left(\sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} \hat{e}_{i,t-1}^2 \right)^{-1}$$

Panel ρ -statistics:

$$T \sqrt{N} Z_{\hat{\rho}_{N,T-1}} = T \sqrt{N} \left(\sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} \hat{e}_{i,t-1}^2 \right)^{-1} \sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} (\hat{e}_{i,t-1} \Delta \hat{e}_{i,t} - \hat{\lambda}_i)$$

3. Panel t -statistics:

$$Z_{t_{N,T}} = \left(\hat{\sigma}_{N,T}^2 \sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} \hat{e}_{i,t-1}^2 \right)^{-1/2} \sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} (\hat{e}_{i,t-1} \Delta \hat{e}_{i,t} - \hat{\lambda}_i)$$

4. Panel ρ^* -statistics:

$$Z_{t_{N,T}}^* = \left(\tilde{s}_{N,T}^{*2} \sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} \hat{e}_{i,t-1}^{*2} \right)^{-1/2} \sum_{i=1}^N \sum_{t=1}^T \hat{L}_{11i}^{-2} \hat{e}_{i,t-1}^* \Delta \hat{e}_{i,t}^*$$

5. Group ρ -statistics:

$$TN^{-1/2} \tilde{Z}_{\hat{\rho}_{N,T-1}} = TN^{-1/2} \sum_{i=1}^N \left(\sum_{t=1}^T \hat{e}_{i,t-1}^2 \right)^{-1} \sum_{t=1}^T (\hat{e}_{i,t-1} \Delta \hat{e}_{i,t} - \hat{\lambda}_i)$$

6. Panel ρ -statistics:

$$N^{-1/2} \tilde{Z}_{t_{N,T}} = N^{-1/2} \sum_{i=1}^N \left(\hat{\sigma}_i^2 \sum_{t=1}^T \hat{e}_{i,t-1}^2 \right)^{-1/2} \sum_{t=1}^T (\hat{e}_{i,t-1} \Delta \hat{e}_{i,t} - \hat{\lambda}_i)$$

7. Panel ρ^* -statistics:

$$N^{-1/2} \tilde{Z}_{t_{N,T}}^* = N^{-1/2} \sum_{i=1}^N \left(\sum_{t=1}^T s_i^{*2} \hat{e}_{i,t-1}^{*2} \right)^{-1/2} \sum_{t=1}^T \hat{e}_{i,t-1}^* \Delta \hat{e}_{i,t}^*$$

Details for these calculations are provided in Pedroni (1999).

Alternatively, Kao (1999) test is a residual cointegration test which specifies cross section specific intercepts and homogeneous coefficients on regressors. Consider the panel regression model:

$$y_{it} = \alpha_i + \beta x_{it} + e_{it}$$

and the augmented version of the pooled estimation,

$$e_{it} = \tilde{\rho}e_{it-1} + \sum_{j=1}^p \psi_j \Delta e_{it-j} + v_{it}$$

Under the null hypothesis is no cointegration and $p > 0$, Kao (1999) presented the cointegration test based on Augmented Dicky-Fullter type test as

$$ADF = \frac{t_{\rho} + \sqrt{6N} \hat{\sigma}_v / (2\hat{\sigma}_{0v})}{\sqrt{\hat{\sigma}_{0v}^2 / (2\hat{\sigma}_v^2) + 3\sigma_v^2 / (10\hat{\sigma}_{0v}^2)}}$$

Converse to $N(0,1)$ asymptotically, where $\hat{\sigma}_v^2 = \sigma_u^2 - \hat{\sigma}_{u\varepsilon}^2 \sigma_{\varepsilon}^{-2}$ with estimated long run variance $\hat{\sigma}_{0v}^2 = \hat{\sigma}_{0u}^2 - \hat{\sigma}_{0u\varepsilon}^2 \sigma_{0\varepsilon}^{-2}$.

Panel Cointegration Models

This section discusses the various single equation approaches for estimating a cointegration vector in a panel data. Fully modified OLS (FMOLS) of Phillips and Moon (2000) and Pedroni (2000) and Dynamic OLS (DOLS) of Kao and Chiang (2000) are single equation estimators for cointegrated relationship. For panel data, Kao and Chiang (2000) showed that both FMOLS and DOLS methods can produce asymptotically normally distributed results with zero means estimators. Consider the following cointegrated system for a panel data

$$y_{it} = \alpha_i + \beta x_{it} + \mu_{it} \quad (2)$$

$$x_{it} = x_{it-1} + \varepsilon_{it}$$

where the vector error process $\xi_{it} = (\mu_{it}, \varepsilon_{it})'$ is stationary with asymptotic covariance matrix Ω_i . Thus, the variables x_i and y_i are said to cointegrate for each member of the panel, with the cointegrating vector β if y_{it} is integrated of order one. The term α_i allows the cointegrating relationship to include member specific fixed effects.

Panel OLS Estimator

The standard panel OLS estimator of the cointegrating relationship is the conventional single equation. The coefficient β of panel (2) given by

$$\hat{\beta}_{NT} = \left(\sum_{i=1}^N \sum_{t=1}^T (x_{it} - \bar{x}_i)^2 \right)^{-1} \sum_{i=1}^N \sum_{t=1}^T (x_{it} - \bar{x}_i)(y_{it} - \bar{y}_i)$$

where \bar{x}_i and \bar{y}_i are the individual specific mean. However, the estimated cointegrating vector is asymptotically biased and its standardized distribution is dependent on nuisance parameters associated with the dynamics of the underlying processes (Pedroni 2000).

Fully Modified OLS (FMOLS)

Phillips and Moon (2000) and Pedroni (2000) FMOLS is a non-parametric approach to dealing with corrections for serial correlation. This model allows the heterogeneity that is presented in the fixed effects and the short run dynamics. The FMOLS estimator for the coefficient β of panel (2) given by

$$\hat{\beta}_{NT}^* - \beta = \left(\sum_{i=1}^N \hat{L}_{22i}^{-2} \sum_{t=1}^T (x_{it} - \bar{x}_i)^2 \right)^{-1} \sum_{i=1}^N \hat{L}_{11i}^{-1} \hat{L}_{22i}^{-1} \left(\sum_{t=1}^T (x_{it} - \bar{x}_i) \mu_{it}^* - T \hat{\gamma}_i \right)$$

where

$$\mu_{it}^* = \mu_{it} - \frac{\hat{L}_{21i}}{\hat{L}_{22i}} \Delta x_{it} \quad \hat{\gamma}_i = \hat{\Gamma}_{21i} + \Omega_{21i}^o - \frac{\hat{L}_{21i}}{\hat{L}_{22i}} (\hat{\Gamma}_{22i} + \Omega_{22i}^o)$$

Under the assumption of invariance principle and cross sectional independence the estimator $\hat{\beta}_{NT}^*$ converges to the true value at rate $T\sqrt{n}$, and is distributed as

$$T\sqrt{n}(\hat{\beta}_{NT}^* - \beta) \rightarrow N(0, v) \quad \text{where } v = \begin{cases} 2 & \text{iff } \bar{x}_i \bar{y}_i = 0 \\ 6 & \text{else} \end{cases}$$

as $T \rightarrow \infty$ and $N \rightarrow \infty$. The t statistic for the FMOLS panel estimator of β is

$$t_{\hat{\beta}_{NT}^*} = (\hat{\beta}_{NT}^* - \beta) \left(\sum_{i=1}^N \hat{L}_{22i}^{-2} \sum_{t=1}^T (x_{it} - \bar{x}_i)^2 \right)^{-1/2} \rightarrow N(0,1)$$

as $T \rightarrow \infty$ and $N \rightarrow \infty$ for both the standard model without intercepts as well as the fixed effects model with heterogeneous estimated intercepts.

Dynamic OLS (DOLS)

DOLS is a parametric approach where lagged first-differenced terms are explicitly estimated.

$$y_{it} = \alpha_i + \beta_i x_{it} + \sum_{j=-K_i}^{K_i} \gamma_{ik} \Delta x_{i,t-k} + e_{it}$$

where

$$\hat{\beta}_{i,DOLS} = \left[N^{-1} \sum_{i=1}^N \left(\sum_{t=1}^T z_{it} z_{it}' \right)^{-1} \left(\sum_{t=1}^T z_{it} \tilde{y}_{it} \right) \right]_1$$

and z_{it} is the $2(K+1) \times 1$ vector of regression $z_{it} = \{(x_{it} - \bar{x}_i), \Delta x_{i,t-K}, \dots, \Delta x_{i,t+K}\}$; $\tilde{y}_{it} = y_{it} - \bar{y}_i$; the subscript 1 outside the brackets indicates that only the first element of the vector is taken to obtain the pooled slope coefficient.

Data and Variables

The panel cointegration models are estimated using only balanced panel data consisting of 74 countries for the period 1980 – 2008 which is called World panel data. In addition, we classified them into 5 small panels by income classification of the World Bank, namely low income, low middle income, upper middle income, high income and OECD countries, see Table 1. Unfortunately, there is some incomplete data in many low income countries, so only a few countries are applied for estimation.

The variables used in the model are real GDP per capita (constant 2000 US\$), total primary energy consumption per capita (Million Btu per person) and gross capital formation per capita (constant 2000 US\$). Three panels are obtained from World Development Indicators of World Bank, and International Energy Statistics of EIA.

Empirical Results

The analysis begins with an examination of the integration properties of the variables included in each model. The panel unit root tests for all variables in each group are summarized in Table 2. The LLC test and IPH test are used to test the null hypothesis of unit root against the alternative hypothesis of stationary. In the level form of all variables, both tests do not reject the null hypothesis of nonstationary. However, all tests reject null hypothesis of nonstationary when variables are used at first difference. This implies that the series of variable lnGDP, Incap and lnenergy are integrated of order one or I(1) process. These

results are consistent with notation that most macroeconomics variables are nonstationary at level, but become stationary after first differencing.

Table 1: Country list classified by income

Classify by Income	Country Names
High-income OECD members	Australia, Austria, Belgium, Canada, Denmark, Finland, France, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea, Rep., Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, United States
High-income economies	Australia, Austria, Belgium, Canada, Cyprus, Denmark, Finland, France, Greece, Hong Kong SAR, Hungary, Iceland, Ireland, Italy, Japan, Korea, Rep., Luxembourg, Malta, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom, United States
Upper-middle-income economies	Algeria, Argentina, Botswana, Brazil, Bulgaria, Chile, China, Costa Rica, Cuba, Dominican Republic, Ecuador, Gabon, Iran, Islamic Rep., Jordan, Malaysia, Mauritius, Mexico, Panama, Peru, South Africa, Thailand, Tunisia, Uruguay, Venezuela, RB
Lower-middle-income economies	Bolivia, Cameroon, Côte d'Ivoire, Egypt, Arab Rep., El Salvador, Guatemala, Honduras, Indonesia, India, Lesotho, Morocco, Nicaragua, Pakistan, Paraguay, Philippines, Senegal, Sudan, Swaziland
Low income economies	Bangladesh, Ethiopia, Kenya, Mali, Mozambique

Note: Country Classification by World Bank

Resource: <http://data.worldbank.org/about/country-classifications/country-and-lending-groups>

Test results for cointegration between 3 variables in (1) are presented in Table 2. Based on the majority of the reported Pedroni seven tests show that there is cointegration between these variables at 10 percent significance level, so the null hypothesis of no cointegration is rejected. Therefore, we concluded that the variables in (1) are cointegrated and a long run relationship exists for the entire group and the members of the panel.

From the Kao residual cointegration results reported in Table 2, strong evidence is found to significantly reject the null hypothesis of no cointegration. Therefore, it can be concluded that there exists a long run cointegration relationship between the variables in question. These results are consistent with Lee (2005) and Sadorsky (2009).

Table 2: Panel Unit Root Tests

	LLC Test		IPH Test	
	Level	First Difference	Level	First Difference
Panel A: World				
lngdp	14.005	-15.063**	8.302	-15.413**
lnicap	7.354	-24.371**	2.139	-18.642**
lnenergy	8.518	-24.603**	2.420	-23.576**
Panel B: High-income OECD members				
lngdp	10.440	-8.028**	2.638	-8.055**
lnicap	5.928	-12.815**	1.867	-8.883**
lnenergy	5.538	-13.332**	-0.599	-12.223**
Panel C: High-income economies				
lngdp	11.156	-8.315***	2.270	-8.313***
lnicap	6.256	-13.697***	2.069	-9.677***
lnenergy	5.977	-14.296***	-0.666	-13.717***
Panel D: Upper-middle-income economies				
lngdp	5.945	-9.234***	5.504	-9.283***
lnicap	2.297	-15.545***	-0.833	-11.587***
lnenergy	5.357	-14.695***	2.245	-14.223***
Panel E: Lower-middle-income economies				
lngdp	5.904	-8.737***	5.512	-8.225***
lnicap	2.856	-13.629***	1.757	-10.024***
lnenergy	6.910	-12.267***	3.072	-11.485***
Panel F: Low Income				
lngdp	1.999	-2.901***	4.144	-4.034***
lnicap	2.532	-4.161***	1.914	-4.824***
lnenergy	1.235	-6.600***	0.109	-5.874***

Note: ***, ** and * denotes significant at 1%, 5% and 10%, respectively.

Table 3: Panel cointegration test

	World	High-income OECD members	High-income economies	Upper-middle-income economies	Lower-middle-income economies	Low income economies
Panel A: Pedroni's (1999) panel cointegration test						
Panel v-statistics	2.867***	2.601***	3.604***	1.885**	3.327***	1.799**
Panel rho-statistics	-2.119**	-2.093**	-2.809***	-1.576*	-0.735	-1.697**
Panel PP-statistics	-5.129***	-4.411***	-4.865***	-2.644***	-3.230***	-2.044**
Panel ADF-statistics	-1.198	-3.355***	-2.125**	-1.577*	0.136	-0.646
Group rho-statistics	1.051	0.047	-0.452	0.342	1.147	-0.055
Group PP-statistics	-3.802***	-3.647***	-4.227***	-1.698*	-1.581*	-0.711
Group ADF-statistics	-1.534*	-3.073***	-2.636***	-1.319	0.061	0.730
Panel B: Kao residual cointegration test						
ADF t-statistics	-6.459***	-5.714***	-5.179***	-4.708***	-1.449*	-2.452***

Note:

1. ***, ** and * denotes significant at 1%, 5% and 10%, respectively.
2. Pedroni (2004) residual cointegration test, the number of lag truncations used in the calculation of statistics is fixed at 1, and the null hypothesis is no cointegration.
3. Kao (1999) residual cointegration test, the number of lag truncations used in the calculation of statistics is fixed at 1, and the null hypothesis is no cointegration.

Corresponding estimates of panel cointegration models from pool OLS, Fully modified OLS (FMOLS) and Dynamic OLS (DOLS) model for each income group countries are present in Table 4. We found the similar results with all three estimators. Energy consumption per capita and capital formation per capita have positive effect on real GDP per capita. Because the variables are presented in natural log, the coefficients on the capital formation per capita and energy consumption per capita can be explained as the elasticities. Therefore, a 1% increase in world energy consumption per capita and world capital formation per capita increase world real GDP per capita by 0.22-0.8% and 0.19-0.61%, respectively. This is like the case of high-income OECD member group that 1% increase in OECD energy consumption per capita and OECD capital formation per capita increase OECD real GDP per capita by 0.34-0.75% and 0.02-0.51%, respectively.

In case of panel cointegration models of four groups of income countries, the elasticity of energy consumption per capita (0.45-0.75) is greater than the elasticity of capital formation per capita (0.03-0.48), implying that energy consumption has more influence than capital formation for driving economy. In contrast, in case of the upper middle income countries and lower middle income countries, the range of elasticity of capital formation per head is greater than energy consumption per head, signifying capital formation has more influence than energy consumption for driving economy.

Table 4: Panel cointegration

	World			High-income OECD members		
	FMOLS	DOLS	OLS	FMOLS	DOLS	OLS
cons.	-	-	4.324 (56.94***)	-	-	3.829 (29.93***)
lnenergy	0.22 (20.34***)	0.803 (30.70***)	0.338 (30.17***)	0.34 (21.84***)	0.753 (13.09***)	0.379 (15.13***)
lncap	0.61	0.190	0.397	0.49	0.027	0.512

	(41.65***)	(10.97***)	(45.73***)	(56.26***)	(0.84)	(33.54***)
	High-income economies			Upper-middle-income economies		
	FMOLS	DOLS	OLS	FMOLS	DOLS	OLS
cons.	-	-	3.639 (31.07***)	-	-	3.915 (42.26***)
lnenergy	0.51 (34.75***)	0.752 (14.65***)	0.454 (20.52***)	0.32 (25.81***)	0.123 (2.18***)	0.472 (21.45***)
lncap	0.45 (44.22***)	0.035 (1.13)	0.484 (32.92***)	0.46 (27.06***)	0.872 (35.21***)	0.347 (24.65***)
	Lower-middle-income economies			Low income economies		
	FMOLS	DOLS	OLS	FMOLS	DOLS	OLS
cons.	-	-	4.7151 (43.95***)	-	-	3.8579 (7.24***)
lnenergy	0.36 (28.48***)	.3011 (6.23***)	.2588 (14.13***)	0.21 (277.47***)	.6087 (14.54***)	.1383 (15.75***)
lncap	0.28 (22.04***)	.5364 (14.87***)	.2790 (16.42***)	0.38 (57.48***)	.2687 (10.40***)	.3905 (39.73***)

Note: 1. ***, ** and * denotes significant at 1%, 5% and 10%, respectively.

Conclusion

Energy is an important input for most industrialized and developing countries where energy is used as a direct or indirect input in the production of most goods and services, and transportation. In addition, nowadays, energy market globalization such as energy industry transformation, multinational energy cooperation and opening energy market is apparent around the world. In order to gain a more insightful understanding of the connection between economic growth and energy consumption due to energy globalization, the purpose of this paper is to investigate the impact of energy consumption on economic performance.

The panel data of world and regional real GDP, population, capital formation and energy consumption for 29 years, starting from 1980 to 2008, are constructed from World Development Indicators of World Bank and International Energy Statistics of EIA, respectively. The explanations of globalization in energy market and energy consumption are reviewed. In addition, the econometric analysis of panel data, such as panel unit root test and panel cointegration test, are applied to this empirical research. The results show a causal relationship between energy consumption and economic performance in the period of globalization. In the case of high-income OECD members and high-income countries group, the change in real GDP per capita more substantially corresponds to the change of energy consumption per capita than to capital formation per capita. In contrast, real GDP per capita of the upper middle income countries and lower middle income countries corresponds to the change in capital formation per capita more than the energy consumption per capita.

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Sociological Insights into the Learning Region Concept

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Abstract

Many authors writing about the learning region suggest that learning is a social phenomenon, and that sociologists should take part in further development of the concept. But the concept of the learning region deals with serious theoretical problems including a lack of clarity, overlap with other similar concepts, and the concept's normative character. This list of problems already recognized in literature is enlarged in this paper by drawing attention to the problem of dualities. The learning region concept is characterized by the action – structure duality and the continuity – change duality. These dualities overlap to an extent with the other mentioned problems. Using the sociological theory of social becoming developed by Sztompka we suggest a solution to the problems as well as an elaboration of the concept.

Keywords: learning region, regional learning, social becoming, social theory, dualities, agency, praxis

This paper is based on a research grant from the Ministry of Science and Higher Education No. N N 116 335538 Industrial region as a "learning region". Sociological conditions of transformation on the example of the Silesian Voivodship. In this project we had two main questions:

1. What features of a learning region does Silesia have?
2. What are the specific features of learning regions appearing in industrial districts?

Answering those questions soon appeared to be problematic, because of the learning region conceptual ambiguity. To answer the first question we had to ask ourselves: What are the precise characteristics of a learning region (Malmberg 1997: 576)? This question appeared to be difficult to answer. Trying to do so, we have soon discovered the main weaknesses of the concept, some of them already known and recognized in literature, some rather new.

Weaknesses of the learning region concept

The case of the learning region concept is similar to that of the learning economy: many authors produce stacks of books and articles with papers offering new fancy and catchy concepts. An equal number of authors earn their living by a critique of this newspeak (Hudson 1999; Martin 2001). One of those who take a critical look at the learning region is Robert Hassink (2001; 2007). He pointed out some of the main weaknesses of the concept, namely the problem of its fuzziness, its normative character, and its overlap with other similar concepts. We add to this list an embroilment in dualities.

Unclear concept

Markusen defines an unclear concept as a concept that 'posits an entity, phenomenon or process which possesses two or more alternative meanings and thus cannot be reliably identified or applied by different readers or scholars' (Markusen 2003: 702). Trying to

conduct our research based on the learning region concept, we faced problems with the operationalization of the concept and finding proper indicators that would make it possible to say what a learning region is and what it is not. After a brief review of literature on the learning region we have abandoned hope of a strict, precise definition.

If we take a look at the ideas of the 'founding fathers' of the learning region concept - Storper, Florida, Asheim and Morgan - we can find that each of the authors gave a different view on what the learning region is. Moreover, after adding new elements to the concept, some new problems emerged.

Storper (1993) emphasized the distinction between regional learning and the learning region. He also noticed that regions analyzed in his case studies had followed different routes to the same result. This suggests that the learning region may be teleological in its character. He also mentions the meaning of conventions specific to their locale.

Florida (1995) problematized the level of analysis. What is the level of analysis of the learning region? According to his writings it should be neither company nor region. So what then? Florida proposes to focus on the process of learning. But a more thorough study of his paper reveals that Florida treats the region more as capital or as a compilation of infrastructure than as a nexus of processes.

Asheim (1996) has stressed the importance of institutional thickness, a term borrowed from Amin and Thrift (1994). He also looked at learning regions as new emanations or a new form of Marshallian industrial districts. In fact, in Asheim's perspective the learning region and the regional innovation systems are indistinguishable. In other words, Asheim contributed to the confusion of overlapping those two concepts.

Morgan (1997) sees the learning region through the lenses of the political and administrative program directed toward less favored regions. Having regional renewal in mind he introduced social capital into the concept of learning region. Social capital is seen here as a regional capacity that can smoothen the functioning of institutions and networks within a region.

Is though this were not enough, some of the aforementioned authors explain this unclear concept by other unclear concepts such as institutional thickness (Asheim) or untraded interdependencies (Storper). This lack of clarity is best seen in the difficulty of distinguishing the learning region from regional learning. The whole concept flourished in the context of the education turn or knowledge turn in economics. In short: to compete on markets in the global era, companies must use knowledge and introduce innovations. This makes knowledge a key resource. Small and medium enterprises rely on knowledge generated outside the firm, and this puts the problem of learning in the first place. As these knowledge resources, conventions and practices are locally embedded the process of learning occurs in the regional set up. This makes learning in regional networks the main characteristic.

Let me now compare definitions of the learning region and regional learning proposed by Hassink:

Regional learning "can be considered as learning by interacting between actors who are linked to their locations or embedded in their regions" (Hassink 2007: 256). Thus regional learning focuses on the relationship between entrepreneurial learning (within and between companies), innovation, institutional context, and spatial proximity.

The learning region "can be defined as a regional innovation strategy in which a broad set of innovation-related regional actors are strongly, but flexibly, connected with each other, and who stick to a certain set of 'policy principles'" (Hassink 2007: 257). The learning region is treated here as synonymous to a regional innovation strategy (problem of overlapping). The real problem then is not to have this strategy but rather to implement it. To sum up: the conceptual distinction between regional learning and the learning region is a way of separating the praxis of regional learning from implementation policy.

Overlapping

The problem of overlapping starts with ideas proposed by Asheim, but surely does not end there. Hassink enumerates several concepts that overlap with the learning region: innovative milieu, industrial districts, regional innovation systems, industrial spaces and clusters.

The strongest overlapping is between the learning region and regional innovation systems. Some authors (Cooke and Morgan 1998) claim that term 'regional innovation systems' is broader than the learning region and other closely related concepts (Asheim 2001). Hassink (2007: 262) attempts to point out the main differences. According to him, regional innovation systems are more operational, while the learning region is a conceptual model. The main difference is in focus put in those concepts: on innovations in the case of regional innovation systems and on learning in the case of learning regions.

Asheim's work on learning regions was a cornerstone in the concepts' development. He added a wider perspective to the concept including some of the elements that had appeared in other concepts. Asheim tried to go beyond 'industrial atmosphere' specified in the innovative milieu concept. He described a process of innovation with respect to the balance between territorial and functional modes of integration. Asheim introduced a new element into the concept of learning regions: territorially embedded regional systems of innovation. This shed the light on business support institutions, knowledge centers or higher education institutions as important in innovative activities. Those are the elements constituting regional innovation systems. For Asheim those regional systems of innovation were only one of the elements contributing to regional learning.

An element that was not mentioned so far is the relation between innovation and learning. It does not matter if we are talking about learning by doing or learning by interacting, the process of learning covers the search for knowledge while innovations appear as a result of searching for solutions. Learning itself does not result in innovations. Innovations are the result of knowledge use and creation. Creation of knowledge is often also covered by the term learning, and it should rather be specified as innovation in the field of knowledge. If we restrict learning to the flows of knowledge or diffusion of knowledge, we can see learning to be nothing more than a precondition for innovations. The conclusion of this reflection is that neither the learning region nor regional systems of innovations specify the distinction between learning and innovations. Instead, in both concepts, learning and innovations are interwoven so strongly that Hassink focuses only on one of the elements.

Normative character

Hassink argues that the learning region concept is normative in its character and not based on real situations in regions. "There is much written about what the ideal learning region is, but little is understood about how we get there" (Hassink 2007: 260). Storper was the first to notice that in his case studies, each region had followed a different path to the same destination. This is so, because the learning region concept concentrates on how does such a region work. This was the problem we faced in our research, because Silesia is on its way to become a learning region, and we were left with no clear idea on how such a process should happen.

Embroidment in dualities

Quite a few authors have stressed the fact that learning is a social process and some sociological light should be shed on it. But the problems discussed above are encapsulated in the concept, and sociologists cannot solve them just simply by adding a sociological model of learning. However in broad literature on the learning region there seem to be other problems which were not discussed yet and to which a sociological eye is especially sensitive. The

learning region concept is plagued by dichotomies: the structure – agency duality and the continuity – change duality.

Structure – agency duality means that in a theoretical approach one of these positions dominates in the explanation: either reality is reduced to actions or to structures. The absolutization of actions means that social reality is reduced to the individual behavior: contacts, conversations, transactions. Such actions are treated as the only reality. Structures are seen as non-existent apart from actions. Individual actions gain an ontological status, while such a status is refused to the structural level.

In a case of the learning region concept we can discover such absolutization of actions when regional learning is explained at a micro-level: learning and transfers of (tacit) knowledge happen at the personal level. Learning by interacting is the best example here: learning occurs at the face to face level, between agents embedded in the region. The emphasis on agency can also be seen in studies focusing on spatial proximity as one of the key factors in the process of regional learning.

The problem of embeddedness is also a form of absolutizing agency. The idea of embeddedness is taken from Granovetter's article (Granovetter 1985) and appears in nearly every text on the learning region. The idea of embeddedness focuses on dyadic relations at the personal level. The mid-range effects of embeddedness are reduced to micro-level interactions and relations.

Another extreme is the absolutization of structures. Structures are seen as self-existing, not reducible to individuals or components and emergent in character. Actors in such a perspective are reduced to puppets or cogs in the whole system moulding them to a specific conduct. Their actions are determined by the structural requirements.

In the case of the learning region we can find this perspective in the stress put on networks, relations between key sides (interactive structures), norms and rules (normative structures), and economies of scale (opportunity structure). Asheim's position can be a good example here: "If geographically concentrated learning networks and the institutional set-up function as a system, regions can become learning regions" (Rutten and Boekema 2007: 133). Rutten and Boekema who introduce social embeddedness also fall into the structures absolutization trap while trying to avoid action absolutization. Drawing on Durkheim they considered the normative structure as dominant.

The continuity and change duality must be expressed in a different way. No one really claims that nothing ever changes. Rather we should look at this duality as the difference between changes-in and changes-of. Changes-in describe what is happening in a given social whole, and how it works. In fact it is a description of its existence of continuity.

In case of the learning region we can easily find this situation. Many authors write about the flows of knowledge, ongoing learning processes or innovations. But these continual changes do not create a rupture with the past and the learning region remains stable and continuous. However, we cannot expect that a successful learning region will work the same way all the time. If knowledge is treated as the most creative power in the economy one cannot expect it would not stimulate changes of the region. "Changes-of" imply transformations in the way that given social whole works and exists, in its structure and mechanisms. Difficulties in explaining of how a given region transforms into a learning region is the best example of neglecting this perspective. Of course, all models stress that only some regions can transform into a learning region but instead of explaining how it happens they describe how such a learning region works.

In the case of the action and structure duality one can notice attempts to link those two levels of analysis. However they usually end up in a preference for one of the extremes (for example Rutten and Boekema's considerations of embeddedness). The search for *via media* is an urgent problem in the learning region concept. Of course, this duality problem has haunted

social theory for decades and sociologists have made a great effort to overcome them. So to overcome them in the learning region concept we may resort to sociological theories which bridge the gap. I propose to refer to the theory of social becoming developed by Piotr Sztompka (1991) to explain regional learning. Based on the theory of social becoming, the learning region can become a coherent theoretical concept.

Elements of the theory of social becoming

First we need to start with the relation between structure and agency: "structures are seen as emergent with respect to agents" (Sztompka 1991: 89). They are not reducible to the properties of its components. On the other hand, agents are autonomous, they possess free will and can act spontaneously within structural conditions. Agents represent the level of individuality and structures the level of totality in the mode of potentiality. Potentiality and activity are modes of existence of social reality. Potentiality of agents takes actual form (mobilize) in action and potentiality of structures takes actual form (unfold) in operations.

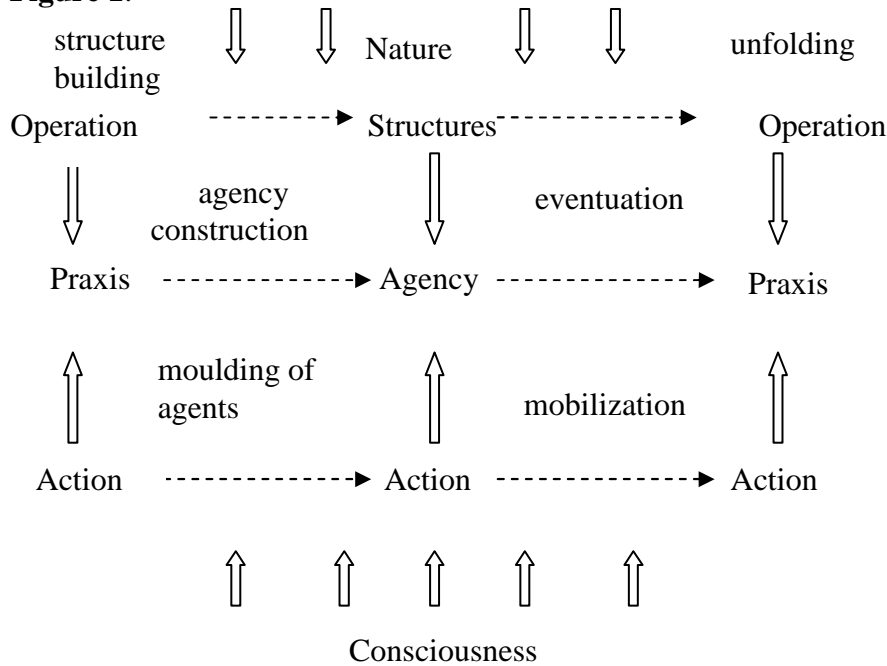
The main idea of the theory of social becoming is that neither structures nor agents are treated as possessing real existence. This seems odd at the very beginning, but Sztompka argues, that their existence is only virtual. One cannot separate structures from agents. Agents are potentiality for structure functioning and building and structures are fields of individual activity. They are both interrelated and self-constituting. Structures consist of agents and agents cannot exist outside structures. Those two cannot be separated analytically. There is no such thing as a structure in itself, every structure consists of people and their actions. There is also no such a thing as an individual outside a society. But thinking of structures as existing in agents' minds is as fallacious as thinking about individuals as the only reality.

So what is real then? Sztompka introduces a third, intermediate level, which is the only reality "thus we arrive at the ultimate characterization of social reality, as a living socio-individual field in the process of becoming" (Sztompka 1991: 95). "Living" because it consists of living humans, "socio-individual field" because structures and agents cannot be reduced to one another or treated as separate elements, and "process of becoming" because social reality is still changing, society is becoming.

What does this level consists of? The atoms of the process of becoming are events, but events are not a useful category, because they cannot be isolated. Sztompka uses the term "praxis" borrowed from the Marxist theory (Gramsci 1971, Lukács 1971). "Praxis is where operation and action meet, a dialectic synthesis of what is going on in a society and what people are doing" (Sztompka 1991: 96). Praxis is located in the mode of actuality. Sztompka proposes agency to be the potentiality for praxis. Agency is a fabric consisting of the warp of structures and thread of actions. Structural warp creates the matrix of circumstances for thread of agential talents, abilities or resources.

Now the model must be enriched by dynamics. We have so far discussed only the relation between potentiality and actuality. But as actuality is conditioned by potentiality, what actually happens conditions potentiality. In other words agents mobilize in action which reshapes them, and analogically structures unfold in operations which rebuild them. This relation is not circular but immanent: "agency and praxis have been shown to constitute two sides of the incessant social functioning; agency actualizes in praxis, and praxis reshapes agency, which actualizes itself in changed praxis" (Sztompka 1991: 98). Figure 1 based on Sztompka (1991) presents a moment of social becoming from actuality through potentiality mode back to actuality.

Figure 1:



The model described so far does not float in a vacuum but is part of an environment. The environment in which social processes take place consists of two elements: nature and consciousness. Nature is the more obvious part of the environment and covers the surrounding within which individual actions and structural operations are undertaken. This includes also "humanly reshaped nature" as well as the embodiment of agents.

The case of the consciousness is much more complicated. Intuitively it is linked with individual actors, but must be seen also as a feature of group-agents. Consciousness covers beliefs of individuals and group-members. But it must be seen as operating or delimiting most abstract level of ideologies, theories, traditions etc.:

"The agential potentiality is significantly shaped both by what people in a given society actually think and believe (in their individual and collective consciousness), and by what ideological structures make them think and believe. (...) Both, in their subtle and shifting mutual balance, delimit the field for the actualization of agency, provide constraints and facilitations by defining what sort of praxis is possible and what is impossible, what means are available and which precluded, which goals are feasible and which utopian" (Sztompka 1991: 102).

In such a case consciousness appears to be of highest importance for the social process, because what is unthinkable is impossible. But it doesn't preclude spontaneous actions. Agents still can behave in an unexpected manner.

Change is ongoing in the process of social becoming. The difference between functioning, social change and historical processes are in fact names for different spans of time. This means, that changes in the functioning of a system are de facto changes of this system. The tempo of changes depends on the quality of the agency which distinguishes an active from a passive society. The vertical relation between structures and agency as well as between agents and agency is a relation of power. Agents are hegemonic and structures are dominating:

"The crucial variable feature of the dominant structures is the degree of their determining influence with respect to actions. It may be conceptualized as a gradation from constraining (rigid, controlling) structures at one pole to enabling (loose, liberal, permissive) structures at the other. More specifically, the constraining structures may be seen as either negatively constraining (repressive, prohibitive, limiting) or positively constraining (facilitating,

encouraging, enforcing). In turn, the crucial variable trait of the hegemonic agents is the strength of their disposition to change structures. It may be conceptualized as a gradation from reformist (change-oriented, active, contesting) agents at one pole to conservative agents (oriented toward preservation of the status quo, passive, acquiescent) at the other" (Sztompka 1991: 133).

The combination of features of dominating structures and traits of hegemonic agents produce three types of active societies and three types of passive societies.

Re-formulation of the learning region theory

In view of the preceding discussion, a new definition of the learning region can be proposed: "the learning region is the theory that explains the process of becoming of regional learning; that is the praxis of knowledge creation and transmission through individual actions within operating regional structures while accounting for the characteristics of these agents and structures". In my opinion, such reformulation of the learning region concept in terms of social becoming may be fruitful. It builds on the theoretical achievements done so far, especially it continues and deepens the processual perspective. It also allows to overcome the aforementioned difficulties, because the learning region is in fact identical with regional learning. Becoming of regional learning is the characteristic of the learning region. In other words, regional learning is the term that covers the functioning of the learning region. Thanks to building on theory of social becoming, we can hope for conceptual clarity and differentiation from other similar concepts. Regional learning seen as an ongoing process is not normative, it is just description of an ongoing praxis. We also can see Storpers' problem of different paths to learning region just as a kaleidoscope of different structural features and agential traits in a given regional setting.

Some natural conditions enable learning and some preclude it. Both extremes, a complete lack of resources as well as an excess of them preclude learning. Some resources are necessary if learning is to take place, but if there are plenty of them there is no incentive to learn. These natural conditions sometimes appear in unexpected ways, like for example geographical features that block the development and growth of a given city. Nature includes also humanly created and changed environments. This entails the problem of infrastructure as an element of the environment. Of course not every kind of knowledge creation requires sophisticated equipment and modern means of communication, but such equipment usually helps.

Consciousness has a vital meaning for learning. Even though we can think of spontaneous learning or knowledge creation, they are typically purposeful processes. As one of my respondents said: "If you do not know something, you search for this knowledge, you learn. But if you do not know that you do not know you do not do anything". Consciousness enables the creation and flows of knowledge.

As far as structures are concerned, we can talk about four main types of them: ideal, normative, interactional and structures of opportunities. They can be embodied in multiple forms. To find out how they affect praxis of regional learning (or lack of it) we must identify features of dominating structures like: doctrines, knowledge structures, ideologies (ideal structures), interaction networks, channels of communication (interaction structures), norms, rules, routines (normative structures), regional political and economic hierarchies, economies of scale (opportunities structures).

In the case of agents a broad array can be taken under consideration: individual and collective, organized from below or from above, typical and untypical etc. To find out how they affect praxis of regional learning we must identify the features of agents. Four main types of agents should be taken into consideration: entrepreneurs/enterprises,

politicians/regional authorities, research establishments/higher education and research institutions, and chambers of commerce/trade unions.

To describe the potentiality for regional learning praxis we must take under consideration dominating structures and hegemonic agents. In each case, their combination may be different, and the character of structures and agents may differ, but if only this agency actualizes in the praxis of regional learning we can say that a region is a learning region. Regional learning can occur in the presence of reformist agents and enforcing structures.

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Family Power Succession in a Communist State. The Case of Democratic People's Republic of Korea

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Abstract

The aim of the article is to analyze the mechanisms of family power succession in the Democratic People's Republic of Korea, a state described as a communist monarchy with a Stalinist regime. Succession line begins with Kim Il-sung who came into power 1948 when the Democratic People's Republic of Korea was established. Official propaganda played a great role in the strengthening of his power and influence. The next "monarch" is Kim Il-sung's son - Kim Jong-il, who was appointed as successor in 1974 but became the head of state only in 1998. The political power in the DPRK is legitimized by a widely developed personality cult, which includes not only the dead, but Eternal President (Kim Il-sung) but also the Dear Leader (Kim Jong-il) and the whole family clan. In view of Kim Jong-il's health condition, this paper analyzes the possible directions of family power succession after the death of Kim Jong-il.

Keywords: Democratic People's Republic of Korea, power succession, totalitarian state, Kim Jong-il, Kim Il-sung

Preface

According to the former U. S. ambassador in Seoul, the Democratic People's Republic of Korea can be considered the longest lasting intelligence failure in the world. The access to unbiased information about the country that for decades lives in isolation, operates in secret and uses intensive propaganda is very difficult.

The Democratic People's Republic of Korea is usually presented as an example of an "Orwellian world". Critics emphasize the closed nature of the state, the totalitarian regime and the pervasive surveillance of citizens. While the world's media regularly present information about starving soldiers, famine disasters or economic collapse, the official sources praise new production plans, international successes and the wise policy of Dear Leader. It can be said that the worse is the actual situation of the state, the more the official media try to deny the reality. Official websites are full of anniversary speeches, patriotic songs and reports from "business" visits which Kim Jong-il likes so much. In the DPRK Embassy bulletins, in the note of August 17, 2009, we can for example read the following: "In Pyongyang modern platforms to control traffic and protected by an umbrella were installed. Unique platforms were installed in the last few days arousing great interest of the population. [...] Umbrella protects traffic controllers against the sun and rain, and the thick platform protects against the heat of hot asphalt. Women who work as traffic controllers keep their faces bright even in the hottest summer days. Passers-by stop for a moment to look at this new scene. They say that such a thing is possible only in the country lead by Kim Jong-il. Traffic controllers are touched by the care of the Secretary General of the Workers' Party of Korea Kim Jong-il [...]".

A similar style and meticulous description are the features of most of the official reports from the state, which in non-Korean media is described as a communist monarchy with a Stalinist regime. The article primarily presents issues related to governance and the succession of power but omits reflections on the functioning of the state and everyday life in a militarized society, which, though (most likely) hungry and frightened, still has strength for hours of practicing songs and dances in honor of Dear Leader. And Dear Leader, according to the Bulletin of the DPRK Embassy in Poland: "[...] makes true a centuries-old dream of his nation that always wanted to live in a society where all people are friendly disposed and help each other" (Bulletin of the DPRK Embassy in Poland Dear Leader Kim Jong-il, DPRK Embassy in Poland, accessed July 13, 2011, <http://www.krld.pl/krld/index.php?npage=3>).

Beginnings

The mandatory program of any tourist trip to North Korea is a visit to the village of Mangyongdae close to Pyongyang. In this place the Great Leader and Eternal President Kim Il-sung was born on April 15, 1912. Today the place is adapted to the needs of visitors, marking all the significant places for nothing is withheld from the public: the well used by the family, the stone in the shape of a warship that was a toy of young Kim, the tree under which the future leader read books and formed the first brilliant thoughts, or the flowers he looked at.

However, in 1912 it was not a bliss haven, the country was torn apart with poverty and Japanese invaders, and the family had to seek refuge in Manchuria, where Kim Il-sung – that time called Kim Song Ju – grew up and received his first education. The biographies of the Great Leader emphasize particularly the later period of his life – guerrilla activity and finally command of an army of thousands of Koreans, who pulverized the Japanese occupying forces and in 1945 triumphantly marched to the capital.

Several decades after these events well-preserved secret training camps, battle plans and even patriotic terms inscribed on the trees personally by Kim Il-sung or his wife were found. The reality was less spectacular. The Great Leader fought in the Northeast Anti-Japanese United Army, perhaps as a commander of a small formation, although the official sources are silent about the fact that in 1940 (or 1941) he retreated and with a small group of subordinates fled into the territory of the USSR. There he was arrested and escorted to the camp in Khabarovsk, where he spent four years in a confused status of non-prisoner and non-soldier. It was quickly noticed that the Russian speaking Kim was disciplined, resourceful, with a reputation of a guerrilla fighter and without any ties to the communist party in Korea. It appears that for these reasons Stalin chose him to take over Korea in 1945, equipping with the necessary means. He ruled incessantly until his death on July 8, 1994.

Kim the Son

On February 16, 1941 (according to the official sources in 1942) Kim Il-sung's first-born son was born in the camp mentioned before. The official biography of Kim Jong-il does not say a word about this nor does it mention the fact that he was given the Russian name Yura which he used for the next dozen years. The North Korean sources report that he was born in a partisan camp in the foothills of the sacred Mount Paektu, where, as the legend says, Tangun, the son of god and she-bear, the founder of the first Korean state, came down from heaven to Earth. His birth was accompanied by miraculous phenomena like flowers blooming in the winter, birds singing patriotic songs and radiant glow. The same sources show young Kim as an ingenious pupil, a brilliant student and a lover of books, who from a young age amazed everyone with his wisdom combined with modesty and willingness to help.

His education at the officers' school in Dresden is not mentioned at all, because the young leader was thrown out after several months of education since he could not endure the

hardships of military science and discipline. In the years 1960-1964 he studied at the Kim Il-sung University, amazing all the teachers. At the age of 22 he began his party career by taking a job in the Department of Organization and Information of the Workers' Party of Korea Central Committee (WPK CC). His career ran incredibly fast, because as early as in 1965 he became an officer (of the rank of major) and his father's personal security chief. In 1973 he was appointed the secretary of the WPK CC, in the following year he became a member of the Permanent Committee of the Central Committee Politburo. In 1980 he was given the title of the Dear Leader (the term of Beloved Leader is used interchangeably) to distinguish him from his father – the Great Leader who ruled – until 1994.

Speculations on the causes of Kim Il-sung's death and the possible involvement of the eldest son in it can still be heard. But there is no hard evidence of his guilt. However Kim Jong-il did not show himself in public for three years after the death of his father. He became the head of state only in 1998, and not as the official president but the Chairman of the National Defense Commission, because his father ruled as the Eternal President. This has led to an awkward situation when newly arrived ambassadors for a sign of respect to the deceased Kim Il-sung handed out white papers (or letters with the deceased president's signature) instead of letters of accreditation.

Succession

Within several years of Kim Il-sung's rule, a nepotistic system was created in which the most important political functions were served by members of the clan. At the end of the 1990s it was estimated (Dziak 2009: 183-184) that the clan consists of some 200 people and nearly a hundred of them makes up the so-called hard core. Family clan brings together the key functions of the state and specially designated persons are involved in conducting business and managing family assets abroad. This helps to minimize the threat of rebellion, insubordination or a serious crisis at the highest levels of power. Genesis of the system should be looked for in the precarious situation of the 1950s when Kim attempted to consolidate his power and eliminate potential opposition such as the guerrilla faction Kapsan. A close relationship with the Great Leader does not necessarily guarantee participation in the power structures; Kim Il-sung's children and Kim Song Ae occupy less prominent positions and have no real influence on the decision-making process. However, the term "family ruling class" expresses well the situation in socialist Korea.

Attempts the Great Leader to maintain and then hand over power are not limited to the creation of a family ruling class. The most interesting and, on the other hand, the most dangerous from the political point of view was the official appointment of his successor. Kim Il-sung had two official wives – Kim Jong Suk and Kim Song Ae – who gave him a total of six children. The first one is the mother of Kim Jong-il (Yura), the deceased Kim Pyong Il (Shura) and the daughter Kyeong Hee. The second wife is the mother of the daughter Kyeong Jin Kim and two sons, Kim Pyong Il (in memory of the half-brother deceased as a child) and Kim Yong Il. As is known, Kim Il-sung appointed as his official successor his eldest son – Kim Jong-il – in the early 70's. The first indications of his decision to hand over power were manifested on his 55th birthday (1967) (Dziak 2009: 189). Taking into account the relatively young age of a healthy leader, a very young age of the son, as well as the objection of a substantial part of the party, these activities were, as history has shown, necessary, but on the other hand requiring extremely conservative and intricate approach.

Kim Il-sung did not wait long with the announcement of his successor, and the appointment of a family member as the successor was a sensation. The most likely reason for the appointment of a successor was observing the political scene in the USSR and China and the political turmoil that resulted after the deaths of the great leaders – Stalin and Mao Zedong. The Kim Il-sung recalled in his memoirs that "in the leader Stalin's lifetime

everything went well, but when the leader was gone the Soviets fell into trouble and revisionism spread in the country" (Dziak 2009: 271).

On the political scene of that time, two candidates could be seriously considered. The first was Kim Jong-il, the eldest son who should be the successor according to the Confucian tradition. However, the most serious candidate for the succession was Kim Jong Ju, a member of the WPK CC, the head of the Department of the Organization of the Central Committee, a very close associate of the Great Leader, and the youngest of his brothers. He had also the support of Kim Il-sung's second wife Kim Song Ae, Kim Jong-il's stepmother, who was seriously planning to gain power for her own son, Kim Pyong Il, who was then only 14 years old and was not taken into consideration in the succession competition. Thus the competition involved only two adversaries, who immediately began to gather supporting groups, allies and advisers.

The competition took the form of Kim Il-sung's personality cult because the winner would be the one who would put Kim Il-sung faster on a pedestal legitimizing and strengthening the already vast power of the Great Leader: "[...] And speaking practically, the struggle over who will be a larger, more efficient and more innovative creator of cult of Kim Il-sung, and who, going beyond past experience (Soviet, Chinese and his own) make the Kim Il-sung and his thought new and original comparing to projects undertaken several years ago by the great leaders of the revolution: Lenin, Stalin, Mao" (Dziak 2009: 196). Ingenuity, commitment and inventiveness of Kim Jong-il amazed his father. His son began to work very hard, on the one hand creating offices to study the history of revolutionary activities of comrade Kim Il-sung, introducing the famous metal stamps bearing the representation of his father and popularizing the leader's figure in the leading Western newspapers.

The struggle between the two challengers became fierce and was resolved in 1971 when Kim Il-sung decided that his closest associate and later successor would be his eldest son. Clan members had to submit to this recommendation under the threat of "excommunication". Probably then Kim Il-sung issued the so-called family directive, which forbade the liquidation of political opponents within his own family. The contemporary position of Kim Jong-il was still very weak, he was almost unknown and had no support in the WPK CC. Therefore, his appropriation of power was long, gradual and subtle and also relied on the construction of his own personality cult.

The succession of Kim Jong-il was officially explained very carefully in 1977 (Dziak 2004: 65). First, it accentuated that the Dear Leader was a faithful servant and disciple of the Leader, the heir of his virtues and the propagator of his teachings and ideas. Secondly, the young Kim would continue the great work of his father, which would be passed on from generation to generation. Also an absolute obedience, loyalty and support for the successor were ordered. Subsequent documents highlighted his patriotism and devotion to the motherland, or the virtues worthy of highest consideration (Kim Il-sung 1993: 2). Persistent opponents were sent into exile. In this the intensive deification of the future leader began. While initially his blood ties with the Great Leader and the fact he was his closest disciple and exponent of ideas were accentuated above all, in the second half of the 1980s this argument was overshadowed by the stress put on the extraordinary qualities of young Kim's mind and body.

The cult of the Dear Leader takes various forms and often is compared with the cult of Stalin in the best years of the USSR. However, there are significant differences. True, it was eagerly proclaimed that Stalin was a prominent inventor and author, but it sprang to nobody's mind to fabricate his works putting him on a par with the greatest writers. The case of Kim Jong-il is a little bit different as the relevant document says: "He has expertise in every area: political economy, in which he specialized during his studies, philosophy, jurisprudence, linguistics, literature, computer technology, genetic engineering and other branches of modern

science. He is also an expert in ancient history and customs of the Korean nation and civilizations of many other countries" (Bulletin of the DPRK Embassy in Poland). Compilation of Theories of Literary Art (in 30 volumes), Theory of Cinematic Art (On the Art of the Cinema) and revolutionary operas A True Daughter of the Party and Sea of Blood open the list of an infinite number of works and achievements of the greatest strategist of mankind, whose genius did not save 2 million Koreans from starvation in 1990s.

The first wife of Kim Il-sung – Kim Jong Suk – died in 1949 under circumstances that were not fully explained. Although the official biographies (Kim Ok Sun 1997: 200) mention the sudden illness and rapid death of the Dear Companion, the sudden death of the thirty years old woman is questionable. The second wife, several years younger than the Great Leader, once a beautiful secretary, probably is still alive, but after the death of her spouse she has lost most of the privileges and actually she is placed under house arrest. Kim Jong Suk was designated the Official Mother of Korea, a title which previously belonged to Kim Il-sung's mother. The situation is not surprising, especially in view of the fact that Kim Jong-il never liked his stepmother, missed his mother, and incorporated her into the official cult of the Great Leader's family and relatives. It is worth noting that an important function in the DPRK belongs now to Kim Kyeong Hee – the younger sister of Kim Jong-il who handles the finances and advises her brother. She is sometimes referred to as the first lady in the media.

The official biographies do not say anything about another and also serious candidate for the Dear Leader. Kim Pyong Il, the second oldest of Kim Il-sung, does not appear in the official documents. It is known that he studied in Europe and, unlike his brother, he was successful, then he returned to the country and briefly cooperated closely with his father, but it is unclear why at some point he was removed from the participation in the government apparatus. He chose a specific "exile" and for years he has worked as a Korean diplomat with the rank of ambassador. For the past 13 years he has stayed in Warsaw. He gives no interviews, does not comment his brother's policy, although he is probably the one who manages family finances and investments in this part of the world. However, he is not taken into account in today's (2011) analysis of the line of succession after Kim Jong-il.

Probable line of succession

Recent press photos and movies show that Kim Jong-il's health is deteriorating. He has mobility problems, reacts with less verve and very clearly lost weight. In 2009 the world media published the sensational news that the leader was faced with a serious disease and it was possible that he had suffered a stroke. But he returned, though in a much worse condition. Thus development generated speculation about his successor. There are three potential candidates - the sons of two (out of three) of his official wives: Kim Jong-nam, Kim Jong-chul and Kim Jong-un. The oldest one, 35 years old Kim Jong-nam studied without success in Moscow and Geneva, he was promoted very quickly earning high military ranks and is probably responsible for the supervision of the Korean special services. He drew the attention of world media when he was detained at Narita International Airport in Tokyo with a false passport (of the Dominican Republic) and ineptly explained that he was going to Disneyland. This serious embarrassment eliminated his candidature. Kim Jong-nam is currently living in exile as a wealthy man and from time to time gives interviews, in which he ensures that his standard of living is not different from the standard of living of the average Koreans.

For a discussion of the succession we need to pay attention to the fact that the North Korean media have started to use the title "Dear Mother" for Ko Yong Hee, the third Kim Jong-il's companion who died in Paris. Her images adorn the military buildings and she is mentioned in public documents, which clearly indicates that the power will be taken by one of her sons, Kim Jong-chol (born in 1981), a graduate of a private Swiss school, or his brother, Kim Jong-un (born in 1985) (Dziak 2009: 292).

Since October 2010 it is officially known that the next leader will be the younger of the sons – 26 years old Kim Jong-un. The dauphin is slowly introduced to his future responsibilities. He accompanied his father on his visit to China last year, he is more often seen at official ceremonies, the Korean press begins to print his articles and dissertations, and recently he became a general. In October 2010 he accompanied his father on "visit" to a new theater built with incredible lavishness. The world saw pictures of an obese young man, who was along with his father carefully checking the construction of the seats in the audience and then was watching with interest the kitchen equipment of the theater employee's flat. Interestingly, the pictures show that Kim Jong-un is indeed strikingly similar to his grandfather Kim Il-sung, which will probably be carefully used by the Korean propaganda.

Conclusion

In June 2009 the attempt to place the North Korean communications satellite in orbit failed. While the biggest news agencies gave information about the international implications of the experiment, quoting the Foreign Ministers of Russia, China or Japan, KCNA (North Korean Central News Agency) reported the following message: "The planned launch of the satellite for peaceful purposes was supported by various organizations in many countries around the world. The satellite orbits normally, providing data and playing songs in honor of Kim Il-sung and his son Kim Jong-il" (Mroziewicz 2010: 201). With a high probability it can be assumed that the birds, satellites, and numerous choirs in North Korea will incorporate in their repertoires the name of Kim Jong-un.

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Ethiopia between Constitutional Principles and Reality

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Abstract

At the beginning of 1990s, Ethiopia was perceived as a promising democratizing country. Two decades later, it is obvious that such an image is unbearable. The paper deals with discrepancies between the Ethiopian constitution and the principles on which the ethnic federalism in Ethiopia is built, and real daily politics in various corners of the state where the dominance of the ruling party (EPRDF) is overwhelming and does not allow other parties to freely participate in decision-making processes. As the author argues, Ethiopia has returned back to its former Stalinist nature.

Key words: Ethiopia, constitution, federalism, decentralization, dictatorship

Introduction

In 1991, Ethiopia witnessed a final wave of political unrest against the regime of Mengistu Haile Mariam. Shortly after the fall of Colonel Mengistu, a new period of re-building and re-shaping the nation and state began, with Ethiopia embarking on a path towards what later became "ethnic federalism". Already at the end of 1980s, the leading military-political party, Tigray People's Liberation Front (TPLF), prepared for political dominance by establishing Ethiopian Peoples' Revolutionary Democratic Party (EPRDF), a seemingly multi-ethnic party representing the free will of all Ethiopian peoples. The reality was much different as the EPRDF served only as a platform for the TPLF to reach its political and economic goals by increasing its coalition potential.

From the very beginning, TPLF's desire was focused on establishing such a model of state which would respect an ethnic composition of Ethiopia, a country inhabited by approximately 80 different ethnic groups speaking more or less the same number of languages. Since 1995, enormous space has been given to ethnicity and ethnic principles appearing to be the most decisive when it comes to the decision-making process or political competition. A vast number of political parties still arise from ethnically defined movements which is a heritage of the struggle against the Derg government in the 1980s. An emphasis put on ethnicity has a direct impact on the political development in Ethiopia and the struggle for identity and self-determination can be seen in many parts of the state, especially in border areas by which I mean borders between regions or federal states where people may protest against the ethnic category into which they had been previously put. Such stories can be best illustrated on the example of the Silt'e in Gurageland, where a brand new ethnic identity came into existence as a result of the power of ethnic debates deriving from the government's policy of "ethnic federalism".

This paper deals with certain discrepancies between constitutional principles and reality. Ethiopia, as other non-democratic regimes, does not follow its own Constitution. As compared to other authoritarian governments, the Constitution serves only as a useful tool of propaganda which the government can always point at. As stated later in the text, especially in

terms of ethnic policy, human rights and free access to information, the government strongly violates its own laws and constitutional provisions so it resembles the previous regime of Mengistu Haile Mariam.

Ethiopian Ethnic Federalism in Theory

Ethnic federalism in Ethiopia is based on the Federal Constitution that came into existence in 1995. It has promoted "ethnic" states and regions and ethnicity has become one of the most crucial aspects of political life. For the purpose of our study, three articles of the Constitution seem to be the most important and questionable. Article 8 in its first paragraph says that "All sovereign power resides in the Nations, Nationalities and Peoples in Ethiopia". Paragraph 3 of Article 29 states that freedom "of the press and other mass media and freedom of artistic creativity is guaranteed. Freedom of the press shall specifically include the following elements: a) Prohibition of any form of censorship; b) Access to information of public interest." Probably the most crucial and politically sensitive of all articles of the Constitution is the Article 39 with its first paragraph which declares "an unconditional right to self-determination, including the right to secession" to every nation, nationality and people in Ethiopia. The basic principle of ethnic federalism in Ethiopia is ethnicity and territoriality. Regardless of differences in origin, federations simply imply territoriality as the basic element which is guaranteed by a constitution and is usually associated with some kind of territorial autonomy. This should be respected by the central government (Fiseha 2007: 269). An often discussed issue is the question of self-determination of nations, nationalities and peoples which is prescribed in the Constitution as one of the most significant articles proving the truly democratic character of Ethiopia but as suggested elsewhere (Dagafa 2008: 147) this principle remains an illusory one and serves only as a rhetorical theory.

The Ethiopian Constitution established nine federal states from which six are supposed to be ethnically homogeneous (Tigray, Afar, Amhara, Oromia, Somali and Harari) while two (Benishangul/Gumuz and Southern Nations, Nationalities, and Peoples' Region) distinctly heterogeneous (Article 47 of the Constitution). The idea of ethnically homogeneous states has not only stemmed from primordialist views on ethnicity but has never fully corresponded to reality as no region can be regarded as fully homogeneous. The problem of the Ethiopian Federal Constitution lies in the fact that ethnicity is taken as a primary identity of an individual and group alike without taking into account other variables. Ethnicity has thus become, especially in many conflict zones at local levels, strongly politicized identity and has gained remarkable mobilizing potential (Aalen 2011, Abbink 1997, Keller and Omwami 2007). In contemporary Ethiopia a discourse on ethnicity has created so far unseen entities or gave the existing ones a different meaning, turning them into the most fundamental political criteria.

Some authors, e. g. AsebeRegassaDebelo (2007: 3), distinguish between 'formal ethnicism' and 'ethnic federalism'. While the first denotes, at least in the Ethiopian context, "a top-down approach used by ethnic entrepreneurs in their pursuit to mobilize and legitimate the diverse ethnic groups in the country", the latter is a formal term "used both as a legal and analytical concept derived from the ethnic-based federal arrangement put in place since 1991" (Debelo 2007: 3). The problem I see in Ethiopia when it comes to the application of ethnic federalism is an absence of political will to fully implement real federal structures and materialize its policies in daily life. Federalism implies a shared-rule accommodating unity and diversity within a larger political union; in theory it means that it advocates both unity and autonomy (Fiseha 2007: 102-103). Decentralization, autonomy and self-rule are probably the key terms associated with federalism and its application in the practical ground and they stand in opposition to centralization and unification, on which the Ethiopian state was established until 1991. The ruling EPRDF has managed to completely reverse the course of

democratization from the early 1990s and Ethiopia can now be regarded as a non-democratic country with strong dictatorial features based on ethnic favoritism and privileges.

Political and Ethnic Favoritism in Reality

The ideological roots of TPLF/EPRDF can be found in the socio-political atmosphere of the 1960s and 1970s characterized by the emergent Eritrean struggle for independence, increasing regional tensions and student Marxist initiatives of Stalinist and/or Maoist types. "Tigray", being a part of both Ethiopia and Eritrea, became a sort of a taboo and newly formed TPLF was considered a band of criminals (Praeg 2006: 78). TPLF still bears a legacy of its Marxist past and the struggle against Mengistu, at least as far as its paranoia towards political and public opposition goes. This means that a number of non-Tigrayan managers and businessman as well as opposition politicians (especially those of Oromo origin) are often put in prison without any clear accusation, in many cases simply because of being blamed of cooperating with the Oromo Liberation Front (OLF) which still remains a symbol of resistance against the central government.

One of the basic problems in contemporary Ethiopia is the ethnic terminology itself which is not even clear in the Constitution. As has already been mentioned, the Federal Constitution speaks about nations, nationalities, and peoples, but whom to label as nation and whom as nationality is not officially declared, even though these 'nuances' may present a serious problem at the very local level. The existing confusion in the terminology has been appropriately described by DerejeFeyissa (2006: 217):

"Thus, the Amhara, Oromo or Tigrayans are often referred to as 'nations' (biher), whereas the rest are referred to as either nationalities (behereseb) or peoples (hizboch). The difference in usage seems to be related to the size of the groups. But, to add to the terminological confusion, the Harari, one of the smallest ethnic groups, is also referred to as a nation and is thus given the status of a regional state. In the absence of a standard definition, the politics of entitlement in the multi-ethnic regional state draws on a wide array of ideologies of entitlement."

Problems and conflicts at the local level often arise from the historical animosity between the so-called indigenous population and highlanders, i.e. those coming from the center/north to the 'periphery'. Examples of such conflicts can be found in various regions including SNNPR, Gambella or Benishangul/Gumuz (Kefale 2008) where recently members of EPRDF gained political and mainly economic power through various national companies, development projects, construction of dams, roads, etc. Unequal development and unequal treatment from the government towards the indigenous population can be regarded as another example of the violation of the Constitution.

In its ideal form, all federal states or regions should be treated equally in terms of distribution of wealth, powers, duties, responsibilities and finances. Such a principle can be based on many criteria including population size, territorial space or some other factors but people in all regions should live under equal conditions comparable to other federal states. The problem of 'ethnic federalism' in Ethiopia, as suggested by some scholars, lies in the fact that Ethiopia does not implement these federal principles in reality. As shown, for instance, by Solomon Negussie (2008), distribution of wealth in Ethiopia is a matter of unequal manipulations as the Tigray region with a tiny population and lack of natural resources gets significant incomes compared to overpopulated Oromia, the richest region of Ethiopia. Only due to diaspora, several areas of Ethiopia are able to get developed and revitalized (see Addis Standard 2011: 20), the government can hardly meet the needs of the majority of its eighty million people.

In spite of promoting decentralized governance as written in the Constitution, the government of Meles Zenawi tends to restrict the full establishment of democratic civil society

where every person would have equal status (according to the Constitution). Furthermore, oppression of political opposition including the free press and true opposition parties, human rights activists and journalists only strengthens the despotic nature of the government which has completely lost its earlier promising democratizing rhetoric (Záhořík 2011).

Conclusion

Ethiopia is an example of a country where we can perceive technically correct and regular elections with a number of political parties participating but where due to severe violations of law and the basic principles of its Constitution one can hardly speak about democratization. While the Ethiopian party system can be in a theoretical level called a system with a hegemonic party, in reality we may observe a return to a one-party state where other political parties and civil society actors are destined to play the role of onlookers or observers. The near future does not promise any change since the government of MelesZenawi keeps a grip on power as it is not severely challenged either by internal or external pressures calling for a regime change. MereraGudina even talks about a masquerade when describing the policy of the EPRDF and adds that "if the current course of events is not reversed, the hope for Ethiopia's democratic transition will be reduced to a mere lofty ideal" (Gudina 2007: 140).

At least since 2001, Ethiopia has witnessed a continual tendency of centralization and a reverse of its previous seeming successes in political reforms from the beginning of the 1990s. Access to information, education, privileged jobs and positions can be done only through membership in the EPRDF. The ethnic and political exclusion and ethnic favoritism have become a 'trademark' of contemporary 'ethnic federalism' and this trend seems not to be reversed in years to come as MelesZenawi has no serious opposition to his rule. With 5.5 million members, the EPRDF can hardly be challenged through parliamentary elections, especially in view of the 2005 elections. Despite all constitutional principles mentioned above, Ethiopia fails to meet the standards of a democratic country and continues to follow its previous authoritarian legacies.

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Promoting Renewable Energy – A Local Solution to Global Environmental Problems of Competitive Cities and Regions

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Abstract

Nowadays cities and regions are "engines of economic development", with many environmental challenges to face. Today, may be more than ever, there is a need for competitiveness of cities and regions, and this cannot be achieved without taking into account the global dimension of the environmental problems. Therefore, the aim of this study is to investigate the issue of promoting renewable energy, as a possible local solution to global environmental problems of competitive cities and regions. First, some global environmental problems and success factors of competitive cities and regions are revealed, and second, some measures and actions for promoting renewable energy in Romania's development regions are suggested. The findings of this study reveal that renewable energy plays a major role among the success factors of competitive cities and regions, which may be encouraged to become sustainable, green cities and regions. In addition, the study has revealed that there is a need for a strong partnership between the local stakeholders in order to develop competitive green cities, and also for actions or programs that may promote and/or support the use of renewable energy for the development of cities and regions in Romania. The results of this study may be used for upcoming research in the area of implementing renewable energy projects for the development of competitive cities and regions in a world of globalization.

Key words: globalization, environment, competitive cities, competitive regions, renewable energy

Introduction

Recently, the important role of cities in regional development has been more and more recognized at the global level. Cities provide a wide range of services to residents and businesses, create jobs, and stimulate research and development within and outside the economic sector. However, these functions are not limited to the administrative boundaries of cities, but also create benefits for the whole region. A modern city is truly successful only if it can convincingly demonstrate that it complies with environmental requirements, and thus renewable energy has become an important success factor of competitive cities and regions. Therefore, this study explores the issue of promoting renewable energy, which may be seen as a possible local solution to global environmental problems of competitive cities and regions.

The research was conducted using a large variety of sources, such as statistics, research reports, as well as articles and books. The research question was answered by analyzing published sources, and by evaluating and interpreting the evidence.

Global environmental problems of competitive cities and regions

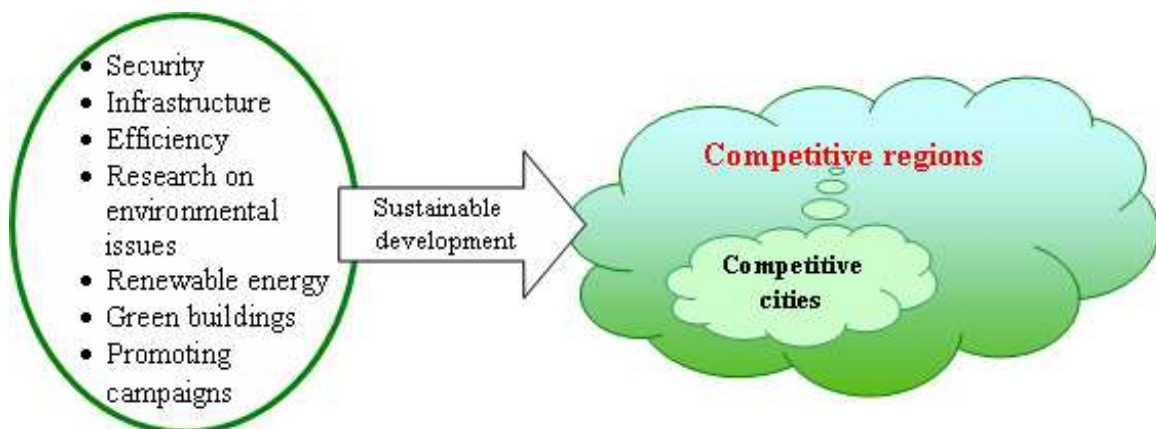
Europe is an urban society, with many environmental challenges to face. All European regions are now interdependent in terms of guaranteeing energy supplies, creating stable economic conditions and effectively combatting climate change, taking into account the global dimension of the problem. All actors play an essential role in managing this change, at the local, regional, national and European level (Frant and Minica 2008: 2).

Nowadays almost half of the world's population lives in cities and the consequences of the urban growth on the environment are significant. Generally, cities are prolific users of natural resources and large generators of waste (Popescu 2007: 165). In addition, cities are producing the highest amount of greenhouse gas emissions which are the main cause of global climate change. However, cities and regions have been leaders in addressing the issue of climate change. Many cities and regions adapt to the so-called "green economy" with programs related to recycling, waste prevention, green buildings, sustainable public transit, etc. Mayors and regional leaders around the world reduce their city's carbon footprint by renewing investment in public transit and enforcing land use provisions. Local authorities have mandated renewable energy requirements, recycling standards, clean energy service provision, and limits on urban sprawl.

Nowadays cities are engines of economic development. Many industries and services are concentrated in cities because the inputs and product markets are widely available. Moreover, cities are places where people seek employment opportunities, and skills and knowledge are rapidly propagated, promoting citizens' mobility. However, the effects of globalization are profoundly affecting urban areas. Liberal trade policies, information and communication technologies and global financial markets facilitate the location of firms anywhere in the world. This increases competition among cities in order to attract businesses which will generate income for urban communities (Popescu 2007: 13).

There is a need for competitiveness of the cities today more than ever, because they operate in a global market, competing with other urban settlements from around the world for investments, residents and tourists. Nevertheless, a city cannot be competitive unless it offers security, infrastructure and efficiency to its investors. Therefore, urban managers must include environmental problems within the management strategies and planning (Cobbett 2009). Figure 1 illustrates the main success factors of competitive cities and regions, among which renewable energy plays a major role.

Figure 1: Success factors of competitive cities and regions

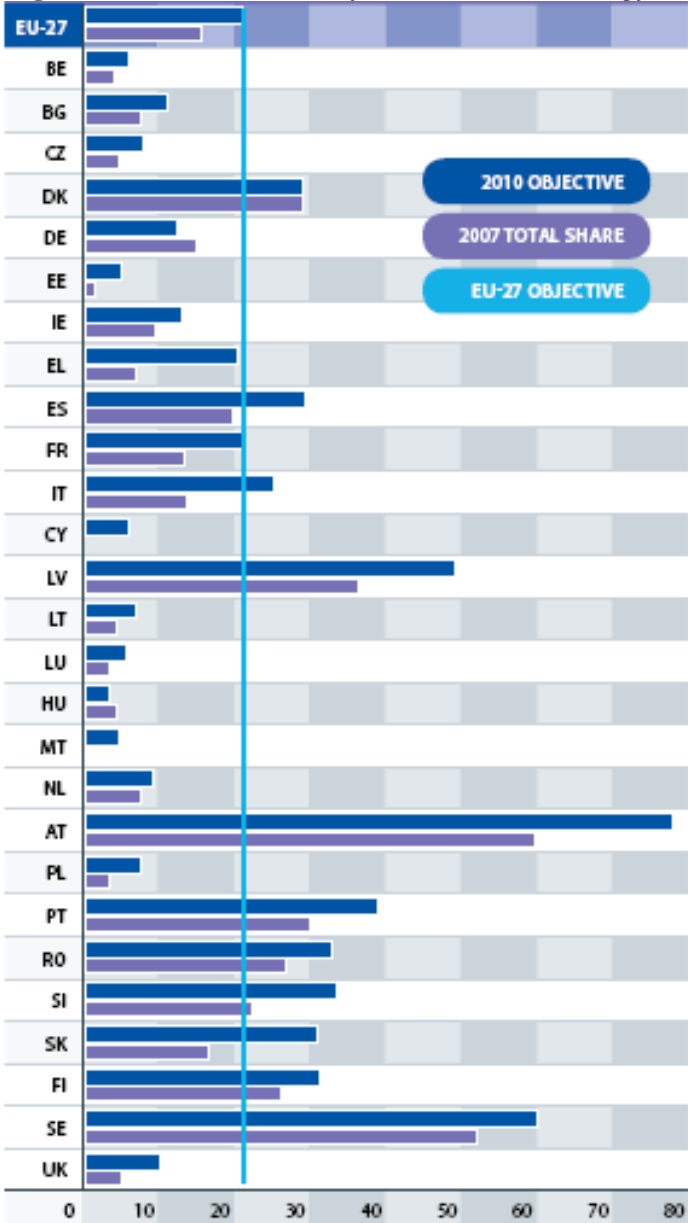


Sustainable development is possible only when it is based on the really environmentally conscious economic progress that respects natural limits, especially the amount of natural sources and the regeneration and neutralization capabilities of the biosphere (Pozeb and

Krope 2007). Therefore, the main research and development priorities are the development of renewable electricity, cost reduction and research on environment issues, as well as the need to adapt the electricity networks to new technological, economic, environmental and political realities (Kjaer 2006).

The development of renewable energy sources is increasingly planned (Figure 2) at the regional and local level where needs and opportunities can more easily be taken into account, due to the decentralization of energy supply which enables local and regional factors to play a more important role (Applica and Ismeri Europa 2011: 10).

Figure 2: Share of electricity from renewable energy sources in total energy consumption (%)



Source: European Commission, 2010: 42

Romania has a significant share of renewable sources, amounting to 12% of gross inland consumption and 29% of electricity production (Eurostat 2009: 85). The proposed target for 2020 is 24% in final consumption. Although the target is ambitious, there is a significant potential in Romania for wind and biomass as well as for further hydro expansion, particularly smaller-scale hydro plants.

Renewable energies promise some strategic improvements in the security of supply, and the reduction of air pollution and greenhouse gas emissions. They also facilitate improvement in the economic and social prospects of rural and isolated regions in industrialized countries and help meet basic energy needs in developing countries (Commission of the European Communities 2006).

Renewable energy and regional development in Romania

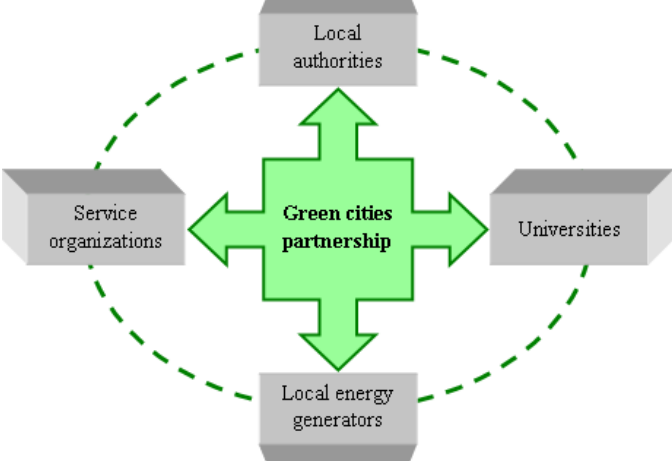
Promoting renewable energy for Romania's regional development

Various problems and requirements of the society and of the development of cities and regions may be solved by using environmental technologies. Urban managements in more prosperous advanced countries are rapidly and seriously transiting from conventional to sustainable energy technologies (Ingwe et al. 2009). The technological development in the urban development of cities may take into account the following prioritized areas: (1) sustainable management of the place and use of soil; (2) renewable and alternative energy; (3) sustainable management of water; (4) ecological materials; (5) comfort in the constructed environment; and (6) other resources and processes (Hernandez Moreno 2009: 126).

Taking into account the requirements of sustainable urban management, renewable energy may be included into the branding strategy of competitive cities and regions. The concept of branding applied to countries, regions and cities began to be used in the mid-1990s in order to support these geographic areas in their fierce competition in the market. In this era of "super brands" it is not unusual to consider a country, region or city as a successful brand. We are facing today the most communicative society of all time. Countries, regions and cities are competing to attract tourists, investments, talents and credibility. In the past, it was quite easy to design a "natural" brand for different cities or regions, due to their history, customs and various industries in the area. However, globalization tends to erase the differences, technology is changing the way of life, and what was unique for decades or even centuries for the city or region does not define it anymore (Popescu and Corbos 2011: 137). Therefore, cities and regions may be encouraged to become sustainable green cities by using renewable energy, and thus green energy may become a part of the successful brand of competitive cities and regions.

In order to develop sustainable green cities and regions there is a need for a strong partnership that involves local authorities, universities, local energy generators, and service organizations (Figure 3).

Figure 3: Partnership for developing competitive green cities



Local authorities play an important role in improving the environment of cities and regions, and, along with other partners, may draft the guidelines for sustainable urban development and establish the appropriate forms of assistance. The partnership of urban stakeholders for creating green cities may lead to the revitalization of waterfront areas, development of integrated urban transport systems in order to support the accessibility and mobility of citizens, and provision of housing and settlements environmentally friendly, which use renewable energy.

There are eight development regions in Romania (Figure 4) which has a high renewable energy potential, distributed in all its development regions. In terms of theoretical potential, biomass and biogas account for an overwhelming 65% of the total renewable energy sources potential (excluding large hydro plants) of around 135 TWh/year (cumulating both electric and thermal energy), wind and solar energy accounting for 17% and 13%, respectively. Small hydro plants (under 10 MW) and geothermal energy register a relatively low share in the total, with 4% and 1%, respectively (Roland Berger Strategy Consultants 2010, Iuțiu-Varvara et al. 2009). Taking into account the significant potential of renewable energy sources in Romania, it is reasonable to use it in order to develop Romanian cities and regions.

Figure 4: Development regions in Romania



Source: Ministry of Regional Development and Tourism 2010

There are some current technologies that may be applied to urban sustainable development, such as new-generation photovoltaic panels, systems of passive heating of water, wind energy, geothermal energy, mini-hydraulic energy, etc. (Hernandez Moreno 2009: 135). These technologies may be applied in households, places of work, offices and any building so as to ensure an efficient energy management in cities and regions. The creation of sustainable green cities may take into account urbanization and population growth, the risk of disasters and climate change, the role of the private sector and local economy, local cultural identity and heritage areas, green open spaces, area management of river basins, urban transportation and housing and settlements.

In the future, the development of sustainable green cities may encourage a paradigm shift that leads to visionary, creative and inclusive urban management. As for now, any action or program that may promote and/or support the use of renewable energy for the development of cities and regions in Romania is very welcomed, because it may be a starting point for raising their competitiveness and transforming them into green cities and regions.

"Green House Program" for using renewable energy in Romanian cities and regions

One program used to support the use of renewable energy in Romanian cities and regions is the "Green House Program", which started in 2010 as an initiative of the Ministry of the Environment and Forests.

The purpose of the "Green House Program" is to improve air, water and soil quality by reducing the level of pollution caused by wood and fossil fuels used to produce thermal energy for heating and hot water. There are grants from the Environmental Fund for the installation of heating systems using renewable energy, including replacing or supplementing traditional heating systems. The program was highly promoted in mass-media and Internet, and some powerful visual symbols have been used in order to help the program to gain a positive image in people's minds (Figure 5).

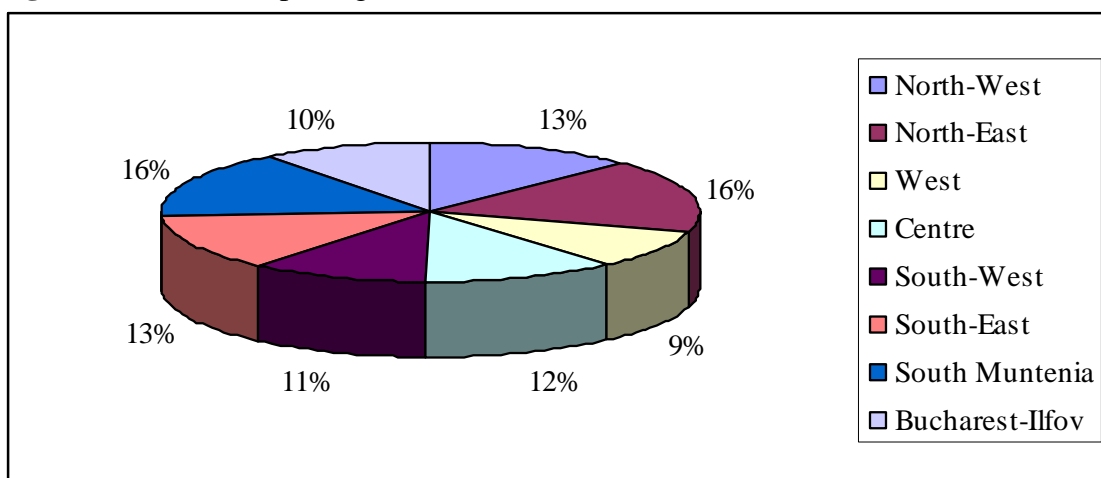
Figure 5: Symbols used to promote the "Green House Program"



A higher degree of solar, wind or biomass use as sources for heating, cooling and electricity production could change the buildings' design concept. The architecture of the new or revamped buildings may take into account different new elements (solar panels, photovoltaic walls and roofs, wind generators, etc.) (Musatescu and Comanescu 2009: 198).

The Environmental Fund budget was distributed to development regions depending on the number of inhabitants per region (Figure 6).

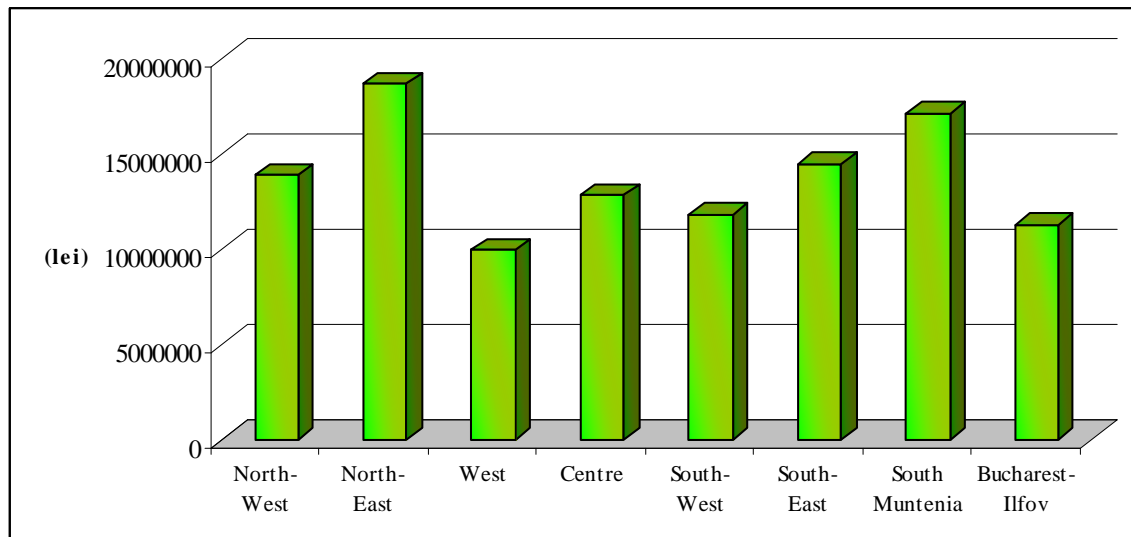
Figure 6: Inhabitants per region in Romania (%)



Source: Authors' calculations based on data from the Ministry of the Environment and Forests 2010

From the total budget of 110 million lei (approximately €27 million) the highest amount was distributed to the North-East region, and to the South Muntenia region, while the lowest amount was allocated to the West region (Figure 7).

Figure 7: Financial allocations per region through the "Green House Program"



Source: Authors' calculations based on data from the Ministry of the Environment and Forests 2010

Romania's Environment Fund Administration is the authority that approves the financing, and a client may receive up to 80% of the eligible expenses of the project. The applicant has to fulfill some conditions in order to be eligible to get financing from the "Green House Program": (a) to have residence in Romania; (b) to be the owner or co-owner of the real estate in which the project is implemented; (c) to have no outstanding obligations to the state budget, local budgets, according to the national legislation; and (d) to infringe no laws on environmental protection and to sponsor no activities having a negative impact on the environment in the previous activities before starting the project.

Conclusions

This study has revealed that a possible local solution to global environmental problems of competitive cities and regions may be to promote and support the use of renewable energy. Among the success factors of competitive cities and regions renewable energy plays a major role. Cities and regions may be encouraged to become sustainable green cities by using renewable energy, and thus green energy may become a part of the successful brand of competitive cities and regions.

In addition, the study has revealed that there is a need for co-operation, for a strong partnership between the local stakeholders in order to develop competitive green cities, and also for actions or programs that may promote and/or support the use of renewable energy for the development of cities and regions in Romania. The "Green House Program" for using renewable energy in Romania's cities and regions is a good example of raising the "green competitiveness" of cities and regions because it finances the installation of heating systems using renewable energy, including replacing or supplementing traditional heating systems.

The results of this study may be used for upcoming research in the area of implementing renewable energy projects for the development of competitive cities and regions in a world of globalization.

Acknowledgments

This work was supported by the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/89/1.5/S/59184 "Performance and excellence in postdoctoral research in Romanian economics science domain".

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