

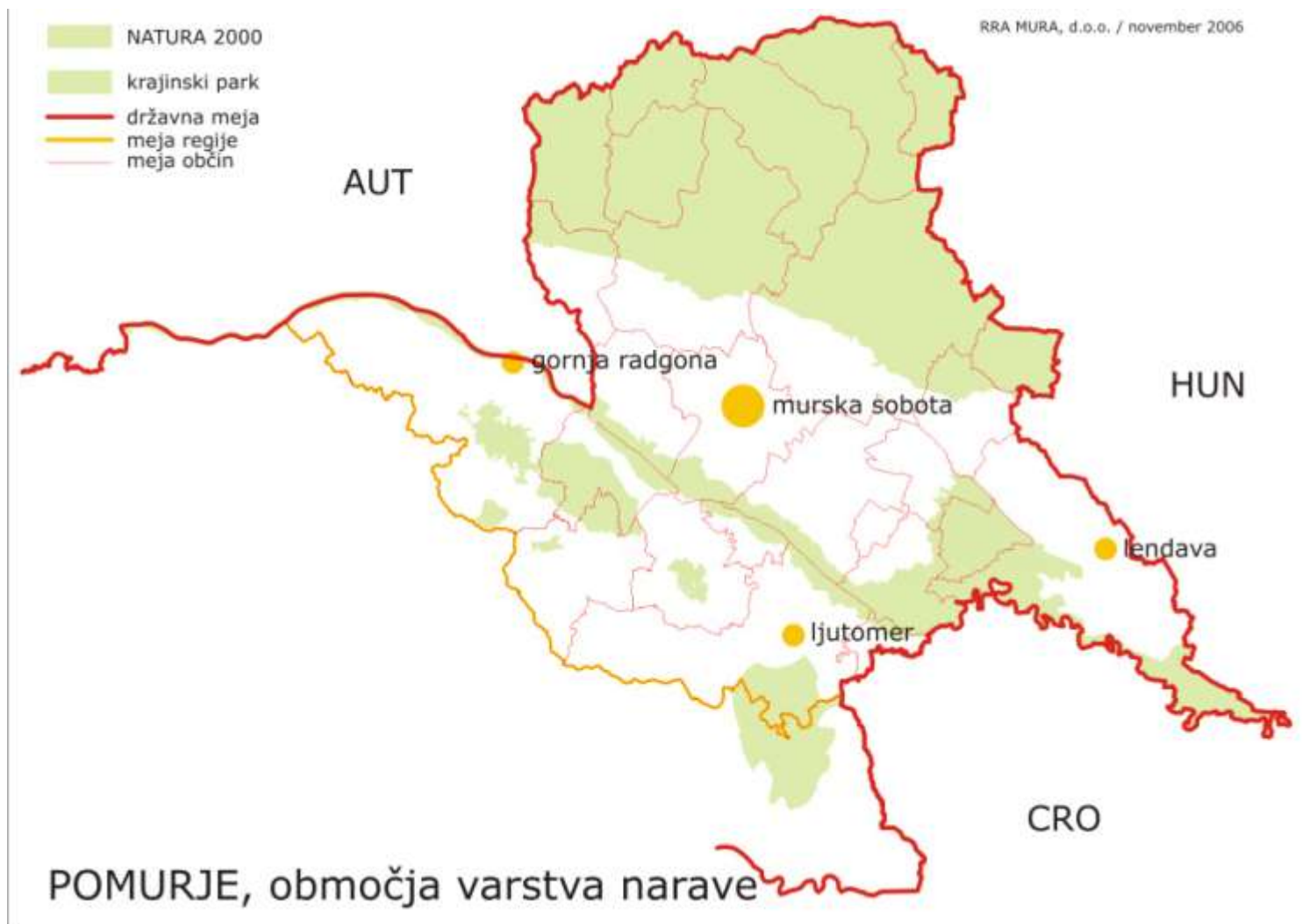


# **Developing Europe's Rural Regions in the Era of Globalization**

Romeo Varga

Murska Sobota, 13 October 2011

# Pomurje region



# Context



- 🌸 ~ 120,000 inhabitants, decline trend;
- 🌸 1336 km<sup>2</sup>, one third nature protected;
- 🌸 Bordering Austria, Hungary and Croatia;
- 🌸 Less developed region, GDP on 68% comparing Slovenia;
- 🌸 Mainly rural area, tourism as propulsive sector.

# Down cycle



- ✿ Two waves of decline: 1990 and 2004;
- ✿ Several bankrupts;
- ✿ Bigger entities “swallowed” regional;
- ✿ Quality posts moved from region;
- ✿ R&D departments cancelled;
- ✿ Pomurje became ‘internal colony’.

# Human capital

- 🌻 Highest unemployment rate (16-18 %, ~10.000 persons);
- 🌻 Lowest education rate;
- 🌻 Brain-drain, only 20% raw graduates return to region;
- 🌻 Men live three, women two years shorter.

# Social capital



- ✿ 27 municipalities, without regional level;
- ✿ No 'academic' institution;
- ✿ Rural areas loosing population;
- ✿ Considerable Hungarian and Roma minority.

# Manufactured capital

- ✿ Vth coridor (Barcelona – Kiev);
- ✿ Railway Koper – Budimpešta;
- ✿ Tourism propulsive - spas;
- ✿ Usage of thermal energy;
- ✿ Excellent ICT infrastructure (optical ring);
- ✿ Quality roads, public transport neglected.

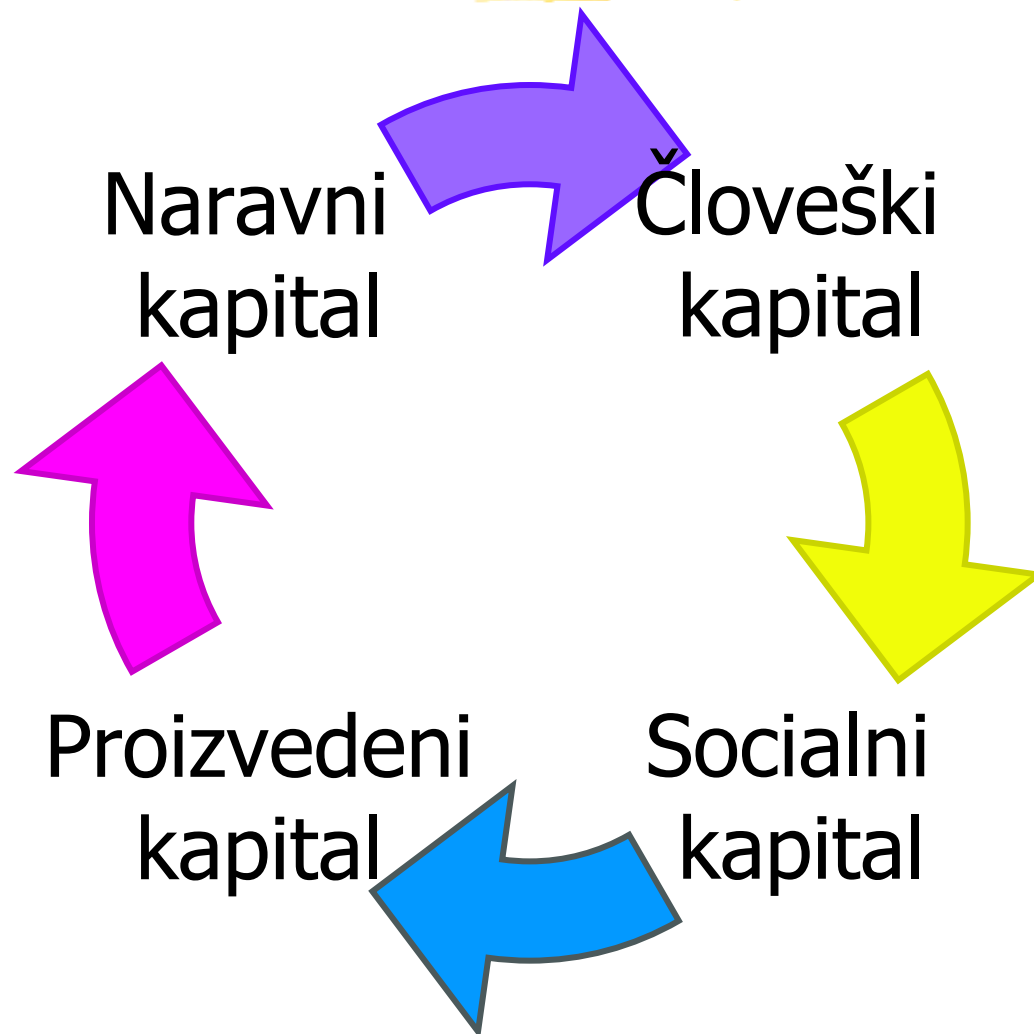
# Nature capital



- 🌻 Agricultural pollution;
- 🌻 Lack of water in some areas;
- 🌻 Podtalnica se znižuje;
- 🌻 Third of area protected, Mura River under Natura 2000.



# Spiral development



# Positive trends



- 🌸 Incentives through Regional Development Programme;
- 🌸 Law on Pomurje region;
- 🌸 Division to East and West region;
- 🌸 Number of interesting projects which are generated bottom-up (endogenous development).

# Natural capital



- 🌻 Natura 2000 areas defined;
- 🌻 Nature Park Goričko established and in function;
- 🌻 Strong initiative for establishment of Nature Park Mura;
- 🌻 Increasing number of ecological farms and products;
- 🌻 Increasing number of households connected with sewage system.

# Manufactured capital

- ✿ Construction of regional water supply system;
- ✿ Initiatives for construction of hydro-energetic plants on Mura River;
- ✿ Industrial estates prepared – strong FDI campaign;
- ✿ Considerable investments to spa tourism;
- ✿ Several projects regarding renewable energy (biogas, biomass, sun and thermal).

# Social capital



- 🌸 Law on regionalisation is still under consideration;
- 🌸 REGIOLAB is linking companies between themselves and with institutes;
- 🌸 Tourist network is under preparation;
- 🌸 Strong projects dealing with Roma population.

# Human capital



- 🌸 Five college institution (health, agriculture, economy, IT, engineering);
- 🌸 Scholarships projects;
- 🌸 Pomurje will become creative region – action plan within 2011.

Thanks.

[romeo@rra-mura.si](mailto:romeo@rra-mura.si)