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

An interpretative model for better anticipating and responding to challenges for regional development in an evolving international context

WP 5

Synthesis and contextualisation of research

Deliverable D 5.3

Case Study Report 'Oberlausitz'

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1. Introduction

Globalization processes are important forces that influence the development of European rural areas, and the impact of globalisation is likely to increase in the future. Globalization is often perceived as a threat to rural regions because it can lead to the marginalisation of rural economies, increase tendencies for out-migration and population losses, and thus contributes to a further peripheralisation of rural areas. On the other hand there is, however, also evidence that globalisation may offer a series of opportunities for rural regions. For instance, this might concern the development of physically attractive rural regions as sites for amenity consumption and tourism, or rural regions profiting from global marketing of niche regional produce (Woods 2009).

Against this background, the EU-funded FP7 project DERREG (Developing Europe's Rural Regions in the Era of Globalization) aims at producing an interpretative model that will enable researchers and regional development actors to better anticipate and respond to the key challenges posed by globalization for rural regions (see <http://www.derreg.eu>).

The Oberlausitz is one of ten rural regions across eight EU countries studied in the DERREG project. The region has been object of study in three Work Packages (WPs):

- WP 2: International mobility and migration of rural population;
- WP 3: Environmental capital and sustainable development;
- WP 4: Capacity building, governance and knowledge systems.

Starting with an overview of spatial structures and developments, this case study report presents the main findings of the research done in the Oberlausitz region.

2. Overview of Spatial Structures and Developments

The Oberlausitz region (Upper Lusatia - Lower Silesia region) forms the eastern part of the federal state of Saxony in Germany. It is located in a border triangle with the Czech Republic to the south and Poland in the east. The enlargement of the European Union in 2004 that included Poland and the Czech Republic will significantly influence the development of the Oberlausitz in the future. The Oberlausitz is no longer a peripheral border location in the EU, but located at the interface of the eastern and western European markets (Habermann 2007, p. 21). Saxony and in particular the tri-state border region may profit from this development.

The Oberlausitz consists of the two Landkreise (counties) Bautzen und Görlitz. The region is home to 598,400 inhabitants (Dec., 2010, <http://www.statistik.sachsen.de>) and covers an area of about 4,500 km². 60 % of the population live in peripheral rural areas and a further 35 % in rural areas of higher population density. Only 5% of the population live in the suburban part of the Dresden urban region in the western part of the Oberlausitz.

A special demographic feature of the region is the presence of the Sorbs (Western Slavic people) as significant minority group. There are about 40.000 people in the region that speak Sorbian, a Western Slavic language closely related to Polish and Czech. Their cultural presence heavily influenced the development of the northern part of the region in the area between Hoyerswerda, Kamenz, Bautzen and Weißwasser.

2.1 Sub-regions of the Oberlausitz

The Oberlausitz region can be divided for heuristic purposes into five geographic zones or sub-regions, most of which stretch out in an east-west direction (see fig. 1):

The Hill and Mountain Area (I) in the south of the region stretches along the border to the Czech Republic and includes the mountain ranges of the *Zittauer Gebirge* and the *Oberlausitzer Bergland*. The highest point is the Lausche mountain with 793 m. The sub-

region is a traditional centre of the textile industry. The industrialisation of many villages and small towns lead to a relatively high population density in the area. Important centres of linen textile production were, for instance, Zittau, Neugersdorf or Seiffhennersorf. Until 1990 the largest textile mill in the GDR was located in Neugersdorf ('LAUTEX'). The Hill and Mountain Area has a considerable potential for tourism. Especially Oybin and Jonsdorf in the *Zittauer Gebirge* are well developed tourist centres.

The Central Zone (II) is the main transportation corridor of the Oberlausitz that includes the Autobahn BAB 4 and the rail road line between Dresden and Görlitz. The important historic trade road of the *Via Regia Lusatae superioris* also passed through this area. The main urban centres of Görlitz and Bautzen are located here. The Central Zone also includes the *Oberlausitzer Gefilde* an agricultural area of rich loess soils that extends between Kamenz in the west and Löbau in the east.

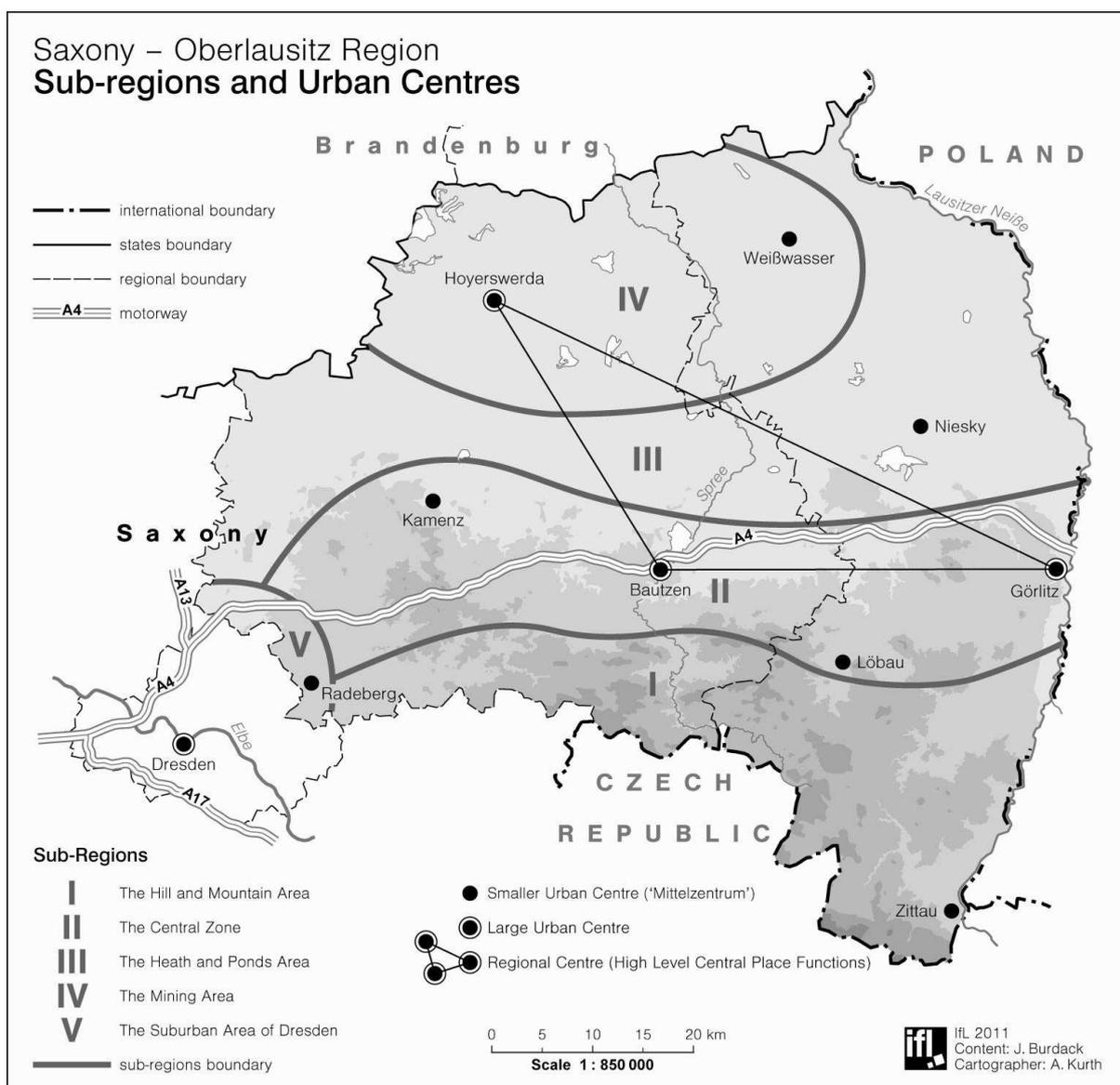


Fig. 1: Oberlausitz region: Sub-regions and Urban Centres (Source: own design)

The Heath and Ponds Area (III) that extends north of the Central Zone is a flat zone of low population density. A large portion of the area is included in the natural protection area of the UNESCO Biosphere Reserve 'Upper Lausitz Heath and Pond Landscape' (*UNESCO-Biosphärenreservat Oberlausitzer Heide- und Teichlandschaft*) that was instituted in 1996.

Commercial pond-farming (aquaculture) plays an important role in the sub-region. The area is also heavily influenced by the cultural presence of the Sorbian ethnic minority.

The Mining Area (IV) in the north of the region constitutes the Saxon part of the larger Lausitzer lignite fields that extend into neighbouring Brandenburg. The cities of Hoyerswerda and Weißwasser are the centres of the lignite mining area. Large scale open pit lignite mining started in the Oberlausitz in the early 20th century and was extended after World War One to replace the upper Silesian coal mines that were lost to Poland (Sebastian et al. 2005, S. 75). Mining was further intensified during the GDR period (1949-90) to satisfy the growing energy needs of the country. Today only the Nochten/Reichwalde open pit mine remains in operation to supply the new Boxberg power plant. The former open pit mines are currently re-cultivated and flooded to form a district of lakes for recreation activities and tourism.

The Suburban Area of Dresden includes the outmost western part of the Oberlausitz. The communities in the vicinity of Dresden were heavily influenced by suburbanisation processes of the Saxon capital. Communities like Ottendorf-Okrilla and Wachau grew by more than 15% in population between 1990 and 2010. The suburban area of Dresden is the only sub-region of the Oberlausitz that did not experience significant population losses after 1990.

2.2 Historic Development

From the 14th to the 16th century the Oberlausitz was politically and economically dominated by the Upper Lusatian Six Towns League ('Hexapolis') that included the cities of Bautzen, Görlitz, Kamenz, Löbau, Zittau and Lauban/Lubań (now located in Poland). The Oberlausitz became part of Saxony in 1635. After the Napoleonic Wars in 1815, the eastern part around Görlitz was attached to Prussia. In 1945, as a consequence of World War Two, the River Neisse became the eastern border of Germany and the Oberlausitz was now in a peripheral location in a border triangle with Poland and Czechoslovakia (now Czech Republic). The peripherality of the region was accentuated by the fact that the German population was expelled from the Polish part of Silesia, east of the Neisse River. They were replaced by Polish refugees from former eastern Poland. The ethnic German population that had lived on the Czech side (*Sudetendeutsche*) was also forced to leave their homeland. This meant that the Oberlausitz had in effect new neighbours to the east and south and the ties to the bordering regions were severely disrupted.

The founding of the GDR (German Democratic Republic) in 1949 and the membership of the GDR to the Comecon meant a new phase of economic development in the Oberlausitz region, especially in the form of an intensified brown coal mining and processing in the region. Though the centre of the mining activities and the associated energy production was located in the Niederlausitz, that is to say north of the Oberlausitz region, the industry has left its mark on Eastern Saxony. The GDR brown coal industries required a large number of qualified workers that were drawn to the region from all over the GDR because of good employment opportunities (Friedrich 2003, p. 17). Towns like Weißwasser or Hoyerswerda grew enormously in size. Mining industry and related branches like machinery, maintenance or transport occupied a large share of the work force and dominated the regional economy along with the textile industry in the south.

2.3 Settlement Structure and Demographic Development

There is no dominating primate city in the Oberlausitz, but three major urban centres of comparable importance, although Hoyerswerda is increasingly losing ground to the other two centres. The three major urban centres are Görlitz (55,600 inhab.), Bautzen (40,600 inhab.) und Hoyerswerda (37,400 inhab.) (Dec. 2010, <http://www.statistik.sachsen.de>). Regional planning policy designated all three cities as partial upper level central places (Oberzentren),

that together function as the regional centre (Freistaat Sachsen 2003). All major cities suffered population losses in the last 20 years. Hoyerswerda as the centre of the brown coal mining area was especially affected and lost almost half (-46%) of its population. Smaller urban centres that function as *Mittelzentren* (mid-level central places) are Kamenz (17,000 inhab.), Löbau (16,300) Niesky (10,100), Radeberg (18,400), Weisswasser (19,100) and Zittau (28,200).

The Oberlausitz region experienced significant population losses in the last decades. The population decreased from 761,700 to 598,400 or -21.4% between 1990 and 2010. Population projections estimate a further decline to 505,600 (-15.5%) until 2025 (Scheibe 2011). All sub-regions of the Oberlausitz are affected by the population shrinkage except for the suburban Area of Dresden. The regional population decline is due to birth deficits and migration losses. Figure 2 shows that the birth deficits remained relatively constant in the last 20 years with annual values often between -2,500 and -4,500. The migration component shows much more variance with extreme values of more than -10,000 people in the early 1990ies, slight net migration gains in the mid-1990ies and migration losses between 4,000 and 7,500 after the year 2000. The first wave of out-migration after the reunification of Germany in 1990 was basically caused by population groups of working age that were seeking employment opportunities in the urban centres in West Germany. The gains in the 1990ies can be attributed to a large degree to residential suburbanisation in the Dresden area. The data after 2000 reflect the phasing out of suburbanisation and also cyclical economic developments. The age selectivity of the migration streams poses particular problems: Especially younger and well-educated people leave the region, and in particular younger women. A consequence of this development is an aging population structure. There are hopes that out-migration will decrease in the future, since the regional labour market and the job situation have improved considerably in recent years.

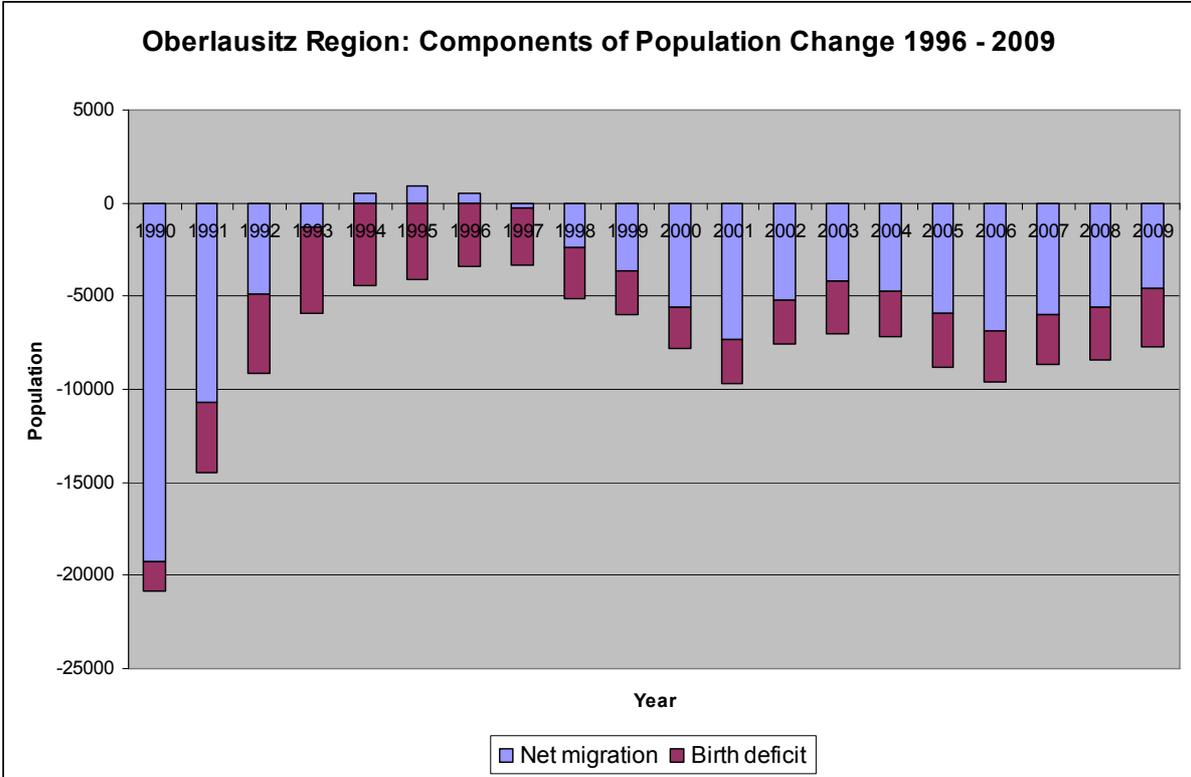


Fig. 2: Oberlausitz region: Components of Population Change 1996-2009 (Source: own design, Sächsisches Statistisches Landesamt)

2.4 Economic Structure and Key Sectors

At the end of the 1980s it was obvious that the machinery, the industrial premises and the technical and transportation infrastructure of the region were used and lagged behind the standards of western industrial countries (Friedrich 2003, p. 16f.). The Economic and Monetary Union and the introduction of a market economy that accompanied the reunification of Germany in 1990 consequently led to drastic changes in the economic structure of the region. Many enterprises were not competitive under market conditions and had to cease their operations. Job losses were especially high in the first years after transformation in the early 1990s. The employment in the textile industry, energy production and other branches of mass production decreased drastically. Today, the mining industry only employs a small portion of the former work force in the region.

A direct consequence of the closing down of many factories was a sharp rise in unemployment. Many workers who had come to work in the region left again during that period. The sharp drop in manufacturing employment was only partially compensated for by a growth of jobs in the service sector (Postlep 2004, p. 129). New industries that settled in the region often have a high productivity and employ only a fraction of the workers that the old industrial activities required (Friedrich 2003, p. 21).

Unemployment reached a high of 72,700 in 2003 (April). The job market has improved since then. In 2011 only 35,400 persons were unemployed in the Oberlausitz region. The unemployment rate of 12.4% in 2011 (April) is the lowest in the region since the early 1990s (Agentur für Arbeit Bautzen 2011).

Although the majority of the open pit mines in Saxony have terminated their operation, the landscape and the economic structure of the North and Northeast of the region are still influenced by the legacy of coal mining. The economy of the south and the south west of the region is dominated by a mix of SMEs. Highly specialized firms can be found especially in textile industry and machinery and engineering. Friedrich (2003, p. 20) sees a positive sign in the fact that industrial cores were renewed and stabilised in the region in spite of the economic turbulences.

About one fourth of the workforce is employed in the manufacturing industry (<http://www.statistik.sachsen.de>). Key industrial sectors in the Oberlausitz are rail technology, mechanical engineering and metal processing, textile industry, plastic technology, food and beverage industry and energy production (MGO 2008). Each of the key sectors employs several thousand workers in the region.

Rail technology is concentrated in a number of larger firms in the urban centres. The largest employer is Bombardier Transportation GmbH in Bautzen and Görlitz. Another key sector that is dominated by one company is energy production. The Vattenfall mining group operates the lignite mining in Nochten/Reichwalde and the power plant in Boxberg. The other key sectors are more characterised by a large number of small and medium sized enterprises. There are 155 firms with more than 20 employees in machine construction and metal processing, 32 firms in the textile industry, 33 in plastics technology, and about 70 in the food and beverage industry (MGO 2008). A major firm in the food sector is the Sachsenmilch AG in Wachau near Dresden.

The Oberlausitz still has many traits of a lagging region. Indicators of a structural weakness of the regional economy are for instance, the low rate of research and development activities, the dependency of many larger firms on external decision making (branch plants), the low export rate and the low rate of new firm openings (ifo-Dresden 2005, p. 8).

3. International Mobility and Migration of Rural Population (WP 2)¹

In the following section, research results of Work Package 2 (WP2) are presented. The main objective of WP2 consists in exploring the enrolment of rural regions in international flows of mobility as globalization increases the potential for individual mobility through the ability to travel greater distances more freely and more quickly (DERREG Consortium 2008).

The focus in the Oberlausitz is on the aspect of transnational mobility of migrant labour which is becoming more and more important for rural areas in the age of globalization. The aim is to investigate the role of migrant workers for the development of the region (e.g. migrant workers servicing economic growth by contributing their skills and knowledge), and to evaluate the tasks and problems of social development resulting from in-migration of this group of migrants (e.g. issues of cultural conflict and integration into the regional community).

WP2 research in the Oberlausitz involved the following working steps: At first, data were collected and analysed from existing migration statistics to illustrate key migration trends and the demographic impact of migration. Afterwards, semi-structured interviews were conducted with 15 migrant workers unveiling their migratory history and exploring their motivations, experiences and intentions with regard to their life at home and abroad. This study did not only focus on migrant workers from within the EU, but also on those from outside the EU, (e.g. working migrants from Turkey and Vietnam). Finally, WP2 involved an analysis of the role of regional development strategies in shaping and responding to migration trends, and WP2 identified and recorded examples of good practice (social initiatives dealing with the integration of international migrants).

3.1. *The Oberlausitz as destination for international rural immigration: The perspective of the international migrant workers*

The Oberlausitz region and especially the sub-region around the rural town of Zittau could not be considered a current labour market hot-spot on the global map. The post-GDR restructuring of the economy was combined with the loss of thousands of jobs in the region. Furthermore, the globalization superimposed the post-socialist transition with a concentration of post-industrial jobs in the bigger urban centres of Eastern Germany (such as Leipzig, Dresden, Rostock, Potsdam, or the bigger cities in Thuringia). The Eastern Saxon rural counties had to struggle with the disappearance of the state-owned industrial complexes and the large-scaled agriculture cooperatives (LPGs) as well as the restructuring of the coal mining facilities.

Today the regional labour market is characterized by above average unemployment, a low internationalisation in terms of registered foreigners, and below average income levels. Hence, compared to other (rural) regions in Europe the region might not be attractive for international migrant workers. However, some niche sectors of the labour market could be considered attractive against the background of the regional demographic development. Given the ageing of the population and the out-migration of young skilled Germans, the health care service sector is a good example for such a niche. Also the care of elderly people and domestic services might be a growing sector in the future.

All the problems mentioned the few migrant workers in the region² feel at ease with their (work) lives. This is partly due to the fact that the migrant workers already arrived many years ago (during socialist times) and feel at home in the region, having found friends, having founded families or/and established businesses. They have managed to deal with the

¹ This section is based on D 2.4 Summary Report of Work Package 2 'International mobility and migration of rural population' accessible at <http://www.derreg.eu/content/resource-centre/results-recommendations>.

² The share of foreigners in the total population of the Oberlausitz is comparably small: 1.7 per cent in 2008 (<http://www.statistik.sachsen.de>).

uncertainties about income in the regional context. Furthermore they are integrated into the local public life. They participate in volunteer and community work and regional policy making. Yet, the migrant workers also face specific problems. First, the local population is considered as rather narrow-minded, uninterested in their foreign companions, even afraid of the cultural diversity which is brought in by the migrant workers. The migrant workers know about the GDR-background and the cultural homogeneity due to the restricted mobility of people during the socialist times. But - 20 years after reunification - they perceive this as a threat to the regional development of the region.

On a personal level they deal with it by trying to learn German, trying to improve their regional and local knowledge, trying to engage in intercultural exchange. Also most migrant workers have made the experience that the narrow-minded and distant attitude of the local population vanishes over the time. Once the contact and communication to the locals is established the relations rapidly become better.

Nonetheless it has to be said that the region is not very easy to access for foreigners. There is a mixture of very different factors for this. The local public institutions but also private service companies are not used to deal with greater foreign populations. Thus, the service mentality towards the specific needs (e.g. language difficulties, cultural differences) of international migrants is underdeveloped. Furthermore, there is no infrastructure (ex-ante information, standardized and furnished housing, international highway, high-speed train, or air connections, etc.) which facilitates access to, and the initial moment in the region.

The overall motto of the migrant workers' lives in the region might be assumed by the notion of *Nullpunkterfahrung* (zero-point experience). Working migrants who move into such a particular post-socialist, economically weak and culturally homogeneous rural region within the European Union must somehow set back their points of referential experience in order to manage their life in this context. But they have learned to do so. Even more, they also teach the region interesting things about it by providing a perspective from outside on what is happening inside the region. Thus, the migrant workers could be considered a very important human resource for the regional development in the region. They give useful comments about what is missing according to their foreign opinions and they make helpful suggestions for how to foster a more dynamic development in the region.

In the Oberlausitz region, basically two types of international migrant workers occurred in the rural areas: 1) career-oriented migrants and 2) private life-oriented migrants. The first are strongly oriented to success and achievement in their professional life. Often they had come to the region for a certain job which was offered to them. They evaluate the rural area rather negatively and consider it a step in their career ladder. This includes that they are less rooted in the region and tend to leave it again for other jobs or bigger urban agglomerations. Although they are often highly-skilled and revitalize the rural intelligentsia, it is difficult for the region to make use of them. They are less oriented to engage for the region with passion and private interest. For regional development, it is therefore of primary interest how these people could be rooted in the region or how their continuous attachment to the region could be maintained after they emigrated again from the Oberlausitz.

Contrariwise, private life-oriented migrant workers are focused on family and friends in the region. They are more strongly rooted in the social fabric, and thus they engage for regional development in a more voluntary way. However, the difficult labour market situation in the Oberlausitz forces them to find creative ways of achieving sustainable income. Often they work in jobs different from their professional education. Therefore, one could consider their employment as 'wasted brains'. The central question for regional development for this type of migrant is: how could these migrants be employed in a way that their skills are best used?

Critically one should keep in mind, that the number of interviewees (N=15) in this sample is too small to derive more general statements about the opinions of all migrant workers in the region. The findings have to be considered an exemplary and exploratory result, which has to be studied more broadly with larger samples.

3.2. *The Oberlausitz as destination for international rural immigration: The perspective of the social initiatives dealing with migrants' integration*

First it could be observed that many initiatives in the Oberlausitz focus on preventive measures against right-wing extremism but not so much directly on integration measures with migrants. As the regional shares of population with migrant background alternate somewhat between 1.5 and 3.5 per cent, the issue immigration is not very urgent in the case study region. Furthermore, the recent development indicates a contemporary decrease in the immigration dynamics as the region is rather shrinking than prospering. The social tensions that evolve from immigration into more prosperous regions could not be found within the case study area.

The only social conflicts that arise stem from involuntary immigration into the region. Two forms of this 'forced' immigration have to be mentioned here: first, the asylums seekers; and second, the ethnic German resettlers from former Soviet territories. These two groups, when arriving in Germany, have to register in a national immigration agency. This agency redistributes them across all German communities, in proportion to the native populations. Asylum seekers are mostly accommodated in special facilities, without work permit and a very limited permission to move freely beyond the county's border. Also the resettlers – in case they are not self-employed – have to move where the national government sends them. These only larger homogeneous immigrant groups within the case study region are mostly leaving the region again, once their residence permit is issued. Resettler associations explain that this is their largest problem, as they continuously lose members.

Thus, the central societal task in the region is seen as being the development of a general atmosphere of open-mindedness and tolerance, with respect to democratic values and otherness (opinions, values, culture). This means that the initiatives work only partially in the field of integration, and they spend a large share of their resources on working with the native population in order to counteract xenophobia and right-wing extremism.

Interviewed representatives of social initiatives mention that it is contradictory that the Saxon Government initiates new programmes for the prevention of right-wing extremism and xenophobic violence while there is a broad range of volunteer initiatives that are active in this field since years, and who bemoan a missing support by the Saxon Government. For example, as a consequence of the 'ignorant' (as perceived by the initiatives) position of the Saxon Government, the national volunteer initiative EXIT, which assists neonazi activists to quit the right-wing groups, closed its Saxon branch in Dresden. The initiatives thus struggle with cut-backs of public spending on social work by mostly all levels of jurisdictions. For the Oberlausitz, this process endangers the achievements of the past years (e.g. decrease of post-reunification street violence, establishment of social education programmes, securing of leisure offers for rural youth). In future, the work of the initiatives might suffer from less financial support by public policies. Social initiatives are important stakeholders in establishing and controlling social cohesion and solidarity in rural areas where public bodies have withdrawn from their direct engagement. These voluntary organizations, which take over tasks in the field of social work from public bodies, could not solely be based on civic engagement. Certain managerial tasks have to be done professionally, and people have to be employed and paid for such work. However, public bodies in the Oberlausitz tend to favour exactly the contrary direction: fewer tasks are supported financially. Public money is supposed to be spend more and more for hard assets such as physical infrastructure as it

produces visible and accountable outputs. Social infrastructure, in terms of paid staff to secure the quality of life in the rural areas, does not fit into that logic of reporting visible returns on investment. The interviewed initiatives therefore worry that social cohesion in rural communities might suffer from the withdrawal of public engagement, and that extremist groups might become more powerful again. The result would be a lower attractiveness of the Oberlausitz.

Secondly, it could be observed that most of the integrative social initiatives identify young people and the regional youth as its main target group. The middle-aged and elder population is only marginally involved into the social work of the studied initiatives. However, in a region which is ageing and in which it is in particular the elderly people who have lived through up to three different government systems, the integration of elderly people into the development of intercultural competencies might be an important issue. This is so far not much pronounced.

Thirdly, next to the focus on democratic values and the counteraction against right-wing extremism, a second further pillar of integrative initiatives in the Oberlausitz is the intercultural and cross-border exchange with the Polish and Czech neighbouring regions. In the border region, initiatives are actively bringing people together. The topic of cross-border relations might be one of the future opportunities for the case study region. The interviewees mention, that cross-border relations have to be intensified and Germans have to be motivated to learn the Czech and Polish language. Also it was mentioned that the Sorbian cultural heritage in the case study region is an influential asset for attracting Eastern Europeans to the region. The Sorbian language and culture is part of the wider Slavic culture, and Polish, Czechs or even Russians might feel it easier to immigrate to this region than other regions in Germany. However, the economic decline of the region outweighs this advantage as attractive jobs are not available.

In the border city of Görlitz-Zgorzelec, recently Polish inhabitants settle within the German part of the city, as real estate is unoccupied and in a better physical condition than in the Polish part. Also from the Czech border region, it was reported that wealthy Czechs appreciate the German gastronomy. It is a fashion to celebrate the own wealth by cruising across the border to go out for dinner in the German border regions. These two examples show that the Polish and Czech neighbours have already developed sensitivity towards the opportunities of living in the border region. However, Germans still lack an appropriate awareness of how they could profit from this cross-border situation. The public interest in the Eastern European neighbours is still very limited (e.g. willingness to learn languages, interest in starting cross-border business activities, interest in changing residence). Also prejudice and negative clichés are wide-spread among the Germans in the case study region.

4. Environmental Capital and Sustainable Development (WP 3)

In the following section of the report, the research results of Work Package 3 (WP3) are presented. Main objective of WP3 is to examine the repositioning of rural environmental resources in global discourses and networks, and the consequences for the exploitation of the 'environmental capital' of rural regions as a dimension of sustainable rural development (DERREG Consortium 2008).

A mix of different methods including quantitative statistical analysis, qualitative analysis of media and planning documents and qualitative interviews with key stakeholders seemed to be suitable to characterise the case study area and to expose its specific problems and matters of concern.

Due to the fact that the Oberlausitz is a traditional mining region, WP3 research focuses on the thematic priority 'energy production'. It examines the incorporation of local and global

environmental concerns in regional development strategies relating to energy production, and in particular, on the implications for the traditional industry of brown coal mining and for new opportunities for renewable projects.

4.1. *Environmental Capital in the Oberlausitz Region between Global Resource Scarcity and the Realignment towards Sustainability*

Mining and power-generation have been central to the economy of eastern Saxony for much of the last century. The Lausitz region, on the border with Poland, was a major source of brown coal – the primary fuel in the German Democratic Republic – which was extracted through strip-mining, causing extensive environmental degradation. At the end of the 1980s, more than 300 tons of brown coal were produced annually from 33 open pits in the GDR, largely for domestic energy producing in highly-polluting power stations, including Boxberg powerplant in the Oberlausitz (Mudroch et al. 2002, p. 4). The heavy concentration of air pollution earned the region the nickname ‘the black triangle’.

Following German re-unification, the brown coal industry in Saxony was largely dismantled for both economic and environmental reasons, the latter following a combination of local, national and international pressures, including obligations and regulations resulting from incorporation into the European Union. The 2002 Regional Plan for Upper Lusatia and Lower Silesia (Regionalplan Oberlausitz-Niederschlesien) was based in part on the assumption that brown coal mining and power generation would be phased out, and that economic development would be needed to replace lost jobs. It included recognition that sustainable development could create jobs, but with limited detail beyond general commitments towards sustainable tourism and renewable energy, notably wind power – with plans to establish a transnational ‘Energy Region Lausitz’ (Regionaler Planungsverband Oberlausitz-Niederschlesien 2002).

However, the coal industry in the Saxon part of the Lausitz has proved to be more resilient than anticipated. The open cast mines still produce 17 million tons of brown coal per year (<http://www.vattenfall.de/de/tagebau-nochten-reichwalde.htm>), and feed Boxberg power station generating ca. 15 000 GWh of electricity per year (<http://kraftwerke.vattenfall.de/powerplant/boxberg>). Both the mines and the power station are operated by the Swedish energy company Vattenfall, which with about 1,200 workers is one of the largest single employer in the Oberlausitz³. Brown coal makes a significant contribution to Vattenfall’s profits, and the company has been accused of hypocrisy in the regional media, given its high profile investments in renewable energy in Scandinavia.

Although Vattenfall undertook a lot of efforts to reduce ecological impacts during the last decade, effects on the regional ecosystem are still enormous. Even today landscape destruction and interventions into water and soil balances cause excessive environmental damages and evoke regional conflicts. Furthermore, settlements are still affected by mining activities, and local inhabitants have to be resettled. Homeowners and municipalities receive compensations from Vattenfall, however, the payments cannot compensate the personal attachments to homes and neighbourhoods. Anyhow, interviews with stakeholders in the Oberlausitz show that the regional resistance against mining activities did not increase noticeably during the last decade. Until now, there is no broad protest movement in the region.

³ By the end of 2009 *Vattenfall Europe Mining & Generation* employed about 7,700 workers and 700 apprentices in the Lausitz lignite fields (Saxony and Brandenburg) (<http://www.vattenfall.de>).

This situation can be explained by different reasons:

- People in the Oberlausitz have grown up with mining activities, and they feel traditionally attached to this industrial sector.
- During the last years Vattenfall developed effective instruments for civic participation (e.g. the establishment of open councils). Affected inhabitants are informed and involved already at an early stage of planning.
- The mining sector is still the most important employer in the northern part of the Oberlausitz. It is assessed as indispensable from the perspective of regional economy.

Thus, coal has support from local stakeholders. Although most of the stakeholders interviewed could envisage a future without coal, they argued for its continued economic importance at present in a region with 12.4% (April, 2011; Agentur für Arbeit Bautzen 2011) unemployment. Planning and regulations were considered able to mitigate local environmental impacts, whilst some stakeholders professed themselves unqualified to assess 'global' impacts. There is evidence of increasing local opposition to mining, especially to plans to re-open one mine (Reichwalde), with some involvement by international campaigners, including Greenpeace activists who occupied part of Boxberg power station to protest against carbon emissions. Yet, these more global concerns are discursively marginalized.

At the same time, the development of wind-power stations was confronted by local opposition, with concerns about noise, landscape despoilment and impacts on bat and bird populations. Accordingly, the first revision of the Regional Plan in 2009 indicated a clear revision of thinking on wind-power, which was now to be constrained to limited development in designated areas. The plan recognized that wind-power was needed to contribute towards prescribed targets for renewable energy in the Saxony Programme for Climate Protection, but noted that "*the existing designated privileged areas for wind energy are sufficient to implement the Programme for Climate Protection of the Free State of Saxony*" (Regionaler Planungsverband Oberlausitz-Niederschlesien 2009, p. 84).

Similarly, other forms of renewable energy are questioned by the local population. Although numerous wind power plants, solar power plants and biogas plants were built in the meantime, the contribution to the regional added value of these power plants is questioned as these plants do not generate new jobs in the region. Some of these plants are large-dimensioned such as a solar park at the former airfield in Rothenburg/O.L.. This solar park was constructed and is operated by the Munich company Gehrlicher Solar AG. Almost all of such large-scale bioenergy projects in the region are initiated and financed by external corporate enterprises. Also the technical equipment is not produced in the region, and maintenance work is done by external service companies. Consequently, gains from the production of renewable energy leave the region without being reinvested and a further stimulation of the regional development is impeded.

A lot of local conflicts regarding the use of renewable energies arose in the last years including environmental as well as social aspects (see fig.3). Areas of conflict between renewable energies and environmental protection concerned mainly the protection of species, the ecological balance of the area, and the conservation of landscapes. Social conflicts were evoked especially by noise pollution (wind turbines and biogas plants), odour nuisance (biomass plants), shadow flicker⁴ (wind turbines), or the disfigurement of sites (wind parks, solar parks, monocultures for the production of biomass). As a consequence nearly all kinds of sustainable energies are affected by decreasing acceptance, and the realization of new

⁴ "Shadow flicker occurs under a special set of conditions when the sun passes behind the hub of a wind turbine and casts a shadow over neighbouring properties" (<http://www.ecotricity.co.uk>).

renewable energy projects is getting more and more complex and time-consuming as more and more concerns have to be considered. As expression of rising resistance, numerous citizens' initiatives were established trying to hinder the construction of renewable energy plants in their neighbourhoods (NIMBY phenomenon – 'not in my backyard'). The following aspects can be seen as reasons for this development:

- Renewable energies are relatively new in the Oberlausitz. They are perceived as threat or danger by the local population.
- At the beginning of the bioenergy boom a lot of planning mistakes were done due to missing planning principles. For example, wind power plants and biogas plants were built nearby villages with negative effects on the quality of living.
- The effects of the bioenergy sector on the regional economy are assessed as being insignificant.

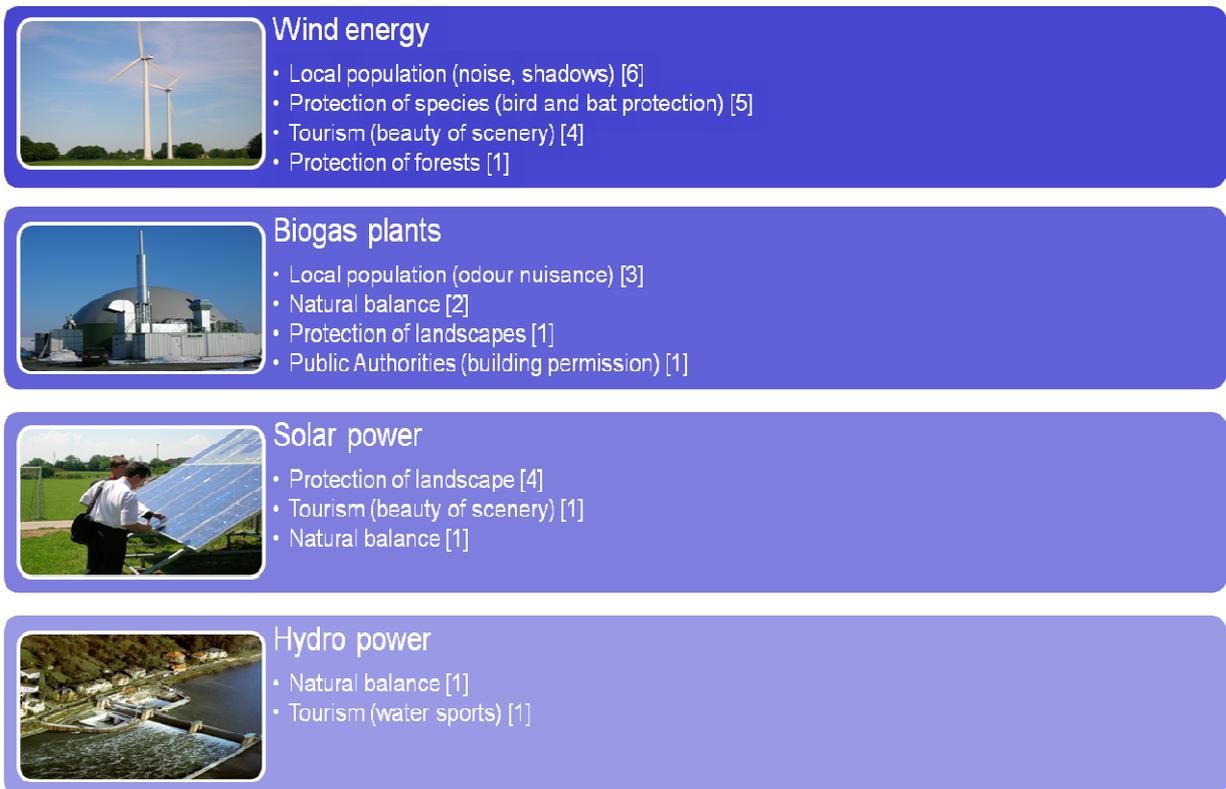


Figure 3: Regional conflicts between renewable energies and public/private interests in the Oberlausitz named by interviewed key actors (in brackets: number of indications; number of interviewees N=17)

Thus, from an environmental imperative that seemingly also offered opportunities for regional economic development, the global discourse of climate change had been renegotiated through the intervention of regional actors into a more marginal position, subordinate to local economic concerns. The requirements of higher regional, national and international plans for climate protection became obligations to be minimally met, rather than a springboard for sustainable development. Instead, 'sustainable development' was reworked to have a stronger economic emphasis, configured around local environmental concerns, and fitted around the continuing prioritization of the traditional but carbon-producing coal industry.

A promising approach to meet superior requirements and, simultaneously, to raise the regional acceptance regarding renewable energies in the long term can be seen in so-called

citizens' power plants and energy cooperatives offering local people the possibility to take actively part in these projects, and to profit from cheaper heat supply or capital gains. Several positive examples are already existing in the Oberlausitz region, such as the *Bürger-Energie Zittau-Görlitz eG* (citizens' cooperative Zittau-Görlitz) operating photovoltaic panels on public and private buildings in the Landkreis (county) Görlitz (<http://www.buerger-energie-zittau-goerlitz.de>).

5. Capacity Building, Governance and Knowledge Systems (WP 4)⁵

In this section of the report, the research results of Work Package 4 (WP4) are presented. The leading research question of WP4 is how public support and facilitation of joint learning and innovation within and between grassroots rural regional development initiatives can be best arranged, i.e. how operating interfaces can be best created between a) public policies, b) grassroots development initiatives and c) learning and innovation facilities. The focus was on mapping and analysing actual arrangements and operational interfaces and an evaluation of support received by the beneficiaries.

Three subsequent research tasks were carried out:

- 1. Mapping and analysing policy strategies to support joint learning and innovation.** Through extensive literature reviews and semi-structured expert interviews with informants, different rural and regional development policies and public funded educational or training programmes that somehow aim to support joint learning and innovation in the case study area were mapped.
- 2. Mapping and analysing regional development initiatives.** 14 grassroots development initiatives receiving some kind of public support for joint learning and innovation and reflecting different kinds of development activities were inventoried with regard to their aim, the initiators, the actors engaged, the type of support received, the supporting arrangements and, in this respect, specifically the constitutive agreements and operational interfaces. This was done using semi-structured interviews.
- 3. Analysis and synthesis of crucial features of well-working arrangements.** A set of apparently promising or well-working arrangements and operational practices were selected for an in-depth analysis of promising or well-working operational features and practices of the respective arrangements.

5.1. Overview of joint learning and innovation support strategies

Generally, there are three major political fields which define opportunities for rural regional learning and innovation: rural and regional development policies, and innovation and learning policies.

Figure 4 shows, the opportunities for developing strategies and implementing policies and political measures are organized in a hierarchical way. The local level is thus strongly dependent on the thematic orientation on the EU Commission. This is due to the fact that large parts of financial subsidies are transfer capital, originating from the major EU funds. Throughout the funding period 2007-2013, the case study area was part of the 'Convergence Regions' of the ERDF. One could thus imagine that this mechanism is somehow restrictive for the design of local innovation and learning strategies, because although the local circumstances vary strongly, all development projects on the local level have to fit standardised EU criteria. The regional level develops concrete measures and distributes the financial resources that are being transferred from higher administrative levels. Finally, the

⁵ This section is based on D 4.4 Summary Report of Work Package 4 'Capacity building, governance and knowledge systems' accessible at <http://www.derreg.eu/content/resource-centre/results-recommendations>.

local level (municipalities, counties, associations, private companies, or individual persons) use the financial resources to implement strategic measures.

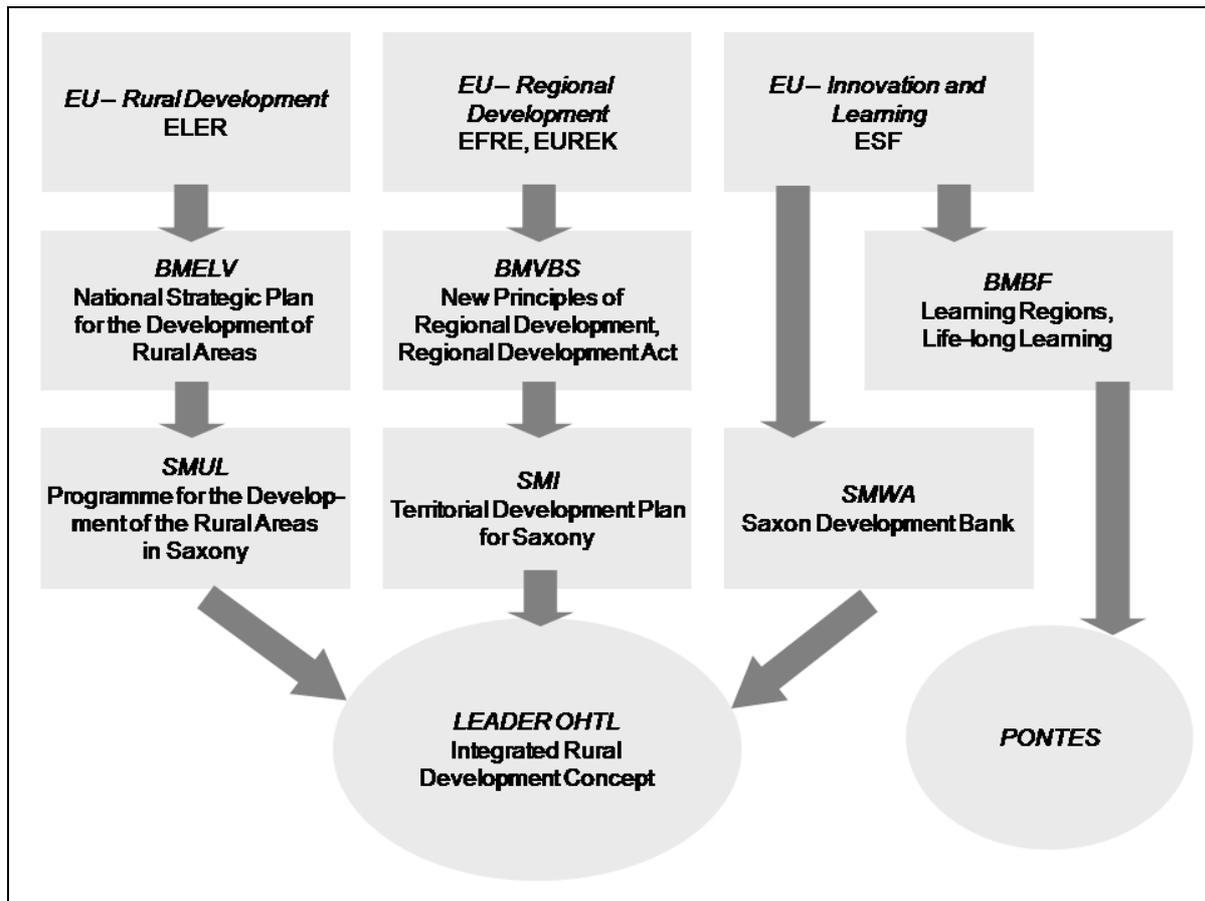


Fig.4: Organisational scheme - Learning and innovation policies and strategies in the Oberlausitz region (Source: own design)

With regard to **rural development policy**, the Federal Ministry of Food, Agriculture and Consumer Protection (BMELV) is an important actor at national level. The Ministry is involved in the organisational management of the National Strategic Plan for the Development of Rural Areas which is the national level interface between the European Agricultural Fund for Rural Development (EAFRD) and the regional level development concepts of the Bundesländer in Germany. Furthermore, the Ministry hosts the action task GAK (Joint Task for the Improvement of Agricultural Structures and Coastal Protection), a conjoint working field between the Federal Government and the regional Bundesländer governments which aims at financing local public or private institutes which are involved in rural development initiatives. Figure 3 further shows that at Bundesland level, the Saxon State Ministry of the Environment and Agriculture (SMUL) develops future rural development strategies for the state of Saxony. On the level of the Bundesland, the main political task is called the *Integrierte Ländliche Entwicklung* (integrated rural development). As tools to follow this objective, the local level administrations (counties, municipalities, etc.) need to develop *Integrierte Ländliche Entwicklungskonzepte* (ILEK: integrated rural development concepts). Given the problematic demographic change in the Oberlausitz region in the last decades, the major aim of the integrated rural development is an 'adapted and flexible development instead of resignation'. Next to this, the LEADER community initiative encourages the implementation of integrated, high-quality and original strategies for sustainable

development with a strong focus on partnership and networks to exchange experiences. There are six ILE-regions and three LEADER-regions in the Oberlausitz.

With regard to **regional development policies**, figure 4 shows that the main reference is provided by the European regional development structural funds (EFRD). On German federal level, the Federal Ministry of Transport, Building and Urban Development (BMVBS) is the responsible authority for developing policies concerning regional development. The BMVBS is involved in the definition of Germany's *Neue Leitbilder der Raumentwicklung* (New principles for regional development). Furthermore, the region is subject to the 'Convergence' policies criteria. It is therefore an expressed aim of the BMVBS to secure equal quality of life in every German region. Especially rural regions with difficult economic and demographic character such as the Oberlausitz might therefore profit. Furthermore, the aim of enhancing urban-rural partnerships represents the implementation of the concept of the *Regionale Verantwortungsgemeinschaft* (mutual regional responsibility between large metropolises and their rural surroundings). Further aims are to cope with the demographic change in Germany and to preserve the natural habitat. These guidelines for the spatial development strongly influence the German *Raumordnungsgesetz* (Regional Development Act - the major legal framework for regional development). In this legal package the guidelines are represented, and it is the legal basis for the *Raumordnungsplan* (Regional Development Plan) for Germany. As indicated in figure 4, the Saxon State Ministry of the Interior (SMI) is responsible for the territorial development strategies of Saxony. The most important political framework is the *Landesentwicklungsplan* (LEP: Territorial Development Plan). The LEP contains the overall regional development strategy for Saxony.

With regard to **joint learning and innovation**, the Free State Saxony will receive 9 per cent of all European Social Funds (ESF) financial aids given to Germany; thus it is the most funded of the Bundesländer. This fund is particularly important for the Oberlausitz. The ESF funds can be given to public administrations, NGOs, socio-cultural associations or private enterprises but also private persons in case of being part of or dealing with a target group (unemployed, elderly, young, women, disabled). Co-financed by the EFS, the Federal Ministry of Education and Research (BMBF) initiated the programme 'Learning Regions – Providing Support for Networks', running from 2000 until 2007. This programme was integrated into the Ministry's broader research action programme of 'Lifelong learning for all'. In an open call, regional partners could suggest their networking projects to learn innovating within their region. In the Oberlausitz region one project was chosen by the 'Learning Regions' programme: the PONTES project in the County of Görlitz. On the regional level, the State Ministry for Economic Affairs, Labour and Transport (SMWA), and the *Sächsische Aufbaubank* (Saxon Development Bank) as executive agent, interpreted the ESF guidelines and identified seven specific tasks. Within these seven tasks, projects will be funded for different durations. Furthermore, the SMWA engages in the fields of promotion of innovation and technological development for the regional enterprises with own funding programmes.

5.2. Support of joint learning and innovation in grassroots development initiatives

The inventoried initiatives mirror a broad range of development characteristics. Some initiatives arose out of economic problems and work, in close relationship with local companies, on regional solutions. Others have their origins in regional cultural settings and pursue socio-cultural concerns. Then, there is a range of initiatives that focus on ecological issues. Also demographic problems are dealt with. Each of the inventoried initiatives deals with the development problems of the Oberlausitz in an integrated way.

Public administration provides the most important support for joint learning and innovation to grassroots development initiatives. As figure 4 shows, the Saxon Development Bank (*Sächsische Aufbaubank*) acts as an interface in the distribution of European Money (e.g.

ESF). Initiatives can use the Saxon Development Bank as a one-stop agency to get consultancy about the best funding source and apply for subsidies. Besides this, the Saxon Ministries also developed own funding programmes (e.g. 'Demography'; 'Cultural Area Act'; 'University and Research') in which own tax revenues as well as federal and European money are distributed. The counties and municipalities only play a minor role as financiers as they have to design their annual households in rather restrictive ways in order to reduce the financial costs of their debts. LEADER and ILE (Integrated Rural Development Programme) have to be mentioned, too. The approach consisted in a competitive model, in which municipalities and regional development initiatives could form consortia which presented rural development concepts to the Saxon Government. The best were picked as LEADER regions which have higher subsidy rates than the ILE regions. However, both LEADER and ILE regions could use money for rural development more or less autonomous within their territory. In LEADER regions, the regional managers / LAGs are very important drivers of development.

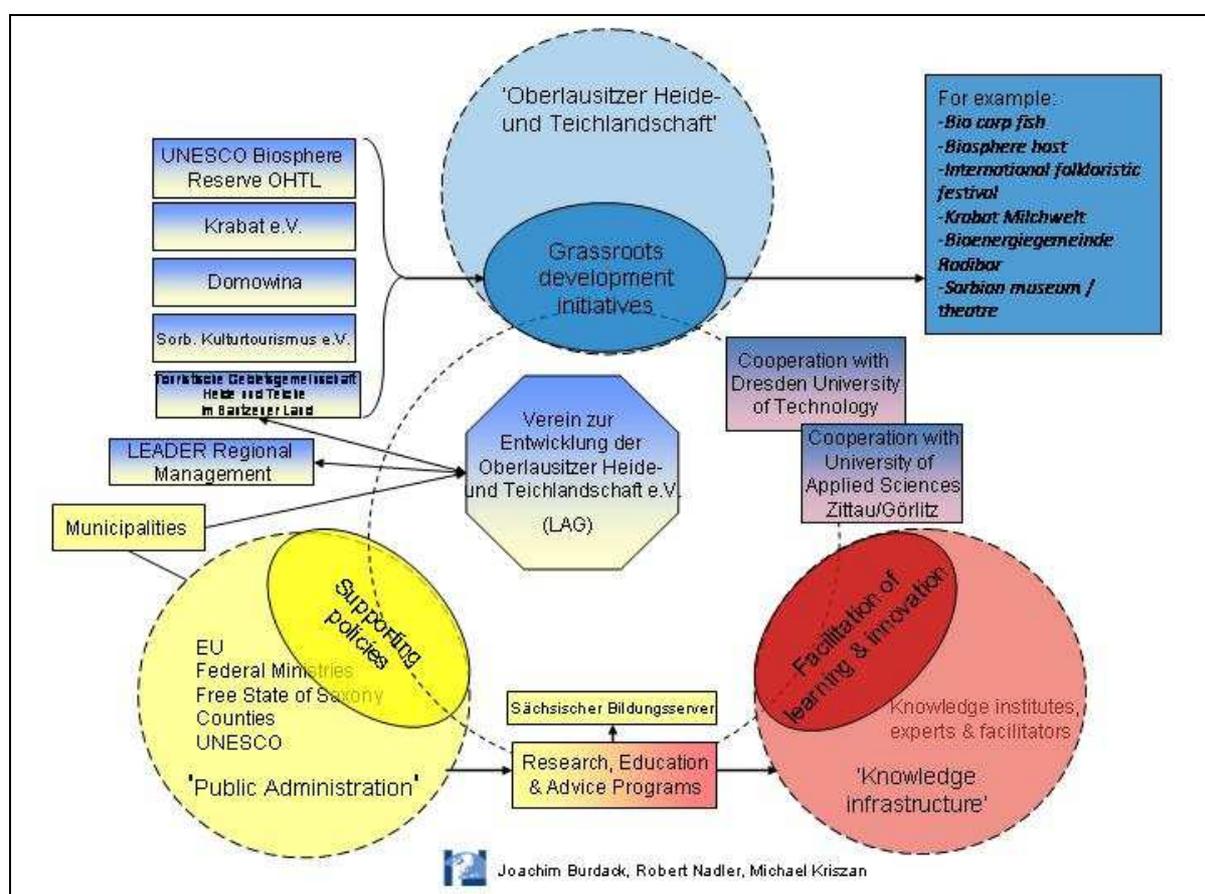


Fig.5: LEADER region Oberlausitzer Heide- und Teichlandschaft three-pillar model of regional learning (Source: own design)

As figure 5 shows, also in the LEADER-OHTL, the regional management office is one key actor channelling information and keeping the individual activities together under the umbrella of the LEADER region's topic. The LAG is formalized as an association called *Verein zur Entwicklung der Oberlausitzer Heide- und Teichlandschaft* (Association for the Development of the Upper Lusatian Land of Heaths and Ponds). In the LAG's member board all municipalities within the LEADER region as well as different private companies, single development initiatives, public companies from the County of Bautzen and private persons are represented. The LAG association instructs the regional management and pays its staff

and infrastructure (e.g. office). The regional management provides feedback about the general development of the OHTL to the LAG, so that the LAG can revise its orders to the regional management. The single member development initiatives try to lobby for their issues within the LAG and at the regional management office in order to be supported by OHTL's LEADER funds. Other relevant operational agencies are EU organizations, the Federal Ministries, the Free State of Saxony (especially in LEADER: definition of Saxon implementation guidelines), surrounding counties (through cooperative projects with County of Bautzen, e.g. joint regional planning). Also the UNESCO plays a role in terms of providing the UNESCO Biosphere status to the OHTL's Biosphere Reserve.

With regard to the knowledge support structure, there is a wide range of educational facilities and publicly funded/privately funded institutes in the Dresden region which offer advanced training for rural actors and support rural development by scientific and applied projects or consulting services. An example of support from public administration to the knowledge support structure to facilitate learning and innovation is the *Sächsischer Bildungsserver*, an online platform developed jointly by the Saxon Ministry for Cultural Affairs and the Dresden TU, which provides information about all educational offers in Saxony. Especially the University of Applied Sciences Zittau-Görlitz, the IHI Zittau and Dresden Technical University are scientific partners for a lot of regional development initiatives or even create own development projects. Arrangements with grassroots development initiatives focus on formal and informal agreements to involve development initiatives into the curriculum of the universities and schools (theme days, workshops in knowledge institutions; student interns, thesis topics in development initiatives). There are two main ways in which the regional *knowledge support structure* supports grassroots developments. The first is to send students to the development initiatives as interns / or when writing degree theses. These students are a well-educated and cheap labour force for the initiatives. In addition, they bring in state-of-the-art scientific knowledge about processes and approaches in relation to the initiatives' issues. The second way of providing support to learning and innovation consists of the provision of latest scientific knowledge. Here, the role of professors/scientists is more important than the role of students. The experts often have positions in the advisory board of initiatives or act as external experts in the organisational structures of the initiatives. Another form of this support is the authoring of scientific expertise by order of an initiative. Knowledge experts or institutes might also be active parts of the initiative, for example as founders or active members of an initiative. They contribute in terms of fulfilling certain tasks or providing conceptual input. A final, but rather subordinated aspect of support might be considered the involvement of development initiatives into scientific or knowledge institutes' debate (academia, scientific networks). This provides the opportunity to gain outreaching publicity in the region, academia and in other regions of the EU.

5.3. Operational quality of arrangements

Public administration provides support and facilitation to grassroots development initiatives in terms of *finances, public policy frameworks, infrastructure and networking opportunities*.

Finances

A large portion of development initiatives in the Oberlausitz heavily rely on public funding. In the OHTL there are no other financial sources (e.g. bank loans, private donations, etc.) available. This means that self-sustaining initiatives are the exception. A great deal of initiative work could only be initiated because of a public funding scheme was available. This also leads to the common pattern that in the Oberlausitz the thematic orientation of development initiatives is focused on the contents and design of public funding programmes. In particular the Saxon Government thus has a very strong influence on what actually will

happen on the regional and local level, as they are the major public financiers in the Oberlausitz. Many development initiatives were initiated because a certain call for proposals was published for public funding. Structures and contents of initiatives are then adapted to the needs of the call. Thus, organically grown, grassroots development initiatives, which practice autonomous agenda setting, are scarce. They mostly act on a smaller geographical scale, e.g. within one rural town or village, but not on the regional level. Since federal programmes and direct funding by EU includes strong competition, and complex bureaucratic procedures are not manageable for the often small grassroots development initiatives, the Saxon state-level is the most important operational interface for grassroots development initiatives in applying and receiving public funding. However, this form of support includes difficult bureaucratic procedures and long application phases for short funding periods. Also the reporting and financial audit is very difficult to handle for the often small initiatives, which do not dispose of own financial control units. Furthermore, the development initiatives report a cognitive distance to the superior levels of public administration. Whereas one could easily maintain personal contact to representatives of the Municipalities and County administration, it is more difficult for initiatives to get contacts to the Saxon and federal Ministries as well as to EU officials. Thus, the distribution of public money from these superior, extra-regional levels is often an incomprehensible and rather abstract process from the perspective of regional initiatives. Also, a simple thing such as arranging appointments with officials from superior public bodies is considered difficult. Initiatives' representatives always have to travel to the capital cities (which produces costs) and once they are received, the discussion time is limited and the officials do not pay enough attention to the initiatives' issues. Another problem arises from the short funding periods that initiatives have to deal with. As public funding is the main financial source for the initiatives they frequently have to re-orientate their own activities according to the revision of topics for funding programmes. Therefore, the content of initiatives' work depends to a large degree on political agenda setting. Development initiatives are not free to define their own topics. On the other hand, the short funding periods are a major problem as funding finishes mostly when project structures are set up and first trust among project partners has been established. The implementation of the projects' actual content then often falls short. In addition, this continuous revision of public policies prevents regional structures between development agents to be stabilized. The organizational setting of regional development initiatives is subject to on-going change induced by political actors. Then, financial subsidies are often only approved for expenditure in Germany. Thus, the important establishment of a tri-national cross-border region PL-CZ-D lacks financial resources. The initiatives would prefer more flexible cross-border arrangements. Also financial resources are cut in the last years. This leads to the problem for regional initiatives to ensure their services. A final problem is the orientation on 'hard investments'. Public programmes are often focussed on subsidies for infrastructure investments, e.g. new road connection, physical appearance of rural villages, buildings for public services. Most regional development initiatives mention that this is rather inefficient, as the long-term operating costs could not be financed by the rural communities as population and tax revenues are shrinking rapidly in the Oberlausitz. Thus, the initiatives would prefer soft investments in social relations and innovative solutions of cost-efficient and sustainable public service provision or social integration. These are the important issues in the Oberlausitz, not the installation of more 'hard' infrastructure. However, for funding public bodies hard infrastructure is a visible and measurable good, which proves the 'good policy' made.

Also the *private sector* supports the regional development initiatives and their learning and innovation by financial means. These financial contributions mainly consist of membership fees in initiatives organized as associations or also of donations to the initiatives. However, the private equity base of regional companies is rather underdeveloped. This is mostly due to

the economic structure of the Oberlausitz, with a lot of SMEs and less large, multinational companies. Furthermore, the companies are often branches of larger industrial groups which have their headquarters elsewhere. Thus, profit from within region often has to be transferred outside the region. The availability of private financial capital, however is very limited for regional development initiatives. However, some initiatives are supported by the private sector in the form of services, products or infrastructures that are provided for free or at reduced prices. Also ideational and conceptual input through being an active member (as opposed to passive membership with financial contributions) in a development initiative is an important form of support. In particular, the expert knowledge of private companies and also individuals is an essential asset for successful implementation of development goals.

Policy framework

Certain revisions of laws defining standards in the provision of public services, for example, could facilitate social and economic revival of the region. Concerning the design of the policy framework, however, the initiatives bemoan that public administration does not understand itself as a facilitator in the sense of providing a service to the tax payers, but it considers itself a mighty controller protecting the citizens from themselves. In particular, the level of Counties and the Saxon government are accused for defective internal communication between the different departments. While there is a major intent to organize policy design more and more in an integrated, comprehensive way, including all special departments, the political practice still looks different. The single departments compete for budgets and communicate with each other only if necessary. Therefore, public financial resources are often spent in a redundant way for the same issue by different departments. For initiatives it would be more efficient to have one agency managing the public funding programmes of all departments in a comprehensive way, with standardized procedures of bureaucracy. A problem is also seen in the periodicity of policy making, which is related to legislators' terms. This leads to the fact that politicians and administrative clerks do not support regional development initiatives' long-term visions and development ideas for their region. Public administration oriented at election periods is short-term (4 to 5 years) and thus could never adapt the long-term strategies that development initiatives elaborate. The risk to lose voters inhibits politicians to take unpopular decisions that might develop positive effects for the region only in the long run. Thus, development initiatives – from their external perspective – could identify errors in the political framework that are often causal to negative regional developments (but they are not supported by regional politicians to improve the political framework, if it might bear the risk of losing the next election.).

Infrastructure

Public administration also supports and facilitates joint learning and innovation through providing rights for initiatives to use its infrastructure. The interviewees state that this is a very helpful form of support. However, it is also a rather short-term orientated model. Contracts or arrangements are often only thought of as being an initial help for a development initiative. From the public decision takers' perspective, initiatives should become self-sustaining in the long-term. However, from the initiatives' point of view, this is often impossible. They cannot abandon these forms of support. A further specific situation – due to high rates of unemployment in the Oberlausitz – is that people have sparse temporal capacities for civic engagement. The development initiatives in the Oberlausitz are thus mostly staffed with professionals who earn their income with engaging in the initiative, often because there were no other jobs available and the engagement in a development initiative provides perspective for a (public sector) job. Hence, in the Oberlausitz support from public administration (in particular the financial subsidies) plays an important role for keeping initiatives active and providing them with motivated labour force

Networking

Most of the larger public funding programmes are framed by a mediated networking process in which the governmental funding offices initiate get-togethers and meeting between funded initiatives during the funding period. This is, for instance, the case for the participants in LEADER/ILE, where Saxon and national networks were established (e.g. *DVS Netzwerk Ländliche Räume*). Also the Saxon governmental directive 'Demography' is accompanied by an internet platform, an electronic newsletter, and an award for the best project. Other forms of support might include the exertion of influence as a shareholder. Also, public authorities might be active members or participants in regional development initiatives. Public networking is a form of support which the development initiatives evaluate as a positive intent of public administrations. However, they do not think that these forms of artificial networks have significant impacts. They often bring together geographically distant actors that do not have contact in the everyday life. These networks are thus interesting spaces for knowledge exchange, but they do not facilitate the everyday work in the region. According to the initiatives, networks only work well if participants join voluntarily, with the individual perspective to have a certain value added through joining this network. Furthermore, network participants have to know each other in order to develop trust and mutual solidarity. This works better on a small geographic scale. Also structures of a network need to be flexible, and the network needs to be managed by a lead participant. This is often not the case for political networks that are part of funding programmes.

With regard to the *knowledge support structure*, knowledge institutes play a rather minor role. Knowledge institutes are often only subordinate or even external partners to development projects. In some cases, they only participate temporarily; in others they are part of the continuous organizational structures but become active only if there is the need for their involvement. Thus, malfunctions in the relationships were not perceived as directly as with the more intensive everyday relations to the public administration sector. Evaluations showed up rather indirectly during the interviews. For example, the education sector in the region is increasingly networked because a shrinking market makes it more necessary to cooperate when it comes to designing educational offers. Education is both an important regional development topic as well as a big economic sector in the region. Therefore, the cooperation between regional development initiatives and knowledge facilities is working well – somehow like an arranged marriage. Indeed, the provision of students is evaluated as positive side-effect. However, the central issue linking the knowledge support sector to the regional development initiatives is the topic 'demographic change' in the Oberlausitz. In particular two fields become more and more important here: first, guaranteeing a high-quality school education in depopulating rural areas; second, the establishment of efficient links between school graduates and private businesses offering vocational trainings in the region. In future, the lack of skilled labour will affect regional economic productivity. Also the rapid ageing of the population makes 'gerontology' an important regional knowledge field. It is thus essential to keep the young people in the region after school graduation. Here, the development initiatives see fields that should be worked at in cooperation with the knowledge sector as well as with private companies. According to the interviewees, both partners, knowledge institutions and private businesses, have already realized this necessity. Yet, so far efficient networks and work structures have not been established and first attempts of collaboration are tested currently. In sum, they also have a low importance in transferring new knowledge to the regional development initiatives. Most initiatives reported not to have specific interests in intensified relations with the knowledge institutes, and they look for new knowledge preferably in peer networks, i.e. exchange with other development initiatives. Nonetheless, students are important actors building bridges between the regional development initiatives and knowledge institutes (interns, theses writing, double affiliation in knowledge institute and

development initiatives). One could thus expect, that in the Oberlausitz the knowledge sector will have a growing role in the near future.

6. Conclusions and Recommendations

6.1. WP 2 Conclusions and Recommendations

Post-socialist transition, globalization and Europeanization so far have led to massive out-migration from the Oberlausitz. The social fabric of the rural communities became disrupted and fragmented. The population is rapidly ageing and unemployment is high. Thus, the Oberlausitz region is rather the opposite of an attractive destination for international migrants. As a consequence, regional shares of foreign population are amongst the lowest in Germany. Yet, specific niches in the rural labour markets as well as family ties make some international migrant workers live in the region. These migrants appreciate the region and the quality of life it offers. They also learnt to get along with a regional population which has few experience with foreigners, after decades being isolated in the GDR.

Currently, the demographic problems in the region, ageing and brain drain, lead to an intensification of the lack of skilled labour. For a prosperous future of the Oberlausitz – as well as for other rural regions in the EU – it might become very relevant how welcoming and integrative the region is for foreign workers.

The social initiatives in the region, which deal with the integration of immigrants, also aim at reducing prejudice among the native population, and at fostering their open-mindedness and tolerance. The post-reunification crisis on the labour market had led to an increase in xenophobia and right-wing extremism, which had been successfully counteracted in the last decade. However, regional cut-backs for public programmes in the field of social work threaten the engagement of such initiatives.

Given the current situation in the Oberlausitz the following recommendations could have been made:

- Public programmes for rural development should put emphasis on the funding of social work instead of infrastructure investment. In the shrinking rural areas of the region, social work which secures social cohesion and the social atmosphere becomes more important for quality of life than the condition of roads and buildings. But social work cannot rely solely on civic engagement and voluntary work. It has to be done in a professional way, thus it has to be paid for. Finally the funding programmes must become more manageable for small initiatives (less bureaucracy, less public control & reporting effort, more spending flexibility).
- Local and regional public administration, as well as private companies, in the region should be trained for developing a 'welcoming culture'. Therefore, intercultural competencies as well as language skills (at least profound knowledge of English language) are very important assets in order to attract new inhabitants to the shrinking villages and new labour force to regional companies.
- The exchange with the Czech and Polish neighbours should be fostered. In Germany, the Oberlausitz is situated in a peripheral location. It could develop, however, a more central position from a European perspective, if regional population would be interested in cross-border exchange. It is still unclear to what extent the economically weak Oberlausitz could profit from exchange and if it would lead to profits for the Czech and Polish neighbouring regions. Nonetheless, the interest of Germans in the cross-border exchange in the Euroregion Neisse-Nisa-Nysa should be supported (e.g. language training, cultural competencies and cross-border businesses).

- Bureaucracy should be lessened. For immigrants administrative processes are rather difficult. On the one hand, paper work is often only processable in German language. On the other hand, the involved staff is reported as less service oriented. It could be suggested that the philosophy of involved public authorities should be redefined from being a prohibitive agent of public order into being an enabling welcome agency. Therefore, the staff as well as the paper work should be bi-lingual (English/German) at least. Also several bureaucratic steps should be manageable in one office, instead of being spread across different departments. Finally, also the acknowledgement of foreign educational degrees should be facilitated.

6.2. WP 3 Conclusions and Recommendations

The Oberlausitz region is characterized by different forms of landscapes including the ecologically and scenically important area of the UNESCO Biosphere Reserve 'Upper Lausitz Heath and Pond Landscape'. This valuable space is in close vicinity to areas that have been scarred or contaminated by mining and industry.

Brown coal mining and power-generation have been central to the regional economy for much of the last century. After years of state-driven destruction of the environmental capital through mining, the subsequent break-down of the socialist exploitation and a process of restructuring and privatization, an internationally operating energy company entered the Oberlausitz to continue exploitation.

Even today there are large deposits of brown coal in the region securing the electricity generation in the next decades. For that reason brown coal deposits in the Oberlausitz are of great importance to ensure the regional and especially the national energy supply. Simultaneously, new forms of land use can be observed: post-mining landscapes are being reclaimed for recreation and nature conservation as well as the growing renewable energy sector. These ways of using the regional environmental capital offer new development potential but also cause new conflicts.

The main question for the future development of the regional energy sector in the Oberlausitz is: What means will help to raise the regional acceptance of renewable energies in order to develop the Oberlausitz towards a sustainable energy region? Especially the initiation and realization of so-called citizen's power plants and energy cooperatives can help raising the regional acceptance of bioenergy projects. Citizens get the possibility to take actively part in these projects, and they profit from cheap heat supply or capital gains.

Recommendations deduced from WP3 results from the Oberlausitz region:

- The elaboration and implementation of comprehensive regional energy concepts is crucial. These concepts should be detailed with regard to specific objectives (energy saving, development of RES and climate protection). Furthermore, they should imply information about the regional consumption of energy, saving potential and possibilities for the implementation of RES-projects. In this context it is important to consider also aspects of rural mobility.
- Energy supply in rural areas should be organized in a decentralized way. This opens possibilities for regional and local suppliers (e.g. public utilities) to enhance their engagement in the production of heat and electricity based on the utilization of renewable sources of energy. This approach can enhance the regional value added and contribute to the economic development of the region.
- Supply with heat and electricity should be organized „close-to-the citizen“. The local population should be given the opportunity to participate directly in RES-projects and to profit from financial gains. This approach increases the acceptance of renewable energies and results in a better identification of the citizens with RES-projects.

- In general it appears to be crucial that RES-facilities are adjusted to the regional potential (especially with regard to biomass-based projects) and also to the landscape (especially regarding wind farms and solar parks). Large-scale facilities are linked to cost efficiency, however, they mostly have negative effects on the natural balance and thus contribute to a negative perception of renewable energies among the population.

6.3. WP4 Conclusions and Recommendations

The Oberlausitz region is characterised by a shrinking and ageing population as well as a brain-drain of the young, well-educated and high unemployment. It is not supported by a strong dynamic of the private sector and strongly dependent on shrinking public subsidies. Even if today efficient networks and links between the three pillars of the DERREG learning region exist, they would be endangered by a social perforation, as more and more potential stakeholders leave the region. This limited pool of social activists has positive and negative effects. On the one hand, work relations between certain actors are based on mutual trust and informal work routines. However, these positive effects only provide advantages for the ones involved. Interviewed local actors mention that there are always the same people being involved as no others are present in the region or do not immigrate as new actors. Nonetheless, the region is too large for individual actors to know all other potential partners for development issues. The activity range of individual development initiatives is still smaller than the Oberlausitz in total. Thus, there is still potential for new links and new development partnerships. Yet, building new partnerships is impeded by the fact that the regional development initiatives compete for the limited public funding. Thus, own development projects and ideas are kept secret within the already established partnerships. There is a latent fear that actors outside the own established networks might copy their own idea and receive public funding for it.

Another problem related to the size of the Oberlausitz is the lack of a common regional identity. Identification works on a level below the area of the two counties of Bautzen and Görlitz. Even in the County of Görlitz the people in the largely flat and sandy areas in North, characterized by brown coal mining, have a different understanding of what the Oberlausitz is than the people in the County's South, which is characterized by hilly forests and tourism industry. Equivalently there is no common regional development agenda or strategy which would unify the single initiatives from the different parts of the Oberlausitz. Furthermore, there is no mutual solidarity between the various networks in the different parts of the Oberlausitz. This might also be related to the fact that the Oberlausitz is divided in two counties which have strong influence on regional development funding within their different territories.

Nonetheless, from an external perspective the Oberlausitz could be a single region. In the perception of Saxons and Germans from outside the Oberlausitz, this region is referred to as the rural parts East of Dresden and reaching to the Polish and Czech border. Thus, the internal conflicts of development initiatives (competition for public resources, missing cooperation across county borders) might have hindering impact for the future development of the Oberlausitz. It is very important to create an internally shared identity and development strategy for this area situated in the German periphery but in the middle of Central Europe. Only bringing all actors and initiatives together and working cooperatively in an agreed direction, the Oberlausitz might become a learning region. First attempts might be seen in the joint regional planning by the two County administrations, or the shared cultural area according to the Saxon Cultural Area Act.

7. Globalization and Development in the Oberlausitz Region

During the last two decades the Oberlausitz region has been affected by three overlapping processes – globalization, Europeanization and post-socialist transition. All of them implied opportunities as well as challenges for the development of the region. In general it is difficult to separate the impacts of these overlapping processes which have significantly affected demographic and community development, the regional economy and the natural environment. Especially the massive out-migration of workforce which started shortly after the German re-unification as well as the increasing in-migration of international migrants in the last years can be seen as effects of these three processes. As a consequence of out-migration the regional economy has to struggle with an increasing lack of educated and skilled workforce. In order to maintain their competitiveness, local enterprises seek to profit from the newly available international workforce from neighbouring countries as well as distant places. The local population, however, is still used to live according to patterns which reflect the situation in the 1990s with a homogeneous ethnic community and high unemployment. For that reason they remain reluctant towards in-migration of foreigners and emerging social diversity. Nevertheless, there are several endogenous initiatives as well as regional strategies and policies aiming at securing the regional workforce on the one hand, and improving the intercultural competencies of the local population on the other.

Also in the Oberlausitz global environmental issues are becoming more and more important with regard to regional development. They are offering new opportunities, but also presenting challenges especially for a region with a traditional economic base in mining activities. After the modernization and privatization of the mining sector in the Oberlausitz, the exploitation of lignite has been continued due to its importance for the national energy supply in times of growing resource scarcity. However, the Oberlausitz has to develop a strategy for a post-lignite era. The establishment of a rural eco-economy can be an innovative way to sustain the regional environmental capital on the one hand, and to create a new economic base on the other. The regional tourism sector as well as renewable energy production organized in a decentralized way can become main components of a future eco-economy.

Concluding, it can be observed that the Oberlausitz has been affected by several contemporaneous processes which overlap in complex ways. The region tries to tackle the resulting challenges in a pro-active way. Currently, the Oberlausitz is re-inventing itself and tries to find anchor points for a successful future development. In this context it is very important to create a regional identity and to elaborate a development strategy for the Oberlausitz region as a whole. Only bringing all actors and initiatives together and working cooperatively, will initiate processes of regional learning and develop the Oberlausitz towards a sustainable region.

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