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# Social cohesion, changes in rural society and the stability of the agricultural sector in the Czech Republic

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# Rural areas in the Czech Republic

- Definition of rural areas:
  - LAU 2 according to OECD – 5.362 municipalities – 30% of population in CR
  - Czech Statistical Office – up to 2,000 inhabitants – 5.566 municipalities – 27% of population in CR
  - NUTS3 according to OECD – 1x Predominantly Rural, 1x Predominantly Urban, 12x Intermediate
  - NUTS3 according to Eurostat – 7x Predominantly Rural, 2x Predominantly Urban, 5x Intermediate
- Employment in agriculture:
  - Predominantly Rural (4.3%); Intermediate (2.4%); Predominantly Urban (1.4%)
- Rural areas
  - Land sources 54.3% of CR area
  - Environmentally protected area of CR – 21.4% (Natura 2000 – 14% of CR)
- Rural households
  - 2.46 members (rural) x 2.23 (urban)

## Features of rural population in CR

- Depopulation of rural areas is concerned to some size groups of municipalities and it doesn't mean reduction in absolutely way;
- In 90's continues decline of migration mobility and there was finished process of concentration of inhabitants;
- Traditional relationship of migration between urban and rural areas is reversed – migration is not based on looking for work but on looking for housing;
- Housing in countryside is connected to family reasons.

## Population in rural areas 2015

Size of MU	2001		2008		2014		2015	
	MU*	CI**	MU	CI	MU	CI	MU	CI
do 99	548	38 881	518	36 512	458	32 649	453	32 259
100-199	1 113	166 214	1 048	155 578	997	148 036	995	147 834
200-499	2 041	663 416	2 024	660 126	2 001	651 677	2 006	654 936
500-999	1 280	893 592	1 312	922 543	1 369	962 432	1 365	962 262
1 000-1 999	652	903 757	692	962 615	745	1 038 124	747	1 041 459
<b>Total rural</b>	<b>5 634</b>	<b>2 665 860</b>	<b>5 594</b>	<b>2 737 374</b>	<b>5 570</b>	<b>2 832 918</b>	<b>5 566</b>	<b>2 838 750</b>
<b>Total CR</b>	<b>6 258</b>	<b>10 230 060</b>	<b>6 249</b>	<b>10 381 130</b>	<b>6 253</b>	<b>10 512 419</b>	<b>6 253</b>	<b>10 538 275</b>
<b>Share rural/CR (%)</b>	<b>90</b>	<b>26,1</b>	<b>89,5</b>	<b>26,4</b>	<b>89,1</b>	<b>26,9</b>	<b>89</b>	<b>26,9</b>

\* Municipalities

\*\* Citizens

## Economic activity in rural areas (2015)

- Economic actively population
  - Rural areas 47.9% (municipalities up to 200 citizens only 46.9%) x urban areas 49%
- Unemployment
  - CR 6.1%; Urban areas 6.2%; Rural areas 5.2%
  - 96,500 available workplaces in CR – about 20% only in rural areas; 6.3 applicants/1 workplace in rural areas x 3.8 applicants/1 workplace in urban areas
- Incomes
  - Wages increased by 5.4% x by 3.2% in CR (share on all incomes in rural areas – 55%); incomes from entrepreneurship increased by 5.2% (share on all incomes in rural areas – 8%); social incomes increased by 3.6% x by 2.1 in CR (share on all incomes in rural areas 30%)

## Entrepreneurial milieu in rural areas

- Agrarian sector was influenced by:
  - Negatively - Russian embargo; increase of prices of chemical fertilizers; impacts of dryness were not included within insurance
  - Positively - decline of interests for agrarian credits; purchase and sale of farm land are improving situation of ownership (now is over 70 % rented)
- Structure of firms:
  - Predominantly Rural and Intermediate regions – 90% without employees; 8% micro-firms x 80% firms with over 250 employees; share of agrarian firms – 6.5%
  - Predominantly Urban – 88.3% without employees; 9.6% micro-firms x 20 % firms with over 250 employees; share of agrarian firms – 2.7%

## Agriculture in the Czech Republic 2015

- Prices of agriculture products declined (- 6.0 %)
- Prices of inputs into agriculture declined (- 7,1%)
- Share of agrarian production on GDP declined from 0.97 % in 2014 to 0.83 % in 2015
- Share of agrarian export on total export of CR increased from 4.97% in 2014 to 5.2% in 2015
- Share of agrarian import on total import of CR increased from 6.25% in 2014 to 6.41% in 2015
- Share of expenditures on consumption of foods of households declined to 20.0%
- Wages in agriculture represents 79.6% of average in CR.

## Social situation of rural areas

- There is no homogenous countryside in the Czech rural areas;
- The different types of development were created by the historical, economic, social and cultural factors;
- All these types have the different potentials for future progress.



## Key factors of rural localities differentiation

- Size of village
- Geographical position
- Determinant of growth
- Structure of population

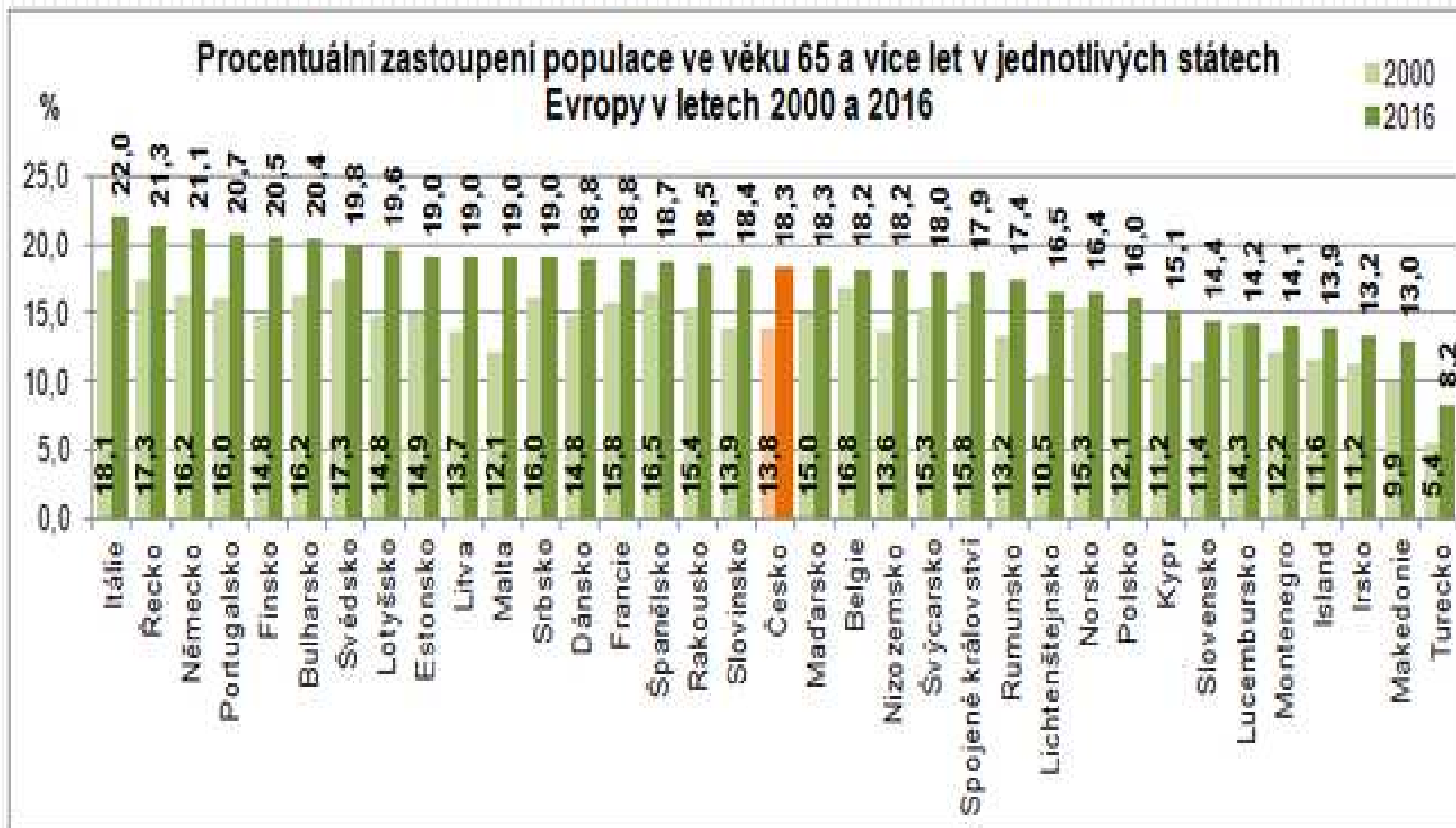
### Determination of social stability:

- Human capital
- Social capital
- Social networks

## Dissimilarities

- Czech and Moravian countryside differs from the size of population;
- Suburban zones of countryside are the quickest growing areas of all types in rural areas;
- Recreative countryside and socially stabilized non-developing countryside differs from the age and education structure.

## Comparison with the demographical development in Europe



# Ageing of population

## Consequences:

- Growing demands on the system of social security;
- Involvement of seniors in the economic sphere;
- At present seniors are the important part of the Czech economy (average 5% of all workers);
- In some branches they are the substantial part of working resources;
- Working activity is influent by the education;
- Share of graduated seniors is growing (at present it is about 19 %).

## Employment of seniors

- More than 42 % work in the highly qualified professions (scientific workers, technicians, doctors and medical specialists, pedagogues).
- More than 14 % of seniors work as a auxiliary and non-qualified workers.
- Seniors assert themselves in the services and own entrepreneurship.
- Rural areas offer the working occasions for less educated population.
- Some job is possible to practice in the older age, the other (physically intensive) are not suitable for seniors.

## Public transportation in the countryside

- „A vicious circle of public transportation in the countryside“  
Small population size → low profitability and efficiency links → grants from public funds → effort to increase profitability, therefore to reduce the links → reducing supply and quality, so the use of other transport (passenger car) → reducing the number of users and reduction the profitability of links.
- Public transportation is „social service“, that currently provides only a catch-up service for commuting.
- The risk of transportation exclusion concerns people without a driving license, people with low incomes, students, seniors, single mothers.

## Seniors and their position in the countryside

- We have three groups of seniors young seniors (65-75 years), old seniors (75-84 years) and very old seniors (more than 85 years). Each group of seniors deals with different issues.
- Three levels of care for senior in Czech Republic:
  - Elementary care
    - Senior care is provided by the family.
    - If the model is ideal, it is the most efficient level.
  - Out-patient care
    - Senior stays in his/her natural environment while receiving health care.
    - The most commonly used are Personal assistance, Domestic care and Relief services.
  - Institutional care and semi-institutional care
    - Day-care centers, Retirement homes and Health facilities.

## Conclusion

- Ageing of rural population negatively influences rural development and agrarian sector;
- The stability of agrarian sector depends on international situation, financial markets as well as population changes in rural areas;
- Rural areas are getting more attractive for urban population but they must commute because of lack of work places there – agrarian sector is not possible to generate sufficient number of qualified work places;
- Small villages are threatened by transport exclusion;
- Key factor in development of rural villages plays enough possibility of housing for potential new residents.



**Thank you for your attention**

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