## Rural areas towards a challenge to territorial governance: the case of the Portuguese municipality of Almeida

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Abstract: Rural development is a multidimensional process. To be successful, the development strategies in rural areas should be supported in appropriate governance patterns in order to stimulate the dialog and the cooperation between public and private entities. In fact, local governance is often a key factor of rural development, allowing the integration of objectives and policies, establishing relations of power distribution, and defining resources, accountability, priorities and choices. Thus, territorial governance reflects the local capacity of involvement and cooperation in the development process, the degree of organisational innovation to surpass internal debilities and the external concurrence. Consequently, territorial governance configures a sustainable perspective of development and takes important territorial core values such as coherence and diversity in areas under pressure, such as the peripheral rural areas. This paper aims at analysing a particular and paradigmatic Portuguese rural and peripheral territory, the municipality of Almeida that is living a trend of socio-economic decline. Anchored on a research developed in this territory, the paper attempts to examine the characteristics and reasons of the present governance structure, its reflexes in the local (sub)development, and the opinion and position of some influent entities in a context of a new governance. Furthermore, the paper explores and highlights the benefits and constraints that emerge when governance is contextualised in rural territories, once it poses several questions and challenges to the local capacity of institutional articulation. Due to the same nature of the problems involved, the main conclusions obtained could be extrapolated to much more rural and peripheral territories.

Keywords: Rural development, Sustainable development; Territorial governance, Almeida.

#### 1 Introduction

This paper reports on some of the results from a study made in Almeida, a rural and peripheral Portuguese territory, which is living a cycle of demographic and economic decadency, such as other territories located in Portuguese peripheral regions. The study aimed at developing a strategic marketing process to promote local resources and to mitigate local debilities. The goals of the planning process are sustained in the guidelines defended by local and regional entities interviewed at the prospective analysis stage of the study. A higher cooperation between public and private entities in the local development process is defended and identified as the key objective to reverse the actual critical context and to promote a sustainable development. Some new forms of local participation and mobilisation have also been proposed. However, the prospective analysis shows several constraints that restrict the adoption of a sustainable governance pattern as a support for the implementation of new actions with potential to reverse local development dynamics. The study identifies a significant distance between the theoretical conceptions and the ambitions and practises of the local (public and private) entities.

The paper will first address to the fundamental concepts linked to the recent perspectives of development defended to the rural areas, underlining and contextualising the role of governance in those The literature related to territorial governance is concisely described. Then, the case study is presented, starting with the exploration of the methodological structure undertaken in the research and the guidelines that result from the territorial diagnosis under a matrix SWOT analysis. From there, an approach to assessing local governance will be analysed, drawing upon ideas and strategies from the foresight analysis, based on the interviews directed to the most representative local and regional entities. A number of conclusions will be set out. The paper emphasises the debilities associated to the actual governance pattern, the expectations and the changes related to the new pattern and, finally, it will identify the entities and their role in the hypothetical scenario of a new local governance assumption.

#### 2 Rural territories and new challenges

In the last years more and more interest has been given to rural sustainability, mainly in the peripheral regions, where the traditional economical activities are losing competitiveness. The introduction of new factors of production in agriculture based on market principles and the incentive to production given by some policies, such as the European Union Common Agriculture Policy, explain the declination of the less attractive rural areas [20]. These transformations bring deep changes to rural territories, as a result of the reduction of prices, a consequence of massive production. Hervieu shows in his study [13]that the rural territories located in peripheral or in poor regions are the most harmed, because in these areas natural and human features are particularly repulsive. In the last years this phenomenon has worsened due to the internationalisation of economic markets and the globalisation which turned the competitive position of those territories more vulnerable. This means that some rural areas are in a vicious circle, where the lack of opportunities and the repulsive character stimulate the migration process and the consequent decline and aging of population. Without human resources, the essential strength of a territory, these regions become poorer and poorer, not only in a social perspective, but also in a cultural and even natural level, with important impacts and losses in heritage, landscape and in the maintenance of some habitats. In the same way, these agonizing territories need a higher contribution of public investments in social care to preserve some quality of life to their

To reverse or at least mitigate these tendencies aren't easy tasks. The communitarian programmes Leader or the Portuguese programmes Ruris or Agris are good examples of public policies guided to rural territories, in order to stimulate the territorial innovation and the economic diversification, to support traditional activities, to ameliorate living conditions and to reduce regional asymmetries.

Actually, the preceding policies are based in two crucial vectors: the economic diversification and the multifunctionality role of these territories [1, 6]. The economic diversification aims at the revalorization of complementary activities to strengthen the economic sources, by improving some local sectors, such as tourism, emerging products, renewable energies, among others. So, the rural development process is inseparable from differentiated strategies, where some major conditions of success are emphasised by Brunori & Rossi [2]: the achievement of a sufficient degree of consensus among local social groups; the capacity of local communities to turn this consensus in specific informal and formal institutions; and the

capacity of local actors to construct an adequate system of governance, able to coordinate the relations between public and private entities.

On the other hand, the economy of these rural territories should be more multifunctional and other important functions perform the environmental and cultural domains, as well as tourist or leisure destinations, because they are becoming less important as "food producers" (from agriculture activities). In this way, Loures & Panagopoulos [17] argue that a good design and a strategy focused on preservation and conservation should be encouraged everywhere in order to promote sustainable development, to improve the quality of the existing environment and resources, to attract business and investment and to reinforce civic pride and a sense of

In spite of the identical nature of the problems detected and the general focus of the perspectives, the current policies sustain the individuality of each rural territory. So, in opposition to the top-down sense of the homogeneous public policies and incentives, local entities have a nuclear role in order to operate and found the best ways to improve their benefits and to promote local attractions. According to Cardoso [3] or some public policies [19], this process requires an effective involvement and mobilisation of local entities, national authorities and private agents, in the development process through new forms of sustainable governance. Nowadays, local entities aren't only passive elements and must play an important action concerning the territorial development. Their contribution could be important in different moments such as to identify the goals of the strategic proposals, in the configuration of respective main objectives and (more important) to ensure the future implementation of actions. So, the new challenges of this governance are sustained in a bottom-up strategy and in the engagement of all the local agents that may intervene. Thus, the adoption of new territorial governance forms breaks the traditional way of management in those territories and could be decisive to achieve a sustainable process of development to their future. According to Douglas [7], the adoption of a local government system, although rudimentary, would be generally regarded as a sine qua non condition of rural development. For this author, interventions to reconfigure local government are therefore quintessentially rural development initiatives. As Brunori & Rossi underline [2], these changes mean looking at how individuals and groups mobilise their resources and alliances to impose representations of rurality or to change the existing ones.

Traditionally, governance is defined as a process of power distribution and the amount of influence exerted by each entity in the course of the decision making activities, i.e. the participation of residents in decision-making in local partnerships [4, 23]. It requires partnerships between local governmental institutions, civil society, and private entities to induce a participatory, equitable and more sustainable development process. For Douglas [7], local governance comprises a set of institutions, mechanisms and processes through which local entities and their representatives can articulate their interests and needs, exercising their rights and obligations at the local level. Therefore, governance means the perspective of the collective entity and represents the capacity of local involvement in accordance with a common and prospective vision to the territory, in building an organisational consensus between local entities, in sharing objectives and tasks and in agreeing the role of each entity in order to achieve the objectives settled. Consequently, the outsiders decision-making process involves (boardroom) and insiders, local agents of change that understand the local environment. As Orbaşli showed [21], the critical point of this relation is the delicate balance that should be established between insider and outsider to promote effective management and to maximise the benefit of development.

On the other hand, territorial governance is also inserted in a global trend which reclaims a bigger legitimacy of the actions taken, a greater transparency of the local government decisions and the need of a more efficient and democratic resolution of problems, due to the uncertainty and complexity of the new economic and social orders (and to the incapacity of the central administration to solve these problems). This attribute is highlighted by Zekovic & Vujosevic [26], because many social and spatial/urban groups, mostly those deprivileged, are not adequately represented in the current development planning policy systems and practises. At the same time, the implementation of a new governance structure is concerned with strengthening a grassroots democracy and empowering citizens, communities and their organisations [7]. In point of fact, governance is currently cited as that level of government that is closer to our daily lives.

The adoption of new forms of territorial governance involves institutional changes to create structures which work as platforms of participation and negotiation in non-hierarchic systems. Adopting a sustainable process of territorial governance means a high rupture with the past and the traditional ways of relation between public and private entities, replacing the role and the influence of public entities

and implying a clear perception of each entity in all the process as a component of a puzzle. This way, territorial planning and the development process should serve democratic pluralism and participative democracy and should be modernising and emancipator, recovering the supportive actions of those actors who attempt changes, as well as the relations [26]. established power implementation of these requirements is not easy in any territory, the level of difficulty remarkably rises in rural areas due to the nature and the depth of problems involved [1, 18], which can hinder all the process, as we are going to present in the following sections with the case study analysed.

### 3 Almeida, a paradigmatic Portuguese rural area in decadency

Almeida is a municipality located in the peripheral Portuguese region of Beira Interior Norte (Figure 1). This territory reflects the problems and debilities of the peripheral Portuguese rural areas, characterised by an intense regression in demographic aspect and a strong elderly process, by the abandonment of traditional activities and by a general process of economic decadency. According to the 2001 census [15], this territory exhibited a very low value of population density (16.7 inhab/km<sup>2</sup>); the number of inhabitants was 8423, this figure decreased 12% between 1991 and 2001 (in the last 40 years, Almeida lost half of its inhabitants). In 2001, old people (29.8%) represented almost the triple of the youth (11.0%). According to the Organisation for Economic Cooperation and Development criteria, Almeida is a rural area because more than 50% of the local population lives in areas where the relative population is less than 150 inhab/km<sup>2</sup>. So, Almeida is simultaneously a peripheral territory for its geographical position and also because it integrates a poor region [19].

The economic structure analysis also reveals much imbalance. In 2001, the activity rate presented a low value, the total population dependency rate (69%) revealed that the active population was inferior to the inactive one. With 63% of the population employed in activities belonging to the tertiary sector, the municipal economy proved the importance of the services and the existing commercial activities in the most important urban areas, Almeida and Vilar Formoso. In fact, they grouped 47.2% of the entire Municipality population, evidently showing the territory functional bipolarisation. The changing sector was very incipient and the average of the existing industries was one of the lowest in the entire region. The primary sector activities had a

considerable strength with 15% of the active population (more 10% of the Portuguese average, according to 2001 Portuguese census), which confirms the rural character of the Municipality. However, even the agricultural activity seems to be affected by the depopulation and demographic aging. That is why we can only understand that, according to Portuguese Statistics Bureau, the percentage of agricultural coverage and the total number of agricultural business diminished (respectively 30% and 9%) between 1989 and 1999 [14]. The loss of the local agriculture competitive capacity was confirmed by the fact that in 70% of the agricultural business, the greatest part of the economic incomes had an external origin to the activity.

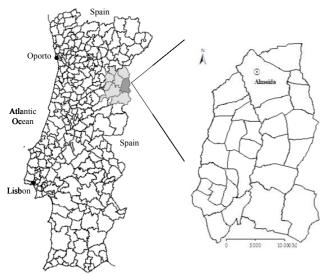


Figure 1 - Geographic location of Beira Interior Norte and Almeida's municipality in Portugal

Reversing these regressive paths strongly settled in this rural area is a daring challenge that requires an integrated intervention and an efforts' mobilisation to increase the profit of its potentialities and to overcome its debilities. A developing strategy implies a bigger rentabilization of the endogenous resources and a greater participation and involvement from the local entities' side in this process, also promoting a greater volunteerism in acting and exteriorising the resources, so that the territory will become more attractive and therefore will strengthen its position towards the competitive markets and threats/opportunities resulting from the globalisation. In fact, a new local governance pattern is reclaimed by the stakeholders interviewed to reverse the current led by the municipal government and characterised by a strong lack of cooperation, mainly in several domains related to the tourist activity.

However, Almeida's municipality has a very valuable heritage, mainly in the cultural domain, with

many classified monuments. Almeida's fortress is undoubtedly the most important heritage element, for it is a well preserved example of the military architecture of the 17<sup>th</sup> century. In this way, heritage tourism has some potential to induce Almeida's development, in logic of economic diversification and in the local consolidation of new functions. Nevertheless, and despite the increase of tourists and visitors in the last years, the impact of tourism in Almeida's development is not clear and has been insufficient to reverse the regressive tendencies described, due to a lot of internal constraints, such as the actual governance pattern.

The principal goal of the study realised by the authors was to detect the potential of Almeida's development following in the wake of a territorial strategic marketing process. As we will describe in the next section, a prospective analysis based on a stakeholder interviews was developed [9]. The objective is to identify the strategic vision of the stakeholders for a long and medium term, shared by almost entities interviewed, which allows the definition of a sustainable territorial process.

#### 4 Methodology

The methodology approach taken in this study followed the strategic marketing purposes. The realisation of a territorial pre-diagnosis was the first step of the work, focused in Almeida's potentialities and debilities and in their comparison to the respective region (including the neighbour Spanish region). The pre-diagnosis was based in quantitative and qualitative information proceeding from several sources, such as local studies and statistics and in the analysis of the development strategies contained in local regulation plans. The treatment of this previous information gives account to Almeida's thread, clarifying its strengths and weaknesses in the regional context and informed the interviews structure. The interviews were directed to the most influent local and regional actors in local development with a double objective. First, to satisfy one of the basic requirements of territorial strategic processes - the public participation and mobilisation, the interviews allowed the valorisation of the final diagnosis with the stakeholders' contribution and deep knowledge of Almeida's reality. Second, the interviews allowed the identification of the type of relationship that exists between entities, the detection of conflicts and agreements, the deep cooperation between public and private entities, the role of each actor in the development process, the convergence related to the strategic objectives and their availability concerning the strategies implementation. The actors selection was based on their contribution

in the socioeconomic development, task aided because of the reduced number of local entities. Some regional entities were included as targets due to their importance in the prosecution of local projects in the past. The interviews were previously structured, with closed questions, and were made in the presence of the entities chosen. Thirteen local and regional entities were selected and interviewed. Politicians, technicians, directors of socioeconomic and cultural associations and local businessmen were the stakeholders interviewed in this study; to detailed information see Reference [9].

The analysis of the interviews follows the orientations of Michel Godet reported by Guerra [12] with the intent to understand conflicts and agreements between entities, the social dynamics and the ways to improve the local participation and cooperation through a new governance structure. On the other hand, the interviews were important to consolidate the final diagnosis with the stakeholders' view of local potentialities and debilities.

Supported in the strategic diagnosis, a matrix aligned SWOT analysis was made to clarify Almeida's strongest and weakest points. Contrarily to the "traditional" SWOT analysis, the aligned matrix reports the external threats and opportunities with the internal weaknesses and strengths of the territory, giving a clearer territorial picture, based on "vulnerabilities" (weaknesses/threats), "reorientation (weaknesses/opportunities), "defence capacities" (strengths/threats) and "competitiveness advantages" (strengths/opportunities). This analysis, reported on Fonseca & Ramos [10] was very useful in the detection of territorial constraints and strengths and in the formulation of the strategic vision intended by the stakeholders concerning the future.

So, the final territorial diagnosis results from an equilibrated <u>connection</u> between technical work and participative analysis. This prospective analysis showed a strong consensus between the entities concerning strategic orientations, i.e., goals, objectives and actions that should be put into practice. As we said, the main orientations are related to the maximisation of the tourist potential of Almeida, identified as the most valuable resource of this rural territory.

Concerning the governance domain, the methodology used in the territorial prospective allows the identification of the relations between local and regional actors, the definition of the best way to promote the involvement of entities and the clarification of debilities to the establishment of new local governance, as it is detailed in References [9, 10, 11]. This theme is analysed with more detail in the next sections.

#### 5 Key results of the strategic diagnosis

The aligned SWOT analysis developed with the stakeholder's contributions allowed the identification of several guidelines that are, synthetically, described in the next subsections.

#### **5.1** Competitive advantages

Heritage appears as the most valuable local resource, anchored in the singular cultural legacy of Almeida (Figure 2). The small walled town is the noblest heritage element of Almeida's municipality. It is classified as National Monument, since 1928, and as Historic Village, being one of the most emblematic and well preserved examples of the military architecture of the 17th century. Distinction to the extensive perimeter of the fortress' bastions in a star shape, to the double arched gates and to the several architectonic elements of original military use (prison building, powder room, casemates, ancient artillery train, ancient artillery headquarter, the cannons of Alta square, and the ruins of the medieval castle destroyed during the 3<sup>rd</sup> Napoleonic Invasion, etc.).

In Almeida there are all over the Municipality (Figure 2) other elements of architectonic and historical interest, mainly: the Historic Village of Castelo Mendo (the urban area enclosed by the medieval walls is classified, since 1984, as having Public Interest, with several elements classified as National Monument); the walled village of Castelo Bom (with elements classified as National Monument); the medieval pillory of Vale de Coelha; the Malhada Sorda Church and megalithic monument; and the archaeological site of Malpartida.

In the intangible heritage domain, Almeida also includes a rich and variable handcraft production, an old cuisine, regional products, folk groups and a very strong collective memory. The small town is also known due to the 3<sup>rd</sup> Napoleonic Invasion historic recreation, which attracts different European associations (from Portugal, Spain, France and the UK), and represents, during three days, the siege, the fights and the capitulation of Almeida as a result of the castle explosion. In fact, rurality, ancestor traditions and history are still very present in Almeida.

The natural heritage of Almeida is equally rich and diversified. Nature and landscape values reveal a small impact from human activities, mainly because there is not only a low urbanisation but also a low industrialisation in Almeida's area. As a result, Almeida presents a good environmental preservation, with large areas unoccupied by human activities. The existence of two sites that integrate the national

Natura 2000 Network confirm the high interest in conservation of Almeida's area. The traditional agriculture prevalence also plays an important role in the landscape and in habitats' maintenance (with several species of cynegetic interest). The hot-spring of Almeida is also known from ancient times for its medicinal and therapeutic properties and nowadays it is in a new dynamic revitalisation due to its new thermal centre.

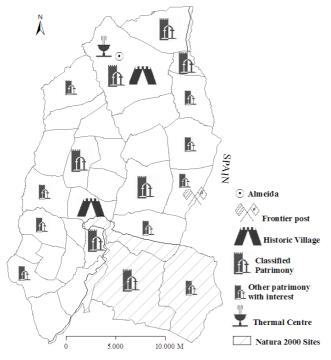


Figure 2 - Distinctive heritage in Almeida municipality

In spite of the peripheral geographic location in the Portuguese territory, Almeida presents good railway accessibility to coastal urban centres and Spain, reducing its remoteness character, which also emerges as an advantage when compared to other regional rural centres.

#### **5.2 Defensive capacities**

Besides the distinguishable heritage and the good railway connection, Almeida presents other potentialities that strengthen its position in the regional scale. In the last years, local authorities engaged meritorious efforts to qualify and diversify the tourist supply, an essential requirement to attract more tourists and visitors in the future. The Military History Museum (in the Casemates), the new thermal bathing resort, the Military Architecture Study Centre, the multi-uses pavilion, the new auditorium, the swimming-pools, etc. are good examples of the reported efforts. The existence of an access in Vilar

Formoso to the very important motorway that connects to Spain and Europe and the industrial area provided in that urban centre can be important to attract investments and to develop municipal entrepreneurship.

Furthermore, Almeida presents different and complementary tourist resources, in the cultural and natural domains, that can be important to stimulate the local dynamic of tourism, if correctly exploited. Truthfully, it is difficult to find so many interesting attractions in the surrounded area.

Concerning the accommodation capacity, Almeida is the second best equipped municipality in the Beira Interior Norte region, immediately following Guarda, which includes the main urban centre of the region. The statistic leadership of Almeida in tourist activity is seen in the high number of restaurants and in the great number of foreign stays in the regional establishments (excluding Guarda again).

#### **5.3 Reorientation needs**

In the organisational and cooperative domains, local community seems far from cohesive approach, exhibiting contrasting attitudes and practises. This is particularly evident in tourism, where the supply disorganisation is notorious, due to the lack of an integrated and positioned perspective of the varied entities and components that constitute the supply that limits the existence of tourist products and reduces the potential of the local tourist attraction. This debility has negative repercussions in several levels: as it is responsible for the enormous ignorance of Almeida's tourist attractions observed out of the region, restricting the arrival of tourists, visitors and investments; for the reduced tourist entertainment, which causes the short period of tourist stays in Almeida; for the insufficient tourist exploitation of local resources; and for the absence of a territorial marketing perspective. As a matter of fact, a new governance form is absolutely necessary to reverse this internal debility so that certain synergies and complementarities of common actions could be created, involving the local (and the external) entities in the strategies formulation and implementation.

Apart from the above, Almeida's heritage faces different problems that represent risks to heritage maintenance and reduce its tourist potential. At the top of these problems, the physical degradation of tangible heritage (monuments and buildings), mainly those classified as national monuments, emerges. A significant cause of this problem is financial, because local administration does not have financial resources (and legal competences) to develop large scale projects, depending on funding capital provided by central government. Additionally, the lack of identity

and preservation of heritage in some urban centres, due to the inexistence of safeguarding plans, represents a threat to its integration and maintenance.

The next imperative goes to a necessity to maximise and better exploit the Vilar Formoso's frontier. Actually, Vilar Formoso is one of the busiest Portuguese land frontiers that are crossed by 4 million people by year. However, the scope of Vilar Formoso attractions (not only tourist) has to be considerably intensified in the following years to strengthen its role in the municipal development, as it happened in the past, before the frontiers abolition. In articulation with other actions, it will be important to fortify the marketing actions, reutilise equipments for tourist purposes, based on the rich frontier heritage built in Vilar Formoso (creating a museum, a permanent tourist office and handcraft selling points, as the stakeholders defended) and by giving more attention to the urban planning and to the rehabilitation of the commercial activity, a traditional function of the urban centre. These reorientations can be decisive to promote the role of Vilar Formoso as a reception and distributive platform of tourists and visitors in Almeida and even in the rest of the region.

#### 5.4 Vulnerabilities

Though all the potential, Almeida presents some vulnerabilities that reduce its development potential.

One of the most prominent is related to the guardianship of heritage elements classified (in a national level), by the Central Administration, restricting the actuation of local entities. Besides the lack of legal competences, the physical degradation and the magnitude of the actions need in order to repair and consolidate some built heritage values (such as Almeida or Castelo Mendo walls) is impracticable to the Municipal Government.

Equally the elderly process in course in Almeida constitutes an important vulnerability. The reflexes are felt in different domains: in the loss of cultural traditions in Almeida (intangible heritage), such is handcraft and traditional ways of cooking, feasting or farming; in the low spirit of local entrepreneurship, because aged people are characterised by a higher apathy concerning investments and activities; and in resources' deficit human with appropriate professional formation, which is more and more important in a context of strong territorial concurrence, where quality and innovation capacity are put in relief as conditions to go beyond in this competition.

The deficient relationship among local and other external entities, located in the regional, national and transfrontiers (Spain) context, is also a great problem. Although it transcends local actors, the lack of

external cooperation, mainly in tourism, reduces inputs in all the region, because municipalities are concurrent of each other, in spite of being an integrative and cooperative structure, where common regional actions could enlarge the market portion. Punctually some regional entities have been contributing to the municipal cooperation, but the effects are limited, probably because it results from a descendent imposition (and not from a horizontal agreement).

# 6 New governance in Almeida, a challenge to improve a sustainable development

In the last decades a culture of resignation to face the socioeconomic devitalisation described is being spread in Almeida. The dominant opinion is that public authorities and central administration forgot these areas and a higher financial support is now defended to compensate the disinvestment in logic of a more regional solidarity. This perception of regional abandonment and in a certain way of "Portuguese fatalism" to face some problems origins a local apathy, repeals investments and the entrepreneurial spirit.

The second main idea is related to the internal fragmentation caused by the public and the private entities actuation. Local administration criticises the citizens and the private firm's alienation, while private sectors reclaim an opening attitude from the local government to their contribution in the decisionmaking processes. In the last years, the Almeida's Municipal Government concentrated efforts and investments in territorial hardware (mainly infrastructures and equipments) in order to attract external investments and other resources and to improve the residents' quality of life. Private entities are (but shouldn't be) significantly more passive and excessively positioned as beneficiaries of public funds and supports. This lethargic behaviour was recognised and criticised by the Mayor in his interview, which felt sometimes alone in the Almeida's development and expects a greater involvement of local (and regional) entities.

In fact, the cooperation between private entities is at a reduced level and reflects not only the insufficient dialogue, but also the contradictory interest and the local rivalry and competition in attracting the scarce resources (tourists, visitors, investments, events, etc.). Even in apparently simple domains, such as marketing, the cooperation between entities has been complex. Brunori & Rossi argue [2]that these conflicts occur with frequency in rural areas, explaining the failure of rural development

strategies and should be taken into consideration in the planning activity. Assuming this purpose, all the entities interviewed expect a stronger and new form of involvement to surpass the difficulties through a governance structure, which stimulate the cooperation between them (this is viewed as a theoretical but favourable prognostic).

However, the research shows that several weaknesses can difficult the implementation of local governance patterns. The lack of local tradition in these forms of articulation and cooperation is the most important threat. In Almeida, as well as in other Portuguese (rural or even urban) regions, private entities participation in public affairs is limited to the level of citizenship of those stakeholders or reduced to an administrative and bureaucratic relation with established rules. In fact there is a hierarchic relation between them, for the local administration has (and always had) a dominant position concerning the rules and the policies followed. Historically, this tradition increased the distance between private entities and public affairs and weakened their contribution, encouraging and legitimating even more the role of local administration. As a result, a paternalist conception of public government was developed in the course of times and today it is still present (for instance, when a large number of the entities interviewed reclaimed higher public investments). In fact, the public (local and national) administration is still classified as the main local support for development (through the recent opposite signals) and is responsible for investments, jobs, equipments, social equity, etc. At the same time, but paradoxically, private entities see local (and central) administration with suspicions concerning their powers, legal competences and real objectives, and hold them responsibility for the regressive tendencies and for several restrictions, e.g., urbanisation rules.

Another debility is related to the real contribution that Almeida's public and private entities can bring to the process. Like the territory, local entities face serious constraints mainly in the financial domain, such as the Almeida's Industrial and Commercial Association. Particular investors, including these related to more dynamic areas (tourism), are facing difficulties attending to the lack of Almeida's promotion and to the deficient entertainment, which are responsible for the short time that tourists stay in Almeida. The risk associated with investments is very high, as a local stakeholder said. On the other hand, people have a low level of qualifications and become older and older, and these are factors that can repel their involvement and diminish their contribution in the territorial governance. The feebleness and the

rarefaction of local structures, and the consequent low level of critical mass, could notably limit the results of the governance.

Therefore, the context of Almeida is pointed by two opposite positions: on one hand, the reality of the actual governance pattern led by the Municipal Government in a rural territory where local (private and public) entities are particularly weakened; and on the other, the consensual opinion in (rapidly) reversing this kind of actual governance. The question is: will the strongest purposes be enough to break traditions and debilities and to put an enlarged territorial governance perspective into practice? The answer could only be given by the local entities, but it constitutes an enormous challenge to the local mobilisation capacity. Rural territories Almeida's characteristics have more difficulties in achieving a sustainable development based only in endogenous resources and entities [18, 1]. In this case, the dependence from external factors is higher and essential to compensate the insufficient critical mass of small and medium-sized private sector firms in growth oriented clusters. But it is necessary to understand and learn the best ways to internalise external opportunities (and mitigate the threats). In the last years and according to this, some promising actions have been taken, mainly by the Municipal Government. The installation of Almeida's Promotion Agency, a structure to concert actions principally in the tourist offer domains between local entities and counting with the support of external entities (Guarda Commercial Association). Also remarkable is the stronger and more frequent presence of Almeida (heritage) resources in national and international exhibitions, an effort to promote and attract more visitors/tourists. The recent partnership celebrated with the Spanish neighbour walled town of Ciudad Rodrigo is also inserted in this strategy of regional cooperation and promotion. Internally, the Municipal Government strengthened the dialogue with some firms in particular those that support rural tourism (gastronomy, craft, regional products, etc.) to qualify the offer and develop these distinctive activities (which are decaying). All these changes reveal a new preoccupation with the cooperation of local and regional entities in Almeida's development and could be the first steps of larger and more effective territorial governance. This also suggests that the Municipal Government performs the leading role in the local socioeconomic entertainment, (but still insufficiently according to some stakeholders) and is involving some strategic local and regional partners in the process. In the same way, the work of Edwards et al. [8] on the effect of local government in rural

areas and small towns suggests that the partnership process had mobilised the established elite of active citizenry, often deliberately, injecting professional expertise, rather than opened doors to the community as a whole. Indeed, in rural areas, this propensity could be impute to the higher tendency of power centralisation in some influent structures, due to the reduced number and limitations of the local collective structures.

#### 7 Discussion

The promising language of governance: participation, mobilisation, partnerships and network, implies power dissolution and redistribution, opening opportunities for state involvement by citizens and private agents who have been traditionally marginalised in the development process and in the public sphere. As argued in the research [9], increasing the relationship to new forms of governance in Almeida is essential, but it needs to be contextualised. Otherwise, all these intentions reported will be fallacious or a utopia. The implementation of a new governance pattern in Almeida needs a new structure, where the local living forces are represented and can be involved actively in the development through a collective entertainment and support and in the celebration of partnerships. As Clark et al. suggest [5], in practice, both the development trust and the partnership model reflect the structuring effects of central, regional and local steering of the territories regeneration policy. If the lack of regulation can have a negative impact making the adoption of governance structures in this territory difficult, where the innovation capacity is more reduced, on the other hand it gives flexibility in the model arrangement. For Kralj & Markiĉ [16], innovation is of vital importance not only for those who want to increase or sustain economic growth in a given area, but also for those who benefit (in)directly. In this context, Clark et al. [5] identified that there are limitations on treating the content of an institutional design or pattern as a single independent variable that determines community involvement outcomes, but, at least, they can stimulate new forms of sustainable community enterprise.

Almeida's reality suggests that the Municipal Government should have a central role in all the process, due to: (i) the limited tradition of other entities in local governance; (ii) the Portuguese institutional organisation that entrusts the Municipal Government by the local development policies; (iii) the emphasis detained by that public authority in the dialogue with other regional, national or even frontier entities and in the socioeconomic entertainment; (iv) its potential to mobilise other local entities; (v) its

higher capacity in (financial and technical) resources. At the same time, this purpose is aligned with the opinion of Brunori & Rossi [2] when they defend the important role that local administrations have into this new approach to rural development in the construction of new governance systems, both within their territory and even outside of it, because interregional competition requires the establishment of external alliances.

Although it seems desirable, it would be illusory to put all the potential entities on the same level of importance, considering the influence of local administration, which is clearly a dominant entity, less submitted to the pressing of others. The doubt argued by Guerra [12] concerning the role of public administration in governance ("is it an actor besides the others?") does not suit the case of Almeida, where the Municipal Government should have a central role in its stimulation. The risk of this structure results from the excessive leading role that the Municipal Government can take to the detriment of other entities contribution. So, this governance pattern supported by the Municipal Government requires an open attitude by the public authorities, stimulating a horizontal platform which receives the contribution of local entities. At this point, the boundary between interactivity and participation is very feeble and this governance structure could slide to an interactivity pattern, where the collective entities only support and process. collaborate in the decision-making According to some studies in Portuguese governance experiences [22] or even in the results of the PROSIURB Programme that stimulate the creation of new governance structures in the Portuguese medium cities, the results show that local entities aren't really involved, their contribution is scarce and sometimes neglected, i.e. the interactivity pattern has prevailed to the detriment of the participation models. Those results aren't remarkable and clearly corroborate the centralist and dominant role of public administration in Portugal. To the Almeida's Municipal Government break this established institutional pattern appears as additional challenge, where some power renunciation will always be the most critical point, but necessary to satisfy the changes reclaimed by all the entities interviewed, including the own Mayor. But, as Douglas emphasises [7], local government and particularly, restructuring, municipal restructuring is essential, because it involves very important interventions in the lives of rural communities.

#### 8 Conclusion

This paper has presented a case study of new local governance in Almeida municipality as means of

arguing about a more sustainable development process. Such as Steinke emphasises [25], there are of course limitations in the examination of a single case study in terms of generalisation and theory development. However, our findings are aligned with the new perspectives and organisational structures proposed for rural territories, which suggest the importance of local processes of institutionalisation, rather than formal and "top-down" structures, in determining outcomes. Almeida case study illustrates the need of institutional governance changes, that were recognised by the stakeholders interviewed, but, at the same time, exemplifies the constraints resultant from its interaction with existing and embedded logics of power, local administrative organisation and debilities of rural entities. These constraints emerge as an enormous challenge to the Almeida (and to the rural areas) capacity of innovation and institutional change, to surpass or, at least, mitigate internal debilities.

Furthermore, the study concludes that the change of territorial governance pattern in Almeida is an imperative to encourage local entities, to take advantage of the external opportunities, to improve the territorial position in the regional context and to refresh the local identity. In fact, like the urban areas, rural territories need efficient structures governance and management, to administer efficiently a set of services, to stimulate local entrepreneurialism and to face the interregional competition. In rural territories characteristics of Almeida, strengthening local proximity relations and giving some help and confidence in the future of the local entities are essential to stimulate their active participation and cooperation in the territorial governance [24].

Finally, the case study highlights the importance that the Municipal Government will have in the hypothetical implementation (and in the future maintenance) of a new governance pattern. Taking up the local favourable environment to new governance is an exceptional opportunity to the municipality to open up their political and administrative structures to the local entities' contribution, which can create a greater dynamic and democratic reward in local entities, establishing the beginning of a more sustainable development. Otherwise, the *walls* that limited Almeida's development in the past will remain in the future.

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