

many small owners in the less mountainous areas of the Bulgarian Northwest, but this development seems not to contribute towards a more sustainable rural development. Areas that are not following the path towards scale enlargement, perform better in rural development, than areas that modernize supported by the EU instruments.

5.1.4.2 Rhodes (EL421 Kalymnos, Karpathos, Kos, Rodos)

On the Greek Islands tourism is a major economic force affecting land use. This results in land speculation, which has been studied by Triantafyllopoulos (2017) in a case study on the village of Faliraki, which has less than 300 permanent residents, but a tourist capacity of over 24,000 beds. It is located at the east coast of Rhodes about 15 km from the island's main urban centre. Many of the tourist facilities have been developed in the agricultural hinterland of the village (Triantafyllopoulos, 2017). Triantafyllopoulos (2017) has studied the land market by analysing cadastral information, as it was set up by the former Italian administration of the Island and which was based on the German *Grundbuch* system, which also means (just as in the German situation) that the information is not open and transparent to all, but that the researcher needed 'special permission granted by the Ministry of Justice' (Triantafyllopoulos, 2017, 17) to access the data and was limited by this permission in presenting outcomes. In the German context there are specific property committees that have access to transaction data and publish reports on the land market (AK OGA, 2019). This is missing in the Greek context: 'Reliable information on land transactions is very hard to find, because they are always covered by confidentiality.' (Triantafyllopoulos, 2017, 17). So, the institutional transplantation of the German system, via Italian administrators, has been incomplete. The confidentiality of the cadastre is there, but the transparency of the market by producing authoritative market reports based on this confidential information is missing. This had also as consequence that the study of Triantafyllopoulos (2017) covered rather old data, transactions between 1970 and 1995. The study does show, however, that state subsidies for the regional development of Rhodes were capitalised in land values.

'Thus, speculation in the tourism financing system was transmitted to land market and transformed to land speculation, accommodated by the permanent conditions of limited supply of land due to the ownership structures and despite the inefficient land use planning control, the later has resulted in the progressive sprawl of tourist equipment across the whole area of study and the production of a semi-urban environment of low quality (...)' (Triantafyllopoulos, 2017, 25).

Moreover, it showed that, at the time that economic powerful tour operators established lower room prices for their package deals, the consequences, as investors could not pay their mortgage loans were, again, taken by the state.

'The banks, which were state-owned and controlled, could not allow the large mortgages to be wasted through confiscation and at the same time create irreparable socioeconomic damage in Rhodes; tourism is the main source of income on the island (...). The solution was provided by the government itself, as the loans were often restructured, the interests were capitalised or new bank loans were provided so as to secure the continuation of financing to the enterprises. This was, to a high degree, the

result of pressures exerted by local deputies or Ministers.’ (Triantafyllopoulos, 2017, 25)

So, the state funded the land speculation in two instalments, first by its economic development policies and, second, by its bale out policies after it has shown that expectations based on which high land prices were paid were too high. This may relate to the issues of institutional structures in relation to planning, property markets and Island development policies. It seems that the allocation of market risks and profits is not balanced between public and private agents.

5.1.4.3 Aosta

Remarkable is that Valle d'Aosta/Vallée d'Aoste (IT) is in this category. Up to 2013, Aosta ranked nationally to the ‘higher performers on all underlying indicators’ (Charron *et al.*, 2019a, 1938) in the Quality of government scores. In 2017 the score went down to a low QoG, which the highest divergence between 2017 and 2013 of all regions measured by QoG institute (Charron *et al.*, 2019a; Charron *et al.*, 2019b). The QoG is survey based, using three pillars of QoG. The lowest score of Aosta is in the quality pillar, which is built on the following three questions: ‘How would you rate the quality of public education in your area?’ ‘How would you rate the quality of the public health care system in your area?’ ‘How would you rate the quality of the police force in your area?’ (Charron *et al.*, 2019b, 13). The responses to these questions are a lot worse than the Italian average, which is worse than the EU average and this is a recent development for Aosta, as it did not come up in the 2013 survey. This may relate to the situation that this autonomous region was relatively well off until recently. ‘However, this situation has changed dramatically in recent years with the region, as an integrated part of the national economy, having to align more closely with an Anglo-European imperative for austerity.’ (Sofritti *et al.*, 2019, 2) This has also impact for new generations.

‘As such, young people in the region are facing the effects of a rise in local unemployment rates and, in turn, the risks of finding themselves at an impasse with increasingly limited access both to work and to education and training opportunities.’ (Sofritti *et al.*, 2019, 2)

In interviews with young people there ‘is a dialectic between “before” and “after” in several participant’s narratives, Aosta Valley is depicted as being no longer a “happy island” like it had been previously.’ (Sofritti *et al.*, 2019, 11). So, Aosta shows the fragility of remote mountain regions. Even regions that perform rather well, may transfer to an area which does not provide chances for new generations within a few years.

Land prices in Italy are in general high, much higher than in France or Spain, and the prices are in the North higher than in the South (Mela *et al.*, 2016). Mela *et al.* (2016) indicate that in Aosta the farmland values ‘are very high due to local factors’ (Mela *et al.*, 2016, 9), making it difficult to model the determinants of agricultural land values. In Aosta (based on FADN data) farmers rent about 90% of their utilised agricultural area. The UUA is large and rents are relative (for an Italian region) relatively low. This is probably due to rents for mountain pastures.