

## *Welcoming Remarks*

*Richard Wakeford, Scottish Executive*

My task here is to set this conference in the Scottish context. Scotland has a long history and over time, many Scots have travelled the world and influenced development. That was especially so in the eighteenth century, the period of Scottish enlightenment. The thinkers of that period were above all rational; they advocated reason as the best way to understand the world and our place in it. They made a strong case for the importance of experience and evidence. In this room today, we have here in Scotland a rich amount of experience and evidence from all around the world about the potential for rural development. On your conference packs, you will find on the back, the symbol of our conference, the bee and the thistle. A symbol of cross pollination of ideas around the world which we hope, we can all benefit from in the next few days. Our First Minister here in Scotland has suggested that Scotland could see a second enlightenment. Certainly, since 1999, when Scotland recreated its parliament with the overwhelming consent of the Scottish people, we've seen quite a lot of changes. That in itself was the biggest constitutional change in the United Kingdom since the act of union in 1707. For those of you who are new to Scotland, the executive powers here cover education, health, justice, rural affairs, economic development, so we have a lot in our own control.

In the last few years, Scotland has been changing rapidly. Last year saw the greatest amount of people moving into Scotland since records began, bringing a new diversity to our towns and countryside. This is a country, the best small country in the world, with increasing confidence in a shared national identity. People coming from Scottish schools are among the highest performing students in the world. Our science goes from strength to strength and our culture here is enjoying a new Renaissance. Here you see a symbol of that. We are home to the biggest arts festival in the world, held in the world's first UNESCO's city of literature. Rural Scotland features strongly in this new Renaissance. Next year sees a year long festival of Highland culture. In historical terms, if Scotland was once seen as the poor relation of England, then the Highlanders were seen as the poor relations to the Scottish Lowlanders. But culture, language and a way of life which had been undermined, are booming again, it's changed. Instead of unemployment in the Highlands being a multiple of the Scottish rate, today it's a fraction of the Scottish rate.

But, we cannot be complacent here in Scotland. We are a small country but it's an ever changing world we are in. We have choices to make that will shape the future of our rural areas over the next decade or two. Scotland will be affected by an expanding European Union and a constrained budget by the forces of globalization and by the need to tackle climate change in an ever more uncertain world. All of these things will have an impact on rural Scotland; all of them represent opportunities for rural Scotland. In preparing for the conference, I needed to travel to the OECD headquarters in Paris, and as I was doing so, I was thinking about what rural Scotland and what rural areas of the world will be like in 20 years time and what we could do to shape that. I found myself thinking back 20 years, what was I doing 20 years ago? What was the world like? I had just got my first word processor; I think I paid a few extra dollars to have a hard drive instead of floppy disks. Let me paint a picture of the modern world which sees me travelling on a train with a computer which is plugged into an electrical supply from a train, could you think of that 20 years ago? But with a little red thing in the side of the computer which is connected to broadband, so that I'm linked to office data bases and talking to people anywhere around the world while I'm travelling at 186 miles an hour. I know that we have gotten used to those types of communications but I have here the packet from some apple chips that were handed out on the train. This is a symbol of global trade. To make apple slices this extraordinary, says the manufacture, which is Glennons Limited, in Dove Fields, Staffordshire here in England. To make apple slices this extraordinary, we had to go to extraordinary lengths. We had to go China's far flung shores to be precise. There we found the juiciest, sweetest, Fuji apples you are ever likely to find. Now we have apple slices that are not only pleasing to the eye, but also a delight to the mouth and waist. No doubt that they are so sought out after. In that packet is focused the

modern world. That is what globalization is doing. We have to think about the future of rural areas in that context, 20 years from now and we are the sort of people who can shape that. Margaret Clark has outlined the development of the OECD's programme over the last few years. I think that programme can help us in our choices and that is why I suggested that the UK and Scotland in particular could host this conference and we are privileged to do so. There are more important choices to be made. In Europe, every nation is putting together rural development plans and working out priorities for farm investment, environmental measures and rural community development. In the United States, the debate turns around the Farm Bill the extent to which farmers might be supported. Everywhere people are pondering the future of world trade arrangements with the collapse of the Doha round and everywhere the prospect seems to be of less public spending and less certainty about private investment.

That leads me to the theme of this conference: To consider best how to invest in rural areas. We have a string of first class speakers here to help us learn more about fostering innovation in rural areas, we can hear about practical ways about delivering public services to remote rural areas. From Austria to Australia and to China along the way. Will urban rural linkages bring a new approach to thinking, given the flow of products and people between cities and the countryside? Can an investment approach replace reliance on rural subsidies to keep the services going which people need? At the end of this conference, I hope that we will all be better equipped to go out in different directions and apply what we have learned and hope the OECD can find out the ideas and share them, so that you and others can learn too. And over the next couple of days relish the new Scottish Renaissance and new energy, the best small country in the world, but make sure it's global energy.