Development of Rural Entrepreneurship with Emphasis on Local institutions

(Case Study: Behabad, Yazd Province)

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1. INTRODUCTION

Today, making use of the participation and abilities of local people, particularly the rural populations, to achieve rural development is seen as one of the effective strategies towards sustainable and comprehensive development of rural areas. One of the most important tools to achieve this goal is to establish NGOs based on the needs and abilities of different groups living in the villages, they can be of great help in resolving the diverse and fundamental issues of local people and performing rural development plans. These organizations, in economic and social fields are disengaged from complex bureaucracy of public sector and the profit-seeking of private sector and make it possible for them to be more successful than the private and public sectors in fighting poverty and hunger, environmental protection, forestry, raising public awareness, welfare, health of the society and families, taking care of women and children, reducing social damages, etc. In the contemporary development processes, villages are facing widespread threats; therefore, to ensure survival and continuity of rural life requires solutions and innovative methods. For this purpose, managers must take on roles that are peripheral to such changing conditions.

2. THEORETICAL FRAMEWORK

In recent years, the Islamic Councils and Rural Workers have been defined as the new managerial bodies in villages. As local people-centered managerial entities, Rural Workers and Islamic Councils are direct responsible bodies in the villages, and can make policies, manage and implement various educational programs, help development of
necessary infrastructures, attract financial resources, and play a major role in the development of rural entrepreneurship, paving the way for the development of rural entrepreneurship.

Essentially, the two factors of entrepreneurship are: determined opportunity and desire to become entrepreneurs. The main factors driving opportunities include: internal entrepreneurial abilities, investment, market and general macro-economic environment. Entrepreneurship development is influenced by different factors. These factors can generally be divided into two groups: 1- Individual factors, 2- environmental factors. This study investigated the role and practice of Islamic Councils and Rural Workers in encouraging the local people's participation and the development of entrepreneurship in the rural areas of the region.

3. METHODOLOGY

This study is an applied one using descriptive-analytical methods. The required data were collected through documentary research and field works. Questionnaire and interview were the research. Data was analyzed using SPSS software package. The study population included villagers, entrepreneurs, officials, local experts and commentators in villages of Bahabad. Based on the Cochran formula, a sample size including 143 rural people, 45 officials, and 30 entrepreneurs was selected.

4. DISCUSSION & CONCLUSION

The study area included parts of the villages in Behabad, of Bafq County, Yazd Province, and pool research was conducted in 2008 and 2009. Research findings show that Rural Workers and Islamic Councils have relatively been successful in development of rural entrepreneurship, and local people believe that entrepreneurs, officials, experts and local commentators, Islamic Council and Rural Workers have properly provided the essentials of entrepreneurship development in rural areas such as entrepreneurial infrastructures, entrepreneurial attitudes and behaviors, cultural and social factors, attracting financial and economic resources. Therefore, the practices of Rural Workers and councils have been acceptable and led to the development of rural entrepreneurship. The policy of developing the popular participation in developmental programs can play an important role in the development of entrepreneurship. Due to the contexts and features that are suitably available in the rural environment, it is quite possible to form NGOs and organize them in different contexts. Organizations and nongovernmental organizations as institutions that represent different classes of people in the rural areas are very effective tools for development of entrepreneurship policies and accordingly could be responsive to unmet civil rights, needs, demands and expectations of various classes of society by providing the ground for innovation and entrepreneurship in different areas. They can also increase the transparency, reduce the bureaucracy corruption, facilitate downsizing, simplify regulations, and ultimately raise the efficiency and effectiveness of state
management in rural development. To restore, improve or create such local people-centered organizations (in the villages and generally in national level) actually means democracy, assignment of affairs to people, decrease in government’s costs and responsibilities towards the rural management and also recruitment of public contributions in rural areas’ construction and developmental activities. These ultimately could lead to development of infrastructures, conditions and characteristics of rural entrepreneurship.

**Key words:** Development of Rural Entrepreneurship, NGOs, popular participation, Rural Workers, the Islamic Council.

**References (in Persian)**


**References (in English):**
