

RSA Network Event, 23rd-24th October 2018 – Manchester (UK)

Role of formal and informal nonprofit leadership in rural development

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Abstract

Place-based leadership plays a crucial role in local development. Though, the role of nonprofit leaders is still an under-researched topic. Thus, we ask whether nonprofit leadership helps to develop rural areas and makes them attractive.

On a sample of 6,262 Czech municipalities, we tested whether membership of municipalities in local action groups (LAGs) and nonprofit leadership attributed to population growth.

Our analysis has not proved effects of LAGs on the attractiveness of municipalities, but for participation of nonprofit leaders.

These results underline the importance of bottom-up approaches with voluntary engagement. Moreover, they demonstrate negative aspects of top-down imposed public policies.

JEL Classification: L31, R23, R58

Key words: local action groups, rural development, nonprofit leadership, nonprofit organisations, place-based leadership, co-creation