

Editorial:

The Gozo Regional Development Strategy

The Gozo Regional Development Strategy issued in September 2023 by the Gozo Regional Development Authority, is a very interesting and timely document, well written and with a good understanding of the economic situation in Gozo. It covers various aspects of the economy, indicating, without explicitly stating it, that economic activity in different sectors are intertwined. The publication also assigns importance to the social and environmental impacts resulting from economic activity.

The document identifies the strengths of the island, including its attractive geo-physical characteristics, its rich historical, religious and other cultural assets and its relatively high share of tertiary education graduates. However, as the document points out, the island faces major structural disadvantages, notably its small size, which limits its ability to reap the benefits of economies of scale and constrains its diversification possibilities. Additional handicaps recognised in the publication are Gozo's excessive dependence on tourism and its double insularity which lead to high input costs for business.

Added to these structural problems, the document singles out a number of man-made threats, including pressures on the environment due to economic activity with high environmental and social impacts, notably construction, rapid increase in population, and increased uses of private cars. All these may result in environmental degradation, air pollution, health hazards and social discomfort.

The document rightly argues that it is important to create productive employment on the island. However – possibly the only weak point in the document – due importance is not given to the fact that an excessive amount of workers are employed in the public sector, many of whom are highly unproductive. It is true, as the authors state, that public sector employment has been conducive to stability and income security for the Gozitans. However, as admitted in the document, employment



in the public sector may have negatively affected self-employment and entrepreneurship in Gozo.

The document, fittingly, puts forward the argument that it is important to align economic growth in Gozo with well-being and promoting sensible use of land, which is of major importance at the present time, given the construction frenzy that has overwhelmed the island. Quoting the text of the publication “Key to Gozo’s future is the persistent adoption of a formula that maintains a sustainable and balanced territorial development through optimal use of land and above all the preservation and valorisation of Gozitan traditional urban and rural features.” The publication further states that “the preservation of the village heritage is crucial to a long-term strategy for improving the quality of Gozo’s built environment.” Wise words indeed. One hopes that the authorities who are responsible for overseeing Gozo’s sustainable development, heed these exhortations.

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