

## **ABSTRACT**

This master thesis focuses on factors concerning the quality of cooperation between municipalities and regions with emphasis on the influence of local actors. The case study focuses specifically on the Local Action Groups (LAG)s within the Český Krumlov region. We applied the concept of social capital as a tool to clarify the importance of endogenous conditions of regions, and endogenous factors that influence the quality of cooperation between personalities and institutions. The concept of social capital has gained the attention of foreign and Czech researchers during the last twenty years and it is considered to be an important element of comprehensive regional development. The research was held in two phases. The first phase was a pilot analysis based on publicly available sources. We compared scores of LAGs based on various factors including their success in grant applications. Based on information collected from this, we continued the research in the form of structured interviews with key actors in concerned LAGs. The structure of these interviews followed chosen aspects of social capital, such as social networking and cooperation between personalities. The research demonstrated the importance of social capital in the process of regional development. The impact of collective form of social capital was clearly visible in the phase of establishing and developing LAGs, specifically in those microregions which were the basis for future LAGs. In the phase of cooperation and the formation of networks, individual social capital enforced by human capital was shown to be highly important. The research shows that the ability of personalities to develop and maintain functional social networks is the key issue. This also explains the differences in the quality of cooperation among LAGs. We identified specific groups of key actors, whose activities positively affect the proper functioning of LAGs.

**Key words:** *regional development, social capital, human capital, social networks, peripheries, Český Krumlov region, LAG*