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Social Network Analysis
of Regional Policy Making
in the
Northern Great Plain Region
of Hungary

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SOCIAL NETWORK ANALYSIS OF REGIONAL POLICY MAKING IN THE NORTHERN GREAT PLAIN REGION OF HUNGARY

Andrew Cartwright¹

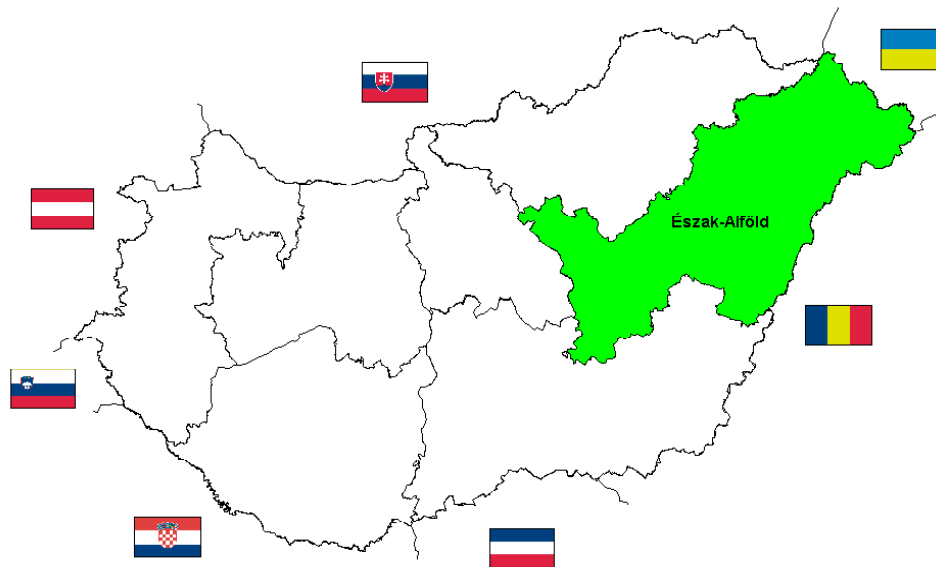
ABSTRACT

This report presents findings of a social network analysis of regional policy making in the Northern Great Plain region of Hungary. This area provides an interesting case for examining the type of policy networks that have produced current regional development priorities and policies in Europe. The report provides demographic, economic, and development data, information on the political climate and patterns of interest intermediation/representation, and an overview of development problems. Then, the social network analysis of the regional policy network is introduced. The report identifies the various public and private actors involved, analysing structure of the institutional networks considering, amongst other things, the density of the ties within the network, the prestige and significance of certain actors, and actor roles within distribution of connections. Tourism is a particularly important element of regional policy making and development and the relative willingness of public actors to get involved opens the regional network up for more sustained input from a wide range of non-state actors.

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1. Introduction

Since the mid-1990s, the Northern Great Plain (NGP) has consistently received the largest amount of EU-related development funds in Hungary. There are several reasons why this is the case. As detailed in the earlier SOCCOH reports, the northern and the eastern parts of Hungary have suffered from economic underdevelopment and decline since the beginning of the transition in the 1990s. Their dependency on sectors that were particularly badly affected by the transition, such as agriculture and rural manufacturing, meant that contractions of the labor force and falls in household income were more pronounced in this region than in others.

A second reason why the NGP region received the highest proportion of development funds was the fact that, outside of the Central Hungarian region, it has the largest population of all the regions in Hungary. It also is home to some of the largest urban centers which, in a country with a high proportion of villages and small towns, has a significant bearing on both political representation and relations with the central government. The NGP is home to two important and influential local self governments, the cities of Debrecen and Nyiregyhaza.

An additional reason for choosing the NGP as a case study is its particular endowment with social capital resources—in particular, the numbers and distribution of organized civic actors, the extent of informal networks of support, and the prevalence of norms that are usually taken as conducive for collective action. In a review of all relevant surveys on citizenship, values and networks covering the last 20 years, the social research institute TARKI found above-average levels of civic organization and more elaborate social networks in the NGP in comparison to other regions in Hungary.

These three factors offer a contrast to the more distinctly rural and fractured settlement structure of Southern Transdanubia. The region offers an alternative situation to investigate the type of policy networks that have produced the current regional development priorities and policies. Would the combination of larger public funds and strong county authorities mean that regional institutional capacity would be more developed in this region? Would there be more organized pressure from this

region for greater autonomy vis-à-vis the center that might be seen in higher levels of independence in the programming of management phase? In this regard, investigating the regional policy networks offers an opportunity to see whether higher levels of both bonding social capital might lead to greater bridging and linking networks and the participation of varied and different actors.

1.1. Social and geographical characteristics of the region

The NGP is composed of three counties: Hajdú-Bihar, Jász-Nagykun-Szolnok and Szabolcs-Szatmár-Bereg. It is situated in the eastern part of Hungary, bordering Slovakia, the Ukraine and Romania. Territorially, it is the second largest region in the country occupying 17,729 km, and, as it stood on January 1st 2006, its population was 1,533,162 which made it the second most populous region in Hungary. Its large surface area and high population gives it one of the lowest population densities in the country. With an average of 86,9 persons per 1 km square, following the OECD standard classifications, the NGP would count as being a predominantly rural area.¹

Partly reflecting the vast expanse of the Great Plain, the settlement structure in this region was for a long time characterized by a relatively large number of market towns that gradually developed their border hinterland area to encompass the scattered farmsteads of the Plain. This pattern flourished throughout the 19th century until the first half of the 20th century, when the socialist administration began to rapidly accelerate the development of new urban areas. Even so, there still remain areas in the region where it is possible to see extended farmstead border territories, mostly in the sandy-soiled Southern part between the Danube and the Tisza rivers.

The current urban settlement is composed of the three large, relatively successful cities, but the medium-sized and smaller towns are relatively weak in terms of their economic and administrative strengths and their capacities to develop their vicinities. According to the drafters of the SWOT analysis for the region's operational programme, the weakness of the small and medium sized towns is reflected in the lack of economic attraction to investors and lower participation rates in the local labour market. Overall, the NGP has the highest level of unemployment in all the country.

Between the 2001 and the 2005 micro-census, the population of the region dropped by 0.7 %. The main reasons for this relate to the low birth rates in Hungary rather than any significant out-migration, although there have been changes in the distribution of the region's population. One of the most common characteristic affecting larger urban centers throughout Hungary is suburbanization and the movement of people into the hinterland. Although the impact of this movement is most pronounced in the capital, which lost 5 % of its population between 2001 and 2005, it is also a significant consideration for the 18 county seats where population numbers dropped by average of 2 % in the same period. At the same time, inhabitants of villages in Hungary increased by 1 %.

As mentioned earlier, there was survey data which had been aggregated to the regional level which seemed to show that the structure of both formal and informal social networks in the NGP was distinct from other parts of the country.² In terms of the density of friendship networks, for example, people in this region reported having more people that they considered their friends than in other parts of the country. They also claimed to socialize and meet with friends and family more frequently than in other regions. Further, as we shall see in one of the following sections, there were also more organized voluntary associations in the NGP than in other parts of Hungary.

1 All figures in this section are taken from the Northern Great Plain Regional Operation Programme, 2007-13. For full text see the website of the National Development Agency at www.nfu.hu.

2 Péter Hegedűs and Endre Sik, "The regional distribution of social capital in Hungary," TARKI Institute, 2007, unpublished report. The analysis is based on surveys carried out between 1986-2007 by TARKI as well as by the European Social Survey, the ISSP, the Household Monitor reports and the Register of Non-Profit Organizations.

1.2. Economic structure and development

In 2004, the GDP per capita of the NGP was just two-thirds of the national average. Despite gradual improvement and, according to EUROSTAT, an increase in real value relative to the EU-25, from 34.8 % in 1999 to 41.9 % of the EU-27 average in 2004, the Northern Great Plain was still outranked by five regions in Bulgaria, seven in Romania and six regions in Poland. At the county level, Hajdú Bihar ranked 10th in the country, Jász- Nagykun-Szolnok 13th or 14th for most of the 1990s, although later, it fell further behind, ranking 16th and 17th in 2003 and 2004 respectively. Szabolcs-Szatmár-Bereg County is one of the least favored of all, ranking 19th in 2004.

The most recent figures on earnings show that the region is the second lowest in terms of gross monthly earnings by capita. Whereas the highest earnings are to be found in Central Hungary at 217,171 Hungarian Forint (HUF, or 860 EUR) per month, in the NGP, they are 147,793 HUF (580 Euro), whilst the national average is 181,544 HUF (720 Euro).³ The investment rate per person in the Northern Great Plain places the region near the middle, with 838 Euro as opposed to the 2,168 Eur invested for every person in the Central Hungary region. Low levels of GDP per capita and low levels of investment are closely interconnected. If we compare the averages in the 2001-2004 period, then the NGP region is the second to last in Hungary. Investment levels by both the local private and public sectors are at the lowest levels although, as mentioned, the region does rank high in the list of investments that are financed by central budget. In 2005, compared to the national level of 36.1 %, 69.6 % of local governments in the region belonged to the category “economically disadvantaged,” which was something that was a concern for the framers of the NGP Regional Operational Program (ROP) in terms of being able to make “own contributions.”

After 2000, the region did show some improvement in the levels of foreign investment. The foreign share in the equity of those businesses with foreign shareholders increased by 2.22-fold between 2000 and 2004, which was above the national 1.75-fold increase. Whilst there was little overall increase in the number of new foreign businesses in Hungary, the numbers almost doubles in this region, largely because of the increasing number of Ukrainian and Romanian businesses operating in Szabolcs-Szatmár-Bereg County.

As mentioned earlier, the NGP has proportionately higher representation of the more traditional sectors; so for example, agricultural, hunting and fishing are more significant to the economy of the NGP than they are in other parts of Hungary. There is also an above average contribution to national GDP from the mining and manufacturing sectors. At the same time, a higher than average proportion of the labor force works in the health and social services, and significantly above average levels work in the educational sector. The contribution from construction and from the hotel sector to GDP is marginally higher than the country average. Finally, there is a high concentration of employment within the public sector which is a characteristic feature of all poorer regions in Hungary.

In terms of labor participation, at 49 %, it is the second lowest in the country. The official unemployment rate is at above average levels at just over 9.1 %. There are 589, 500 who count themselves as economically inactive whereas there are 569,000 who claim to be economically active.

1.3. Political climate

In the past two local county elections, in 2002 and in 2006, the three counties of the region have voted in similar ways. In the Szabolcs-Szatmár-Bereg County, in the county assembly of 40 seats, there has been a move from a dominant socialist administration to one where the center right opposition, FIDESZ party has become the majority. At the same time, despite the change in the majority party,

3 Figures taken from the Central Statistical Office, www.ksh.hu

the mayoress of the county seat, Nyireghaza, remained the same figure that was first elected in 1994, Csabai Lászlóné who comes from the main socialist party. In Hajdú Bihar County, there was a similar switch from the ruling socialist party to the opposition party between 2002 and 2006. In the regional center of Debrecen, Lajos Kósa, from the opposition FIDESZ has been mayor throughout the current decade. Reflecting the importance of the city in national politics, Kosa is regularly mentioned as a potential successor to the current leader of the opposition and, following current opinion polls, stands to be the potential Prime Minister in the next elections of 2010. In the poorest of the counties, Jász-Nagykun-Szolnok, the same pattern was repeated with the opposition securing a dominant position in the county chambers.

As mentioned in earlier reports, positions within the Regional Development Councils are not directly elected but composed up of centrally delegated officials, delegates from the three county assemblies, the mayors of the larger towns and representatives from the principal social and economic spheres.

1.4. Patterns of interest intermediation/representation

According to the European Social Survey and other surveys from TARKI, the Northern Great Plain regions shows below average levels of civic activism. It does have higher than average levels of religious driven voluntary work and donations. In terms of the structure of the civic sector in each of the regions, Table 1 shows that the NGP has above average levels in many of the different categories of voluntary organization.

Table 1: Presence of different voluntary associations by settlement

	1	2	3	4	5	6	7	8
Sport	87.9	78.7	67.5	57.6	68.4	75.3	85.5	71.0
Leisure	44.9	36.2	22.8	24.3	24.0	36.8	50.3	30.8
Street cleaning	60.2	39.4	29.8	35.4	31.8	30.3	49.0	36.2
Environmental	42.9	15.3	8.6	13.4	11.9	17.3	23.5	15.7
Culture	77.8	56.7	42.2	49.1	47.9	52.1	70.9	52.7
Historical knowledge	30.2	16.7	7.6	10.2	11.3	17.4	23.6	14.2
Business federation	34.3	13.4	9.1	9.0	9.4	13.9	32.4	14.0
Education	42.9	35.8	29.5	23.9	33.6	50.2	52.7	35.7
Youth	56.6	37.0	30.8	35.0	.0.0	42.7	59.7	38.1
Human rights	9.2	4.2	2.3	5.2	4.7	8.2	12.8	5.8
Civil guard	74.7	53.8	38.8	40.1	51.8	67.6	82.2	53.6
Civil fire department	21.4	32.3	48.9	22.8	23.1	37.7	45.6	32.9

1 = Central Hungary, 2 = Central Transdanubia, 3 = Western Transdanubia, 4 = Southern Transdanubia, 5 = Northern Hungary, 6 = Northern Great Plain, 7 = Southern Great Plain, 8 = Hungary

Source: TÖA. 2003

In their review of social networks, trust, civic activity and social capital related norms mentioned earlier, the TARKI researchers concluded that the Northern Great Plain along with West Transdanubia and the Northern Hungary region tended to have lower levels of network capital, lower levels of trust in public institutions and correspondingly low rates of civic activity but at the same time, they

demonstrated higher level of social capital norms that are potentially favorable for collective action, for instance, belief in cooperation for its own sake, importance given to honesty and willingness to offer practical help to family, friends and neighbors.

Many of the formal associations voluntary have been set up in recent years as a result of both central and local state initiatives. Many settlements carry out specific development related functions via a Public Foundation. This body is relatively independent from the local authorities and is normally able to receive funds from central sources. It usually has a range of figures from local political parties as well as principal social and economic actors on its executive board. The functions can range from village regeneration to the delivery of home help to the elderly. In Hungary as a whole and in the NGP region, there are relatively few social or civic organizations that carry out their activities beyond the county boundaries. Indeed many are restricted to working within fairly narrow territorial boundaries. At the same time, there have been initiatives and fiscal incentives to encourage cooperation and coordination between small settlements, especially in the fields of education and elderly care. In this context, the micro regional associations which straddle several administrative boundaries, are important bridging actors, albeit in some competition with the more traditional and established county level bodies.

Several civic and private actors that do have a wider territorial operation were set up or supported with PHARE funds in the 1990s. In the early part of the decade the emphasis was on supporting the development of economic advisors that could support the new small and medium sized enterprises, hence, the number of county advisors that act as information brokers and intermediaries between public and private sectors. A similar actor is the Chance Foundation, which carries out a range of social service activities and was fairly heavily relied upon by the Regional Development authorities in the programming and implementing stages of the ROP.

1.5. Major development problems in the Northern Great Plain

There are several inter-related development challenges for the NGP. One of the most striking though is the significant disparities within the region itself. Out of the 27 micro-regions in the area, 15 have the “least favored” status and 9 are in the category of “disadvantaged.” The most recent ROP offered an illustration of these differences using data from 2004:

“In terms of gross added value per capita, the Derecske-Létavértes micro-region has less than 9 % of the figures for the Debrecen micro-region which has the highest value; of the 27 micro-regions, 20 account for less than 25 % of the figures for the Debrecen micro-region. Differences are conspicuous in respect of total domestic income per capita. The Csenger micro-region only accounted for 45.5 % of the figures for the Debrecen micro-region with the highest value in 2004. Of the 27 micro-regions, 7 produced less than half and 21 two-thirds of the figures for the Debrecen micro-region.”⁴

The tendency thus is for the majority of development to take place in the larger urban centers whilst the smaller towns and villages languish with elderly, economically inactive populations, drawing sickness benefits and supporting themselves through subsistence food production. The agricultural sector might be one of the largest in terms of size and contribution to the regional economy, however much of what it produces is processed elsewhere and there is little left of the food processing industry of previous years.

One of the most significant economic questions for the regional planners was how to build

4 Op. cit. page 10.

up tourist industry. Whilst there are accepted as many tourist attractions in the region, not least the Great Plain, itself, the tourist facilities are poorer than in other regions, and there are by no means enough hotels and places of accommodation for visitors. According to the ROP framers, the North Great Plain Region comes 5th out of 7 in terms of hotels and places of accommodation per 1,000 persons and the hospitality facilities in general “leave a lot to be desired.” The problem is that the ROP framers wanted the tourist sector to act as a economic leader, especially in terms of the extent of contribution to incomes. Yet whilst the number of visitors grew since 2005 in terms of the number of foreign visitors per 1,000 residents, for example, and the region is significantly below the national average. The result of this mismatch of resources and expectations is shown in the fact that the gross added value per one resident in leisure and tourism was just one-third of the national average in 2004.

The difficulty with such a tourism base regional strategy is that the chances of improving the incomes of those areas that are particularly falling behind are low. In terms of limited budget, the question was whether to build up the existing facilities or to spread out the tourism sector into new areas and new products. Taking that on though involved much more complex and sizable investments dealing with sometimes weak human resources, poor road networks, and limited tourist appeal. The dilemma of the regional planners was that the “left over” principle and the allocation of tourist development as their major field, did not allow them to comprehensively address the development needs of the region. The development of agriculture or the improvement in adult education for instance were the subject of other operational programs managed by central ministries.

2. Social network analysis of the regional policy network in NGP

2.1. Structure of the institutional networks

The main public institutions in the development of regional policy were the Regional Development Council and their implementing body, the Regional Development Agency. The latter had the responsibility to co-ordinate the initial consultation process, to commission expert and representative working groups which would examine the regional dimension of the eight development areas set out by the National Development Agency. Finally the Regional Development Agency had the main responsibility for liaising with other sub-regional actors. As mentioned earlier, in terms of significant public actors, then there was an important, if sometime, overlapping relationship between the elected county NUTS III level bodies and the unelected micro-regional bodies. Both bodies had connections to the many smaller self-governing settlements, but the content of their connections were based on different parts of public administration and brought together different sub-groups. Both parties considered themselves as having an important and strategic role in the programming and the implementing of the ROP, but, as we will see in the social network analysis and the qualitative material, there were significant differences in their position and connections within the regional policy network.

In terms of the social and economic partners involved in regional policy making, there are those that are representative bodies such as the county Chambers of Commerce and there are a small number of bodies representing particular interests—the Hortobágy National Park, for instance. However, in the sample of key regional actors there are relatively few social partners which reflects the relative absence of civic bodies with a region wide remit or responsibility. As the section on civic actors above showed, it is not that there are is not significant representation of civic organizations, it is more a reflection of their lack of capacity or willingness to participate in the higher reaches of regional policy making.

There is significant input from both private consultancy companies and universities and colleges. The former are frequently commissioned by public and private actors and carry out a number of functions such as advising on strategic development papers, drawing up SWOT analyses or helping a public/private partnership develop a potential project for funding. Universities were contacted for specific expertise in planning especially related to tourism development, but their role was not restricted to this.

The following lists present all those actors who were identified as being involved in both regional developments in general and regional policy making in particular. As with the case study from South Transdanubia, this lists were compiled in consultation with the Regional Development Agency and then supplemented by asking individuals for other actors and organizations that they considered important regional actors. In some cases, as a result, new bodies were added to the list of regional policy actors.

Public bodies

- Regional Development Council
- Hajdú Bihar County Development Agency
- Hajdú Bihar County Center of Labour Affairs
- Regional Center of Labour Affairs
- Jász- Nagykun-Szolnok County Center of Labour Affairs
- Jász- Nagykun-Szolnok County Agency of Regional Development
- Regional Marketing Directorate of National Tourism Company
- Nyiregyhaza County Government
- Szabolcs-Szatmár-Bereg County Development Agency
- Szabolcs-Szatmár-Bereg County Center of Labour Affairs

- Regional Development Council of Lake Tisza
- Szolnok Micro-region
- Debrecen Micro-region
- Nyiregyhaza Micro-region
- Regional Social Policy Council
- Regional Development Agency
- Jász- Nagykun-Szolnok County Government Office of Regional Development

Private sector actors

- Hajdú Bihar County Chambers of Commerce
- Hajdú Bihar County Enterprise Development Foundation
- Jász- Nagykun-Szolnok County Chambers of Commerce
- Jász- Nagykun-Szolnok County Enterprise Development Foundation
- MFB MAG Zrt
- Szabolcs-Szatmár-Bereg County Chambers of Commerce
- MEGAKOM strategics consulting
- Euroconsulting Kft

Social Actors

- Regional Innovation Center
- Directorate of Hortobagy National Park
- Jász- Nagykun-Szolnok Chance Foundation regional center
- Nyiregyhaza College
- PRIMOM Innovation Center
- Szolnok College
- Hungarian Academy of Sciences, Center for Regional Studies, Debrecen
- Civil House Szolnok
- Nyirseg Civil House
- Eastern Hungarian Community Service Foundation
- Debrecen University

2.2. Institutional network structure and learning capacity

Strategic/Permanent network ties

Density (matrix average) = 0.1048

Standard deviation = 0.3062

The density of the network of strategic tie, at 0.1048, suggests that only a small number of actors consider their relations with others in the network to be enduring or very close. Unsurprisingly, the public sector actors, and especially the Regional Development Agency and Council, are most prominent. They are followed by the University of Debrecen, which is important to regional planners in terms of providing expertise and assistance to the network. Whilst it is not unsurprising that the regional authorities should be so close to the University, located in the same city as their head office, their relationship perhaps reflects that the former head of the Regional Development Council assumed a professorial position at the University after he was replaced following the elections of 2002.

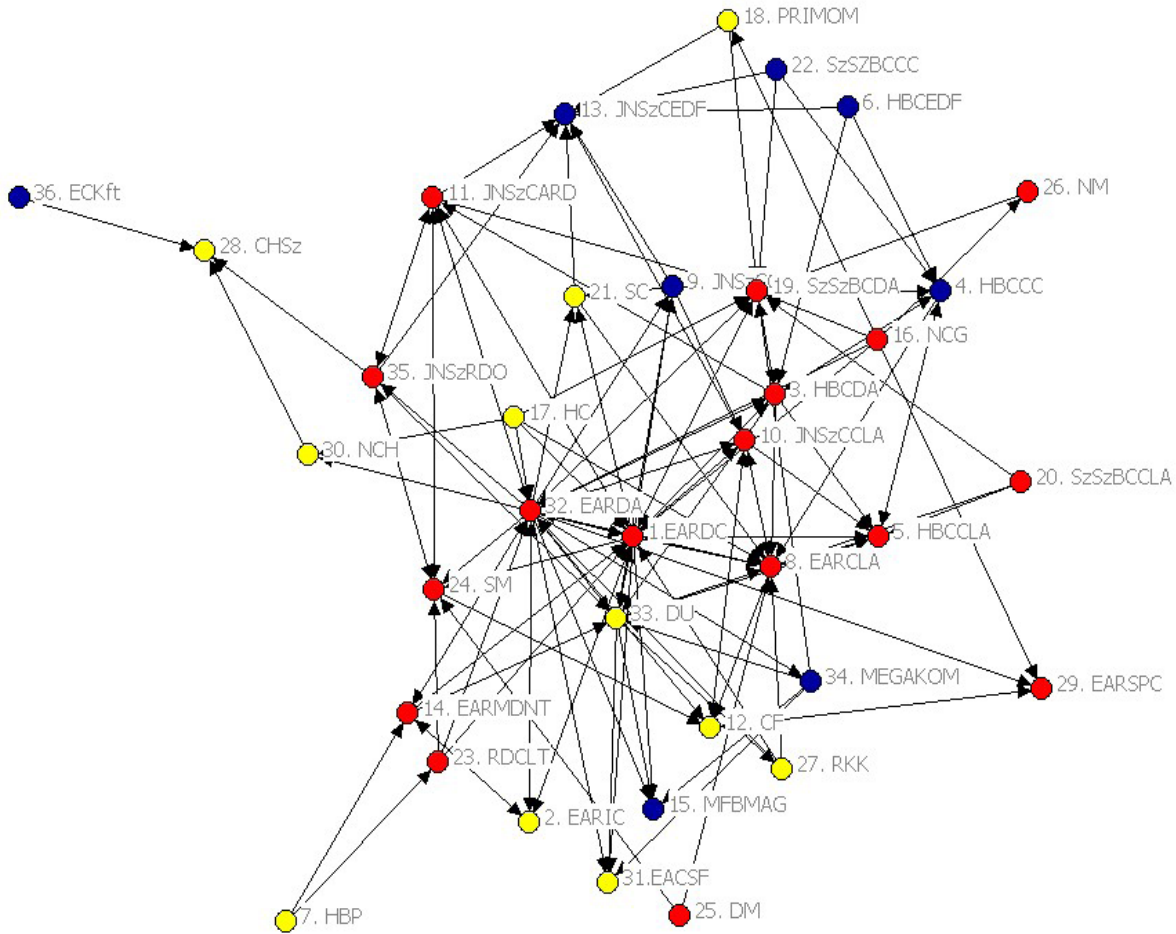
The main other actors considered to have significant status in this network were the Szabolcs-Szatmár-Bereg County Development Agency, the Regional Council for Labour Affairs and the Jász-

Nagykun-Szolnok County Enterprise Development Foundation. On the whole, the network of strategic ties is relatively decentralized with a range of public bodies from different regional locations. There were only few actors possessing significantly more connections than the rest.

Degree Centrality (in-degree and out-degree)

		1	2	3	4
		OutDegree	InDegree	NrmOutDeg	NrmInDeg
32	EARDA	19	11	54.286	31.429
1	EARDC	14	11	40	31.429
33	DU	8	6	22.857	17.143
3	HBCDA	8	5	22.857	14.286
16	NCG	6	0	17.143	0
17	HC	5	0	14.286	0
11	JNSzCARD	5	6	14.286	17.143
35	JNSzRDO	5	3	14.286	8.571
34	MEGAKOM	4	1	11.429	2.857
10	JNSzCCLA	4	5	11.429	14.286
19	SzSzBCDA	4	10	11.429	28.571
14	EARMDNT	4	3	11.429	8.571
9	JNSzCCC	4	3	11.429	8.571
4	HBCCC	3	5	8.571	14.286
2	EARIC	3	3	8.571	8.571
20	SzSzBCCLA	3	0	8.571	0
22	SzSZBCCC	3	0	8.571	0
27	RKK	3	1	8.571	2.857
6	HBCEDF	3	0	8.571	0
24	SM	3	6	8.571	17.143
23	RDCLT	3	1	8.571	2.857
8	EARCLA	2	12	5.714	34.286
21	SC	2	3	5.714	8.571
12	CF	2	5	5.714	14.286
7	HBP	2	0	5.714	0
25	DM	2	0	5.714	0
18	PRIMOM	2	1	5.714	2.857
5	HBCCLA	2	6	5.714	17.143
29	EARSPC	1	3	2.857	8.571
30	NCH	1	2	2.857	5.714
26	NM	1	1	2.857	2.857
36	ECKft	1	0	2.857	0
15	MFBMAG	0	4	0	11.429
13	JNSzCEDF	0	8	0	22.857
31	EACSF	0	4	0	11.429
28	CHSz	0	3	0	8.571

Figure 1: The network of ties described as strategic



Note: Red nodes=Governmental actors; Blue nodes=Business actors; Yellow nodes=Societal actors

Occasional network ties

Density (matrix average) = 0.2563:
Standard deviation = 0.4366

The network of ties that were described by the informants as more occasional is, not unexpectedly, significantly denser than the strategic network. However, it still represents only a fraction above a quarter of all possible ties amongst the actors. It is a relatively decentralized network, with even distribution of power amongst the participants. At the head of the more prominent actors, there is a different combination than the strategic network. There is still strong representation from the public sector, but there is also significant involvement of both private and social actors. The most prestigious and influential actor in this network was the Center for Regional Studies of the Hungarian Academy of Sciences. In this position it worked both as a state, unpaid advisor but also as a paid consultancy company.

Reflecting the importance of building up the tourism sector in the region’s development planning was the high position of the tourism marketing board. This was a regional branch of a national body and it was in contact with many different public and private actors keen to explore the potential of their localities as places for regional investment. Then there is a county development foundation, a regional office for labor affairs and then the private sector consultancy company MEGAKOM.

The most marginal actors in this network of weaker ties are one of the civic actors, a county labor affairs agency and one of the consultancy companies.

Degree centrality

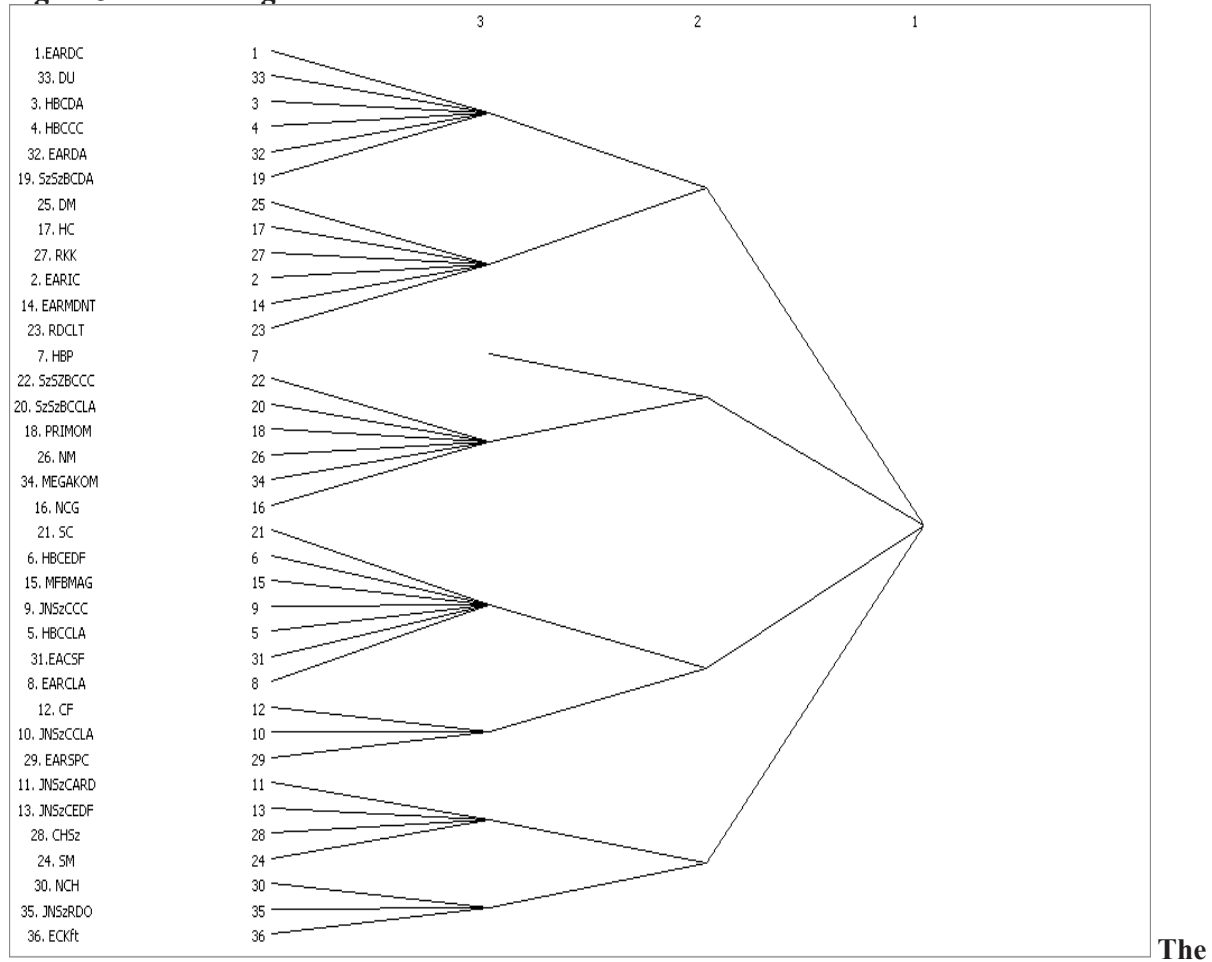
		1	2	3	4
		OutDegree	InDegree	NrmOutDeg	NrmInDeg
27	RKK	17	9	48.571	25.714
14	EARMDNT	16	14	45.714	40
13	JNSzCEDF	13	9	37.143	25.714
8	EARCLA	13	15	37.143	42.857
7	HBP	13	6	37.143	17.143
34	MEGAKOM	13	10	37.143	28.571
1	EARDC	13	16	37.143	45.714
9	JNSzCCC	11	11	31.429	31.429
21	SC	10	11	28.571	31.429
2	EARIC	10	10	28.571	28.571
18	PRIMOM	10	9	28.571	25.714
24	SM	10	15	28.571	42.857
4	HBCCC	10	14	28.571	40
10	JNSzCCLA	9	6	25.714	17.143
15	MFBMAG	9	10	25.714	28.571
33	DU	9	7	25.714	20
26	NM	9	10	25.714	28.571
23	RDCLT	9	8	25.714	22.857
19	SzSzBCDA	9	11	25.714	31.429
25	DM	9	8	25.714	22.857
28	CHSz	8	6	22.857	17.143
31	EACSF	8	4	22.857	11.429
5	HBCCLA	8	10	22.857	28.571
32	EARDA	8	16	22.857	45.714
35	JNSzRDO	8	8	22.857	22.857
17	HC	8	1	22.857	2.857
30	NCH	7	8	20	22.857
12	CF	7	5	20	14.286
6	HBCEDF	7	11	20	31.429
11	JNSzCARD	7	11	20	31.429
29	EARSPC	6	1	17.143	2.857
22	SzSZBCCC	6	8	17.143	22.857
3	HBCDA	5	4	14.286	11.429
16	NCG	3	7	8.571	20
20	SzSzBCCLA	3	8	8.571	22.857
36	ECKft	2	6	5.714	17.143

Degree centrality

		1	2	3	4
		OutDegree	InDegree	NrmOutDeg	NrmInDeg
1	EARDC	31	5	88.571	14.286
32	EARDA	31	4	88.571	11.429
33	DU	21	5	60	14.286
3	HBCDA	14	5	40	14.286
8	EARCLA	12	5	34.286	14.286
19	SzSzBCDA	9	5	25.714	14.286
16	NCG	9	5	25.714	14.286
4	HBCCC	5	5	14.286	14.286
34	MEGAKOM	5	5	14.286	14.286
11	JNSzCARD	4	5	11.429	14.286
12	CF	4	5	11.429	14.286
15	MFBMAG	3	5	8.571	14.286
10	JNSzCCLA	3	5	8.571	14.286
27	RKK	2	5	5.714	14.286
35	JNSzRDO	2	4	5.714	11.429
2	EARIC	2	2	5.714	5.714
5	HBCCLA	1	5	2.857	14.286
18	PRIMOM	1	5	2.857	14.286
13	JNSzCEDF	1	5	2.857	14.286
20	SzSzBCCLA	1	4	2.857	11.429
7	HBP	1	3	2.857	8.571
22	SzSZBCCC	1	5	2.857	14.286
23	RDCLT	1	5	2.857	14.286
6	HBCEDF	1	5	2.857	14.286
36	ECKft	1	5	2.857	14.286
26	NM	1	5	2.857	14.286
17	HC	1	5	2.857	14.286
14	EARMDNT	1	4	2.857	11.429
21	SC	0	5	0	14.286
30	NCH	0	5	0	14.286
29	EARSPC	0	5	0	14.286
28	CHSz	0	3	0	8.571
24	SM	0	5	0	14.286
25	DM	0	5	0	14.286
31	EACSF	0	5	0	14.286
9	JNSzCCC	0	5	0	14.286

2.4. Structural equivalence

Figure 3: The dendrogram



The three splits:

- In the first division, 2 groups were formed: actors {1, 33, 3, 4, 32, 19, 25, 17, 27, 2, 14, 23, 7, 22, 20, 18, 26, 34, 16} and actors {21, 6, 15, 9, 5, 31, 8, 12, 10, 29, 11, 13, 28, 24, 30, 35, 36}
- In the second division, 4 groups were formed: actors {1, 33, 3, 4, 32, 19, 25, 17, 27, 2, 14, 23}; {7, 22, 20, 18, 26, 34, 16}; {21, 6, 15, 9, 5, 31, 8, 12, 10, 29}, and {11, 13, 28, 24, 30, 35, 36}.
- In the last division 8 groups were formed: {1, 33, 3, 4, 32, 19}, {25, 17, 27, 2, 14, 23}, {7}, {22, 20, 18, 26, 34, 16}, {21, 6, 15, 9, 5, 31, 8}, {12, 10, 29}, {11, 13, 28, 24}, and {30, 35, 36} and considered to be approximately equivalent.

The groupings show equivalent positions according to location and legal personality with associations of actors in related fields such as labor and commercial chambers, for example.

The dendrogram shows groupings that were revealed in the earlier figures in terms of most important actors, but there are also some interesting connections between certain private actors and county level development agencies, showing a relatively mix of similarly placed public and private actors in the network.

3. Evaluating the learning capacity of the institutional infrastructure

3.1. Fora for dialogue and negotiation

In comparison to the first round of regional programming, a majority of informants agreed that there were more organizational structures for engaging with the various local public and private sector professionals in the region. As detailed in the earlier report on institutional developments in regional policy making, following the 2004 government regulation, “Contents and Organizational Frames of the Europe Plan 2007-2013,”⁵ the second National Development Plan was composed using the input from eight thematic working groups at both the national and the regional level. These bodies examined such development issues as the promotion of a “Healthy Society,” a “Clever and Cultured Society,” an “Active Society,” and the “Catching up of the Rural Areas.”⁶ The national level groups composed of public, private and social actors, and were set up by the National Development Agency, whilst the regional level working parties were established by the Regional Development Agencies. Each working group was encouraged to invite social partners, representatives of the economic sectors and representatives of the natural and social sciences. The County Territorial and Regional Development Office of the Prime Minister’s office was charged with overall co-ordination of these regional working groups.

In the Northern Great Plain, the RDA created a virtual planning network involving 120 experts to assist with the preparation of working documents, and to offer opinion on planning documents emanating from the center. This network was divided into the same number of thematic working groups who met at the RDA office regularly and who also communicated amongst each other on a restricted area of agency’s website.

Another area for participation was the “harmonization” meetings that were organized by the RDA. Public meetings were held in the 27 micro-regions and in each of the three county seats. According to the RDA, these meetings were attended by representatives of local councils, micro-regional associations, business organizations, private individuals, and professional institutes took part on these panels.

There were mixed assessments of these deliberative processes. On the one hand, there was a widespread agreement that the RDA was genuine in its efforts to consult with the widest possible number of people, and that the second round of programming was widely heralded as an improvement on the earlier one. At the same time, there were several complaints from both public and private actors that contributions went unheeded and that critical decisions seemed to be made elsewhere. This related particularly to the question of the subject matter and the content of the ROP and in particular its main objectives of promoting the development of the tourist sector. One of the officials from one of the County Development bodies for example, argued that:

“I am convinced that the other important regional and county contributors were given the possibility to express and transfer their standpoints.”

At the same time, the official noted that in spite of their repeated requests, their suggestions were never included in the final version.⁷

Another point that was made about the working of these consultative bodies was the high demands

5 Government Decree 1076/2004 VII.22.

6 The titles for the eight working groups were as follows: Healthy Society, Clever and Cultured Society, Active Society, Information-Based Society, Competitive Economy, Catching up Rural Areas, Liveable Environment, and Dynamic Settlement System.

7 Interview with Tibor Stelli, Regional and Infrastructural Executive, Jász-Nagykun-Szolnok County Municipal Council, November 2007.

made upon their members. Even the private sector consultancy companies complained that the work expectations were onerous. One informant argued that:

“The time was not always sufficient for the survey of documents especially for the assessment of essential documents.”⁸

It was an oft-repeated theme that there were certain requirements for effectively engaging with the regional planning process that were beyond the reach of many of the smaller authorities. As one interviewee put it:

“The fact that the condition for obtaining developmental resources is to have a local tourist developmental strategy causes difficulties. Consequently such areas where it is not so essential get support while other areas in need are left out of developments as the local councils cannot finance the preparation of developmental documents needed for planning.”⁹

Given the huge size of the regions and the challenging development needs, it was interesting to see how other sub-regional actors got involved in drawing others in and mediating between the small regional authorities and the many self-governing settlements. In the earlier case study and in the national report we noted how some of the NUTS V bodies felt threatened by the process of regionalization. With no real long administrative history and with a circumscribed jurisdiction, the more important development partners for the smaller settlements were the counties and, more recently, the micro-regional associations. In the interviews the former claimed to have an important role in promoting the regional plans, in soliciting for ideas and input and for generally representing the interests of the rural areas to the regions. At the same time, there was a very mixed assessment of the role of the micro regions in the process. One of the social actors, from the Chance foundation believed that the micro regions were completely left out of the workgroup activities. For one of the more established County officials, the Micro-regions ended up narrowly mediating for their own settlements economic interests rather than acting to harmonize sectoral and area issues. His impression was that they were trying to advocate do that at the wrong point in the policy making process. Despite some of the arguments put forward in the literature that the counties power is waning at the expense of the micro regions and the regions, there appeared to be little of this concern from the County officials interviewed. They tended to see much of their future needs being met in the context of the regional OP rather than with the other national Ops. This identification with the regional policy process was reflected in the SNA which shows a strong presence and activity of the various county level bodies.

3.2. Institution-building and adaptation of the network structure

According to some of the informants involved in both the first and second ROPs, in the first ROP, there was a complete over-representation of the regional capital Debrecen in terms of expertise solicited and interests promoted. This was echoed in the reputational rankings in the SNA section which indicated a strong concentration of activities and consultations in the regional capital, Debrecen. Although the Northern Great Plain also has the large cities of Nyiregyhaza and Szolnok in its boundaries, there was a feeling that much of the commissioning work, for example, was distributed to bodies close to the RDA in Debrecen. In the second round of programming and planning however, there was greater emphasis

8 Interview with József Gonda, Consultant, Megakom Strategic Consulting Office, November 2007.

9 Interview with Peszeki Gergely, Hungarian Tourism Ltd. North-Hungarian Plain Marketing Office, November 2007.

on enlarging the network of key consultants and advisors. The Rector of the college at Szolnok, for instance, admitted that far more of the preparatory work had come to his college, and that he estimated that 'income coming from tenders comprise 20-25 % of the college's annual budget.¹⁰ The interesting question is whether there is any one agency that is responsible for that development.

Although the RDA was clearly the leading public sector body in drawing together the ROPs, it might be unlikely that it could claim this change just for itself. Even though it has grown in terms of institutional capacity, it is still small in terms of the numbers of its officials and budget. There did appear some evidence that the micro-regions, the private sector consultancy companies and the universities were important in creating new network ties and liaising with different tiers of a sometimes fragmented public sector. For some informants, there was also more motivation to get involved with the second ROP because, unlike in the first ROP, following the changes brought in by the government, each region made their own independent Regional Operative Programme, which, in the words of the one interviewee gave the "associations and managements of each region .. a greater emphasis as well as a greater amount of practical tasks."¹¹

3.3. Public-private partnerships

Whilst the rhetoric of partnership is an important mantra in EU related development planning, there was ambivalence towards its manifestation in the regional planning process in the NGP. For one interviewee, the problem was:

The participants emphasized their own interests, it is still characteristic to apply the "minimum expenditure – maximum profit" principle.

However, this was expressed in the context of relations with other public bodies rather than between public and private bodies. As the regional process upturned more established relations between small settlements, counties and the new regional actors, it was at these points where there was frustration that there had not been more open or involved or equal relations between actors. Relations between public and private actors tended to be less fraught partly because some of these relations were carried out on contractual quasi -consultancy terms in which the public authority was seeking particular knowledge or know how from experts based in the universities or in the private sector companies. Other relations such as between the Center for Regional Studies from the Academy of Sciences and diverse public bodies were carried out in the context of long term relations between actors known to each other.

3.4. Common understanding of major issues

For several of the county level officials and some of the social and private sector actors, the question of common understanding was controversial, arguably because the main priorities of the NGP region as far as the ROP process was concerned were externally established via the left over principle. As with the OP in the other case study region, the feeling amongst some of the actors that had been involved in county and now regional planning for some time, was that the major challenges were only partially covered in the ROP. The larger, more complex works that involved more regions or that were clearly within the jurisdiction of sector ministries were dealt with in the context of other operational

10 Interview with Dr Péter Székely, Rector, College of Szolnok, November, 2007.

11 Tibor Stelli, Regional and Infrastructural Executive, Jász-Nagykun-Szolnok County Municipal Council, November 2007.

programs.

As mentioned earlier, the one main area for developing the regional economy given to the ROP was within the tourist trade, but then the question was whether the ROP should support the development of existing tourist sites and attractions or try to build up new ones. Whilst the tourist board official argued that their body had tried to mediate some of these questions, particularly with some of the smaller settlements, it was still accepted that the process of regional planning was still seen by some as an opportunity to advance particular issues of perhaps more local importance.

3.5. Central – local relations

For the regional authorities, the central ministries and agencies were present in their main meetings but offered broad support to the development of autonomy and relative independence. The officials argued that their relations were largely based on consent and mutual understanding, albeit if there were some occasions in which the region sought to increase their role in addressing more complex development issues from the region. From a more outside perspective, there was some opinion that it was not the fault of the RDA that it was sometimes difficult to motivate actors to participate or that their work was not understood. Indeed with so much activity around programming and so much apparent initial flexibility there had been a fair amount of interest created. The problem was that it was hard to sustain this and there was a 'natural' dropping off of interest. The main cause for this though, in the opinion of more than one informant, was the government's desire to have fairly standardized ROPs pursuing the same mixed goals of some infrastructure development and promotion of individual sectors such as tourism. In other words, by creating so many regional working groups with broad remits covering cross cutting topics and then to channel them into a relatively narrow band of topics in the ROP inevitably created frustration and a sense of controlled de-centralization, as we put it in the earlier report.

3.6. Role of non-state actors

We have already covered many of the main points concerning the involvement of non-state actors in this process. To recap, there were relatively few social partners involved in the higher levels of regional policy making reflecting the fact that this NUTS II unit has only a short administrative history in Hungary and that the civic sector that expanded so much in the 1990s, tended to operate within strict territorial boundaries and it was only in the major urban areas where there were more nomadic or universalist civic bodies. Those social partners that were significantly involved, such as the Chance Foundation partly owed their position to their previous experience in both EU-related development projects and the fact that there were so other civic bodies that could carry out their representative and knowledge input functions.

The private sector is not well represented in the upper parts of the network, although there are a number of umbrella or advice agencies such as the Chambers of Commerce, the County Labor Agencies and the Enterprises Foundations, all of which might be able to bridge the regional networks to other networks. As with the civic networks, as many of the new economic actors are small to medium enterprises there are not so many that have the time or inclination to get seriously involved in regional planning. Another consideration though is that there are other operational programs that might stand to be more directly beneficial for them and therefore might be more attractive in terms of involvement.

Finally, the question of expertise and the production of new knowledge by the non-state actors is an interesting point brought up in both the academic literature and by some of the informants. It was

clear that both at the top and the bottom of the regional public network, there were shortages that could be filled by the universities or some of the new consultancy companies. And there is not such a fine line between these two sectors of course. Both parties were able to interpret the opportunities presented by the new planning process, in ways that placed them in significant and gainful positions. Whereas the universities tended to concentrate their input into strategic planning documents or sub sets therein—the SWOT analyses—the consultancy companies would also position themselves as able to facilitate access to the project funds by writing applications. In both cases, these non-state actors were responding to needs within the public administration. Whether these roles will fade once the regional authorities assume greater familiarity with their brief is an open question.

4. Conclusion

The relatively large surface area of the NGP region had some impact on the ability of the regional authorities to integrate the disparate social, economic and political actors. The strong social and political identity of the county seats means that there is a fair amount of intra-county cooperation but less so across the county divides. The bodies that might act as alternative bridging institutions, such as the micro-region associations and the different educational/consultancy bodies, did not seem to have established a leading role here, although the University of Debrecen did play an important role in drawing together different constituencies

In comparison to the other case study, the SNA shows strong similarities in terms of network structure and density. Despite the differences in terms of cooperative history, development problems and settlement structures, there are no significant differences in terms of the leading actors, nor the place of non-state actors. In both regions, the key non-state actors aside from the regional authorities were the universities and the private sector consultancy companies. Both act as an important connector between public and private and across the county boundaries. There are few other civic actors that can play a strong regional bridging role. One difference in terms of the role of public authorities is the relative strength of the tourist board in NGP and its marginal position in South Transdanubia. Despite the importance of the Lake Balaton for the latter's tourism development, the main consultative body dealing with the Lake was completely marginalized in the ROP programming and planning. In contrast, the tourist authorities in NGP areas with less well-established facilities were active and well connected to all kinds of bodies. Does this activism reflect on the structure of social and civic networks in the region? Possibly, because the development of existing and new tourist packages involves the coordination and participation of many different actors and in order to be successful, there needs to be a willingness to cooperate in new ways. The relative willingness of public actors to get involved in developing tourism opened up the regional network for more sustained input from non-state actors. At the same time, this should not be overstated. The developmental needs of the poorer, lagging micro-regions were such that tourist development is unlikely to work solely through the regional framework. Rather, development requires more investment. In other words, even if the structure of civic organization is supportive, regional development requires much more than what is currently being channeled through the regional development process.