

POLITICAL CHALLENGES OF REGIONALISM IN HUNGARY

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The territorial organisation of public administration and the regional policy face the necessity of clarifying the division of labour and power between the central, local-territorial actors and the evolving new structures having to meet the requirements of democracy, efficiency and EU conformity. The so-called “county-debate” ongoing since the beginning of the 1990’s and the related regional efforts accompanied by the malfunctions of the fragmented municipal self-governance imply the necessity of theoretic-scientific clarification, even if it will be mainly the competency of politics to find an answer to these questions.

International trends

The history of development of modern civil states is characterised by centralisation and decentralisation cycles. The relationship between the local-territorial and central unity is continuously changing in terms of organisation, division of labour and system of relationships.

The strengthening of decentralisation processes and the “Europe of Regions” ideal or movement did not lead to the establishment of a territorially and structurally unified territorial administration arrangement in Europe. The European systems of territorial administration are extremely differentiated, yet the trends during the previous decades and especially years point to the same direction.

The regional policy suffered serious rearrangements during the past decades. The essence of the change of model is, that the strategies based on local resources gradually replaced central planning and redistribution (*Horváth, 1999*), which absolutely requires the transformation of territorial administration.

The basic element of the regionalised and endogenous regional policy is the decentralisation, co-ordination and openness, due to which the institutionalisation of different groups interested in regional development accelerates. One of

the distinctive features of the development of the millennium's public administration is the strengthening of the regional tiers and or their arrangement as new tiers as well as the delegation of competencies in the form of the reinforcement of their status or tighter–looser integration of territorial units.

The headway of regional policy significantly contributed to the pluralisation of public administration and to the process that the new “para state” types of organisational forms and the indirect market methods in the form of privatisation and enterprises are apparent besides the services within the support systems of economy too.

The regional inequalities, as one of the most marked outward forms of social inequalities required the dissemination of citizen friendly, transparent, participative and basis-democratic methods and the new opportunities of conflict treatment and elaboration.

Besides the new challenge the modern necessity of professionalism and efficiency became clear, which set new requirements on the staff, infrastructure and operational methods of public administration.

Regional development and public administration arrangement in Hungary

Prior to the systemic change the organisation of public administration was matched to the real processes:

- Due to the growth of the farms, commuting and urbanisation the rural administration loosing its functions was integrated in so-called common municipal councils;
- The towns and county seats were responsible for the operation and maintenance of the technical infrastructure and servicing system following the concept of central places, these were therefore the beneficiaries of the redistributive system too;
- Within the redistributive administration the tiers making the distributive decisions became obviously the central elements: the National Planning Bureau and the county councils.

For the prise of the extremist redistribution, the engineering and technocrat approach settlement network organisation an urban network evolved which was able to ensure a relatively equalised and stable servicing and supply system and therefore the existing regional inequalities did not grow to untreatable crisis. The weakness of the “rational” system was besides its democratic deficit that it hindered the dynamics of economic development and turned the actors of regional development, the settlements and counties against each other.

The systemic change placed regional policy into a completely new context. The necessity of a separate regional policy and its reinforcement was unavoidable (Enyedi, 1996).

The development of regional territorial administration went counter to the organisational and structural requirements of the growing state activity within regional policy. The weakening of the two institutions influencing the structure of territorial administration, the associations and the counties, resulted in an extremely fragmented local level with wide competencies without territorial integration tiers and institutions.

This peculiar territorial administration put a significant impact on the freedom of action, contents and means of regional policy:

- The opportunities of territorial interest representation and enforcement decreased;
- Regional policy decisions were strongly centralised, and therefore social control and efficiency decreased and the local resources were not mobilised;
- Instead of a comprehensive regional policy covering the entire country and governance the practice was rather local settlement service and infrastructure development and crisis treatment.

Since the introduction of the local governmental model in Hungary the issue of territorial planning was closely connected with the situation of county assemblies. The political, local governmental professional group opposing the reinforcement of the counties – actually not questioning the necessity of territorial integration – approach the issue of territorial medium tier with the criticism of the county division, county tier. They defined the geographic frameworks of the territorial administration as the city and its gravitation zone and micro-regions, respectively the regions larger than the counties. Yet during the debates the functional aspects of regional organisation and the primarily power and legal aspects of state organisation were mixed. Throughout the history deep regional organisation reforms regularly failed since no professional, political consensus has been achieved in terms of basic targets and concept of the administrative change of model. Therefore as long the professional-policy basis of the transformation of the public administration model and not clear and accepted, the reforms of territorial organisation have no base of comparison. In the middle of the 90's neither the institutionalised system of relationships between the actors of regional development, or the governmental reform intentions nor scientific research supported the necessity and the reality of sweeping territorial reforms.

In this context the act on regional development and physical planning was passed in 1996, which became the promise in terms of the future of not only regional policy but territorial public administration too.

As compared with the previous regional policy the new act on regional development resulted exactly through the establishment of its institutional system a marking step. The basic features of this change are as follows:

- Covering the entire territory of the country – in the micro-regional, country and regional tiers – a decentralised system of special institutions was established, which was equipped with decision-making competencies;
- The institutional system, the system of development councils, was based on the principle of partnership, that is, it involved the representatives of the central government, local governments, chambers and employees in the decision-making (*Szaló, 1999*).

A contradiction of the building of special regional development institutions is not within the institutional system, but in the relationship to the public legal context, frankly, the regional development institutional system replaced local governments and was equipped with far more authority, than the directly elected county assemblies.

I have analysed during the previous two years the basic features of the new institutional system:

- In the national tier the functioning of neither the ministry, nor the National Development Council was able to break down the strong sectoral dominance characterising the Hungarian governmental system;
- Even though the micro-regional associations were formally organised and their number even grew, yet their development activities do not go beyond the horizon of settlement infrastructure development;
- County development councils became the key actors of the system due to their strategic planning and resource division competencies. Their activities are characterised – primarily as a result of the tiny volume of financial resources and the strict central regulations of resource division – by seeking equity and equalisation;
- The regions were organised but in lack of resources and competencies without being able to carry out any real activities.

The success of regional policy is far not the internal matter of the regional development institutional system since it affects the whole of the state administrative and resource division system:

- The decentralised regional development system is able to provide for the advantages of decentralisation exclusively in the context of a similarly

decentralised state and public administrative structure. Linking resources is hardly possible with partners lacking tools, resources and competencies. The further decentralisation of the state and public structures is unavoidable;

- The fundamental condition of the success of the institution system is the further decentralisation of resources, since currently exactly these represent the bottle-neck in Hungarian regional policy;
- The decision-making and resource division cannot exit without professional preparatory–executive and intermediate apparatus and resource accumulating institutions. The current institutional system only distributes central state resources and no private and local resources were allocated to the common development targets. The financial institution system, which is to accumulate, mediate the resources, is hardly established and similarly not system of interests is existing which could motivate the resource involvement. Regional development decisions are today limited to planning and division decisions, and infrastructure development, while real regional development actually covers a much wider scale of activities: training and education, research, marketing, technology transfer, economic support (incubation, promotion and financial support, etc.), tourism development, environment policy, human resource development, community development, service organisation, employment policy, etc. These functions are partially present in the form of separate institutions, organisations in Hungary too yet without networking or having contact to each other at all.

Strategy of region building

Before arguing whether the counties are too small or actually too large, we have to make clear, for which functions the different tiers, and among them the region itself must or would be appropriate to be facilitated.

- The necessity of the regional scale is the most obvious in the field of regional development. Yet this function attracts further functions preliminarily in the field of economic development–support, research, technology transfer, financial functions and banking, and marketing;
- There is no doubt, that a significant part of the linear infrastructure systems, mainly due to technical reasons require a regional or territorially larger management, than the county scale. The organisation and management of these systems lays beyond the public authority sphere, respec-

tively their borders do not coincide and therefore it is impossible to facilitate the standard public administrative borders upon them;

- A part of the high quality human services and functions are also organised into regional systems, such as the system of higher university education, the network of clinics and the research. But the management of these is not characteristically a territorial and especially not an administrative task;
- The environment and nature protection is organised at current regionally and it partially does not follow the administrative delimitation exactly due to its special tasks;
- The organisation of the classical administrative–public authority and jurisdictional functions is mainly matched with the demand of the consumers. The regional scale organisation of administration may be justified in those fields, which require high level of professional knowledge and other special conditions of operation.

Based on the consideration of the above aspects it is not possible break a lance on behalf of the necessity of regional public administration. The majority of the listed regional functions do not really require rigid administrative frameworks. Therefore to the system of arguments of the regionalisation further arguments must be attached.

Even if there were concrete, articulated public administrative demands arguing the introduction of the regional tier, it would be subject to further consideration, whether the regions should be institutionalised as new units facilitated above the old tiers or as a new tier replacing the old one.

In the later case we have to face the lack of the “lower medium” level, since within the framework of the current settlement administrative structure it is unimaginable to build the regional public administration on the 3200 settlements and 6 to 7 regions. Therefore the introduction of the regional tier will obviously increase the number of administrative tiers, and the question can at the most be, whether the county or the micro-region smaller than the county (district), urban county should fulfil the role of the lower medium tier.

A fundamental question is, which one of the two territorial levels, both equipped with general competencies will have a more emphasised position, what again preliminarily depends on the division of resources and competencies, and on the other hand on the election techniques and general political interrelations. The division of the competencies is seemingly the competency of the government, and if it really intends to regionalise, than bearing the “competency of competencies” it is able rearrange the power relations. Yet the government’s attitude towards regionalisation is necessarily ambivalent:

- First of all, the government is interested in the establishment of a more efficient and effective public administration and state, and the professional policy and modernisation aspects succeed in its decisions easier;
- But on the other hand the government is not willing to establish regionalisation as a burden, limit of its own power and to the costs of its own resources;
- And thirdly, the government is not interested in – regarding exactly to the political stability – creating territorial country poles, which would make governance more difficult.

Once the number, content and functions of the tiers are outlined the legal content of the tiers can be elaborated. If political regionalisation is planned for the longer term it is possible to facilitate the regional level gradually reaching the status of a fully authorised self-government. The institutionalisation of regional tiers in terms of public law is namely imaginable alongside a number of alternatives:

- The first institutionalised forms are the regional development councils. These are appropriate to be the subjects of regional development decision-making, planning, resource division and utilisation in a narrower sense;
- The regional cohesion channelling political interests may be launched in the form of a looser co-operation between the county assemblies and local governments;
- The arrangement not as the association of county development councils but county assemblies will inevitably provide for a stronger public authority status for the new organisation;
- Regionalisation can be launched and enlarged within the sphere of state administration in case the territorial borders and centres of regionally de-concentrated state administrative organs coincide;
- None of the above alternatives meet the requirements regulated in the *European Chart of Regional Governments*. The sine qua non of the political and self-governing regions is the availability of a directly elected representative body and the constitutional guarantees for the local governmental basic rights.

The political regionalisation process will after having clarified the previously elaborated political, constitutional and public administration organisational issues into the phase of delimitation of borders and consideration of geographical alternatives. The number and borders of the regions is formulated through a series of compromises and is highly dependent on the question, whether it will be established above or instead of the counties. In the later case

it can happen either through the reform of the county division or through the integration of the counties, which makes more than 6–7 regions probable.

Besides clarifying the above an important aspect is strengthening regional cohesion, the “socialisation” of the region-building concept, intent. The establishment of regional cohesion lacking historical and cultural traditions promises to be difficult task. We actually talk about regional identity more than what we know about it. Regional identity today does not any more mean simply the affection to the naive situation and the personal use of space but much more a modernisation process in the context of enlargement, globalisation of national and international spaces (*Ipsen, 1993*).

Will regional awareness evolve on the ruins of county identity? Or would the availability of a directly elected self-government organ at all represent for the wider layers of society a value? Current time it is hard to give an answer to these questions.

The regionalism debate does not belong in Hungary to the so-called hard regionalisation (*Dirven, 1993*), which on a historical, ethnical and cultural basis seeks autonomy or even national sovereignty and which is actually decentralisation between the tiers of power. Despite of the above, convincing those counter-interested and disinterested requires a well considered action programme and communication strategy:

- Publicity must be granted to the institutions of development regions consolidated in terms of their status, tasks and borders;
- The partnership between the actors delegated into the regional development councils must be extended over the widest possible circles and their activity and communication among themselves may not remain limited to the division of regional development resources and the participation at the meetings;
- The actors must be motivated to regional co-operation. If they are not granted any “success”, or advantages located in their sphere during the co-operation, than disinterest or even aversion may evolve against regionalisation;
- The competition within and between the regions is unavoidable, even desirable, but only if the normative and informal negotiation mechanisms of interest harmonisation and equalisation are functioning. In a different case the rivalling among the regions may harm the efficiency of functioning and is appropriate to feed negative emotions;
- The regions may only become “mature” actors if they are enabled to national interest protection;
- The regions must be systematically integrated into the press publicity in order to popularise their name and image;

- Regional development councils must carry out an intensive marketing activity, elaborate their PR-strategies, since in lack of professional communication the even message of the most efficient functioning is unable to reach the public.

Finally it is important to emphasize that the strategy of region building may not rely on a negative campaign against the counties. It is not at all provable yet, that the development regions will be able to integrate themselves into political units, similarly, that the Hungarian state-political mechanism is ready to integrate regions replacing the counties. Therefore at current stage the strategy of region building is only possible based on the co-operation of the counties, and actually strengthened counties.

The regions indispensable for regional development associated with strong self-governmental counties could as advantageous and for the time being only possible alloy meet the efficiency requirements of regional policy and democratic requirements of decentralised state. The vision of Hungarian public administration can be drawn only in its outlines, and its arrangement is only to some extent dependent on requirement system set by the European Union, since it preliminarily depends on internal political and professional policy considerations and decisions. In Central-Eastern Europe it is a real risks that regionalisation may serve centralising intents. Hungary may not afford this mistake.

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