Economic and Social Characteristics of the Balaton Region and the Alternatives of its Regional Institutional Development

By

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Introduction

The following brief situation report and train of thoughts tackles the issue Lake Balaton Priority Recreational Area is compelled to face due to its unsuccess in the last years and as a consequence of Hungary having joined the EU (amongst others). Despite the fact that a considerable amount of goods under state, local government and private (mostly EU citizen) ownership are concentrated on its territory; that it takes part in the production of the domestic GDP above the average; that it is sociologically versatile, yet it has an organic and integrated local society with an intensive regional identity; and that regional development is carried out on its covered territory with exactly the same level of institutionalization and at least with the same built infrastructure and level of expertise as it is conducted in the seven statistical development regions, it will not be able to guarantee the production of goods necessary for the sustainable development on its own - as opposed to others - in the future. It does not have its own resources in this respect today either, but neither will it have them in case of the decentralization of domestic regional politics just as it will be unable to obtain EU-resources on its own in the future stemming from its special situation. Since the conflicts of regional governance are clearly uncurable with the habituated regional political techniques within the framework of current legal (governing and regional development) regulations, it seems to be worth thinking about the possible alternatives.

The Recreational Area

The Lake Balaton Priority Recreational Area (LBPR) is located on 3780 km² of the territory of Somogy, Veszprém and Zala Counties and it includes 164 settlements. The number of its towns has increased to 16 together with Badacsonytomaj in the summer of 2004.

The number of its resident population was 249,000 during the last (2001) census. At the time of the census the Hungarian Central Statistical Office (HCSO) counted 72,000 holiday real estates beside the 101,000 flats. 29 % of the domestic real estates with the same category can be found here, therefore the resort district has about the same home real estate property as an average county.

The local society of the region is thus rounded up to half a million by the 210,000 – 280,000 holiday real estate owners (counted with 3-4 people per real estate) together with the registered resident population. The composition of the local society is further tinged by the fact that purchasing of real estates by a considerable number of foreign citizens can be witnessed, which started at the beginning of the last decade. Most of the foreign buyers are EU citizens; (76 %) German, 14 % Austrian and the remaining 10 % is shared among citizens of 43 other countries.

The cohesive factor of the economy and society of the region is the centrally located Lake Balaton. The surface of the largest fresh water lake of Central Europe is 600 m², the length of its shoreline is 235 km and its mass of water (under normal circumstances) is 2 billion m³. During the definition of the territory of the region the concurrent and inconsistent consideration of many aspects played a role. The catchment area is 5,775 km² of which LBPR has only a 3,780 km² share. Those who defined the borders did not consider (among others) touristic aspects, that

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1 The original version of the essay was published in Political Essays of Pécs II, University of Pécs, 2005; ed: Péter Szabó
is why Tab - a settlement with an industrial profile - can be part of the recreational area, whereas Veszprém – the demonstrably most important neighbouring centre of the area – falls out of the region.

**On the territory of the touristic region consisting of 164 settlements there are – to some extent - 18 municipal regional development partnerships.** With various territorial ratios there are 14 HCSO micro regions present out of which only four (Balatonalmádi, Balatonföldvár, Balatonfüred and Fonyód) have a contribution with their full territory. It is typical of the external and internal territorial incompability matters and of the sensitivity to problems of those persons playing a central role and responsible for handling these matters, that the competent authorities did not consider a single element of those suggestions, which were based on research results and were handed in to the 2003 HCSB micro region reforms in the form of an LBDC (Lake Balaton Development Council) resolution. The Municipality of Ocș – as the only settlement from the Ajka Micro Region - belongs to the recreational area this way, which – being the (last joining) member of the Valley of Arts - is an organic and important part of the cultural tourism of the Balaton Uplands.

The public administration of the region is highly divided and this is also true to the partial areas (sector governance).

The institutional structure of the region can only be described with significant deficiencies. This has become increasigly realised on the level of anomalies concerning the operation of the regional development institutional system, but it is also true generally. Governance, medical, educational, financial etc. elements and institutions of the medium services are either present with defects or not present at all on the territory of the region (due to the fact that they are traditionally located at the county capitals, which however do not belong to the LBPR). With the exception of the micro regions of Balatonfüred and Balatonalmádi the accessibility of these services is problematic in the other areas of the region because of the known habits of territorial usage of local dwellers and due to the distances to the county capitals of Somogy and Zala County.

**The Economic Strength and the Population Preserving Ability of the Region, or the Stakes of Regional Politics of Lake Balaton**

The region is traditionally characterised by an intense enterpreneurial activity, however those playing a role in it are not homogeneous here either. In the recreational area there are about 26 thousand micro, small and medium enterprises even today. The enterpreneurial indicator number 81 projected to 1000 permanent residents is quite high compared to the countryside average (62). It is the second highest following Budapest (109), whereas the comparable indicator of Győr-Moson-Sopron is e.g. 75. Beyond the scope of locally registered enterprises about 2000, mostly partnership enterprises provide seasonal services, which are registered outside the LBPR and operate mostly during the high season and almost exclusively at the busiest places. The estimated sum of the gross domestic product at the statistical micro regions situated on the territory of the region is about 600 billion HUF and 21 % of the total Hungarian touristic tax income is generated on the territory of the LBPR. Based on results calculated from data of the year 2000 the economic development of the LBPR (1306 thousand HUF/person) based on its GDP exceeds the Hungarian countryside average (1039 thousand HUF/person) by 26 %, but the taxable income per person is only 85.6 % of the countryside average.

The touristic attraction of Balaton Region is still remarkable on a national level and it accumulates a considerable amount of income resources, however the local resident population does not profit too much of it. During the rather short period of the touristic season mostly only those real estate owners rent out their houses, who live permanently elsewhere and

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2 Miklós Oláh: “It is not up to the majority of those concerned” - Opinions and Thoughts on the Status of Balaton Region and its Territorial Problems, Research Closing Study, Lake Balaton Development Council Agency

3 Nr. 9/2002 LBDC resolution on the full scale central statistical data supply required for the LBPR and on the steps to be taken in order to become an individual and full-fledged statistical- regional development region

4 see: Miklós Oláh: Additions to the Description of the Spaciality of Regional Identity


6 Hajnalka Lőcsei - József Nemes Nagy: The Economic Strength of Balaton Region and its Internal Space Structure, Micro Region Mosaic 2003, Regional Studies ELTE (Eötvös Loránd University), Regional Geographical Department, MTA ELTE, Regional Scientific Research Group, Bp. 2003. The research was ordered by the Lake Balaton Development Council Agency
move here only at this time of the year and only those cca. 2000 enterpreneurs offer their services for tourists coming from Hungary and many other areas of the world seeking recreation and relaxation, who pay off their public burdens not here - though their income is generated from the activities carried out in the region -, but rather at their permanent residential places or at their primary, determinative permanent locations.⁷

The fact that most of the national income accumulated in the region has been continously withdrawn from the region for a longer period of time and that basically redistributive philosophy and techniques have been applied with the regional development up until today, have generated negative economic and social processes in this area of the country - usually described as a region with fortunate fate.

This region of Hungary, which - as the only countryside area carrying a contiguous rural innovation - was able to somehow counterbalance the innovational focal points of the so-called domestic core regions⁸ (the capital, larger cities, western Hungary, the Vienna-Budapest axis) for a longer period of time, but now it struggles with significant structural problems. As far as the internal territorial inequalities of the region are concerned, everybody is aware of the fact that territories and settlements located closer to the shoreline are becoming relatively more and more well-developed and vice versa. It is, however, shown only by our own research results - because of the lack of official statistical data supply - that this is also true parallel to the above mentioned axis. Micro-regional differences of almost the same extent (though with different end values) can be witnessed as those of the West-East axis on a national level.

It was also revealed by the latest examinations,⁹ that significant structural problems have to be faced in connection with the shaping of the composition of resident population in the region. Although the natural decrease of population in the region – which is in accordance with the national trend – was compensated by the positive migration balance to some extent, this however, has lead to the substantial ageing of the population. This process has been further fuelled by the fact that the lack of low price home real estates and all year round existence lead to the migration of fresh graduate, highly skilled professional youngsters away from the region.

The results of the examinations also gave the answer that in their cases there is an undeniable pressure. They would gladly stay if there were jobs available according their skills and a proper local existence, because they are the children of those local inhabitants who have been living here for more generations and enjoy living here. But because of existential reasons they rather try their luck in the capital, in larger cities of the Transdanubia or abroad. In the following two years 5 % of the resident population of the region is planning to leave the Lake Balaton area, mostly represented by those mentioned above.

According to demographic calculations and based on the visible trends of the near past and present it can be stated that the childbearing inclination (number of childbirth during the lifetime of 100 women) of permanent residents of the region (1.25) has been below the national average (1.30) in the last 6-7 years. This condition does not increase the life expectancy rate as it usually does in the Hungarian countryside. According to observable demographic trends the resident population of LBPA may decrease by one-sixth until 2041 if we discount migration and this ratio surpasses the rural average. For a simple reproduction 80-90 % of the women resident in the region should bear one more child, while the ratio of the population on pension will double unless some regional-political factors will intervene in these processes in an artificial way.

Keeping all these processes in mind – among others - from a touristic point of view is all the more essential since against the population present in the region it is the active work-ing population residents in the region who establish, operate and reproduce the material [public utility services, etc] and institutional [education, health care, administration and performances] infrastructure in the broadest sense of the word upon which seasonal tourism

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⁹ László Hablicsek: The Demographic Situation of the Balaton Region and the Pre-Calculation of its Resident Population 1990-2001-2041
rests beyond keeping the annual economic and social life of the permanent population in the right direction.

We can summarize these facts by concluding that without a deliberate intervention the future operation of this infrastructure will be in the hands of an ageing local population with decreasing social activity whose skills will deteriorate up to the level of being less and less fit for any innovation, and these circumstances will be able to threaten the sustainable touristic development of the Balaton Region.

**The Regional-Political System of Institutions and the Problematic Interregionality**

The regional planning institutionalization of the recreational area (to be compulsorily implemented together with the Budapest Agglomeration Council) has been ruled by the Act XXI. of 1996 (Country Planning and Development Act). The govermental decision issued in the Decree of 87/1997. (28.V) defined the extent of the area in 152 settlements. The more or less changing members of the Lake Balaton Development Council include the particular ministries involved, the adjacent counties and the statistical development region, the local governmental development associations, county labour centres, and the delegates of chambers; thus it is operated through indirect representation. From the year 2000, - better to say ever since the foundation of the Council - the Union of the Balaton Bathing Federations and the Association of the Balaton NGOs (whose members are more or less limited to permanent residents) have been permanent guests and active participants of their meetings. The LBDC, as it is customary with any other development council, works on the basis of a scientifically established and accepted concept and strategy, prepares its plans, schedules and initiates invitations for tenders, brings decisions on practical resource investments and carries out its monitoring according to the principles set down in these documents.

The Council has an authorisation only for the area of tourism, whereas other themes still remain within the task scheduling and authoritative scope of county and regional development councils. In case there was a principal, planned and expert co-operation of regional-political factors in the region, the development of the region could be carried out in a satisfying, thus effective way, however the analysis of practical results show just the contrary.

The decision preparatory research group of the Lake Balaton Development Council Agency has carried out the detailed analysis of LBDC tenders between 01.01.1999 and 31.12.2002. According to the results out of 2269 applicants, who competed for 16.5 billion HUF, 1598 (70%) won altogether 9.8 billion HUF. Out of the seven councils, tenders initiated by the LBDC make up 45% of all tenders and 74% were winning. The most important conclusions of the analysis results from the point of view of our theme are, however, not tender activity and sums, but the fact that there is a lack of coordination concerning the distribution of resources by many actors on the same area. 68% of the received tenders belong to the category of strategic regional development priorities of LBDC valid during the given period. If we subtract those tenders initiated only by LBDC, which are fully compliant with these aspects, this ratio becomes only 47%. This means that in case of tenders related to the LBPR and initiated by county and other regional councils, **53% of the received ideas did not aim at putting regional strategic ideas of Balaton Region into practice**. (If we also subtract those tenders within the framework of the Széchenyi Plan, which were initiated by the LBDC and others and belong to the category of priorities in a four-fifth extent, then this ratio is only 32%). 69% of all winning tenders could fit into the category of the above quoted priorities. If we subtract the winners of LBDC tenders, then **this ratio is 54%**.

Those who have no doubts about the necessity of regional co-operation in the Balaton Region have already called the attention to the fact that the overlaps of the scopes of competence of authorities responsible for Lake Balaton evidently cause troubles and parallel tendencies.

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10 The most important characteristics of regional tenders handed in and decided upon in the LBPR and initiated by county and other regional councils, www.balatonregion.hu

11 If we compliantly recode the above described tender database by including 2003 data and the central sector resource distribution of the last five years, we still get the result that 24.6% of the received tenders and 21.4% of the winning tenders fall out of the scope of priorities. Speaking of only the latter: the following percentage of tenders, which do not belong to the category of priorities were supported: 35.7% by county public funds, 34.6% by ministries, 8.7% by regional councils and 5.5% by counties.

I found these factors – which could be enlisted further endlessly -necessary to be brought up, so as to serve as arguments in favour of the interests of the Lake Balaton area and to emphasize the importance, significance and stakes i.e. the necessity for the tasks of such regional politics that is able to keep a system of criteria in mind, which is in close connection with this region.

Possible Alternatives:

A, : Individual Local Governmental, Administrative and Developmental Region (County)

The problems outlined above have been known to the local society of significant regional identity and political factors of the region. These problems have already been taken into account while they are trying to improve the situation by facilitating more or less elaborated strategies.

All these strategies have assumed shape for the local population in an entrepreneurial and non-profit activity high above the Hungarian country average. Those who live here had to work out a strategy of having more jobs both on a private and on a family level which is more frequent than anywhere else in Transdanubia. The sociological causes and historical roots of this particular behaviour can be discovered in the relatively high degree of middle-class status of the local society of the region. Around Lake Balaton, there are strong traditions of non-profit organizations and civilian activity stretching back to the 19th century not exclusively within the aristocracy but among the middle classes around Lake Balaton. This process has been significantly slowed down by the structure of the society of the period between 1948 and 1989, the disregard for the model of market economy, the preference for redistribution. It was against this very organizational principle and practice of the Hungarian economy that elements of the secondary structure started to make headway and gained wider ground in the Balaton region parallel with the weakening of the primary party-state structures.

At the beginning of the 1980s legalized private quarters renting, private taxi permits, etc, were really able to start people - especially those living in the vicinity of the lakeshore - out on their own, and they could become existentially independent of the state and council redistribution at a greater extent. In the cultural dimension of achieving middle-class status it was the early Hungarian experience of consumer and behavioural models introduced by tourists from the west, the relatively higher command of foreign languages, and the regular contacts cultivated with tourists arriving and returning that had an immense effect, which had in turn influenced these local peoples’ travelling habits. More and more people from among the micro and small entrepreneurs of the region, who worked in the tourist industry, commercial and financial real estate sector began to rely on their acquaintances and relations living abroad when transacting business activities.

All these facts have been further confirmed by the strong regional identity as illustrated in the results of the latest researches. These analyses prove that the citizens’ attachment to Lake Balaton is of a significant degree within the whole area (and not only on the shores, but the stronger it becomes when coming closer to them). According to the identity-indicators, their attachment to the lake reduces the general county identity elsewhere to a hardly traceable level. (Introducing themselves abroad one third of the locals characterize themselves as residents of the Balaton area - by mentioning the name of the settlement first -, otherwise only 2

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13 According to 01.01.2004 data of APEH and HCSO after the capital (109) LBPR A has the largest number (81) of enterprises projected to 1000 inhabitants. Győr-Moson-Sopron County is the third (75) and the countryside average is 62 enterprises / 1000 people.

14 Based on the data counted from the non-profit statistics of the HCSO, the LBPR A has 2100 active NGOs. The country average projected to 1000 inhabitants is 5.2, the average of the capital is 7.2, the average of the LBPR A is 8.7 and the average of shoreline settlements is 11.0.

15 Miklós Oláh: Local Society in Keszthely (An endeavour to grasp the characteristics of formal and informal power spheres as a reflection to the parliamentary elections of 1985) Manuscript, 1988

16 Miklós Oláh: The Region Found Manuscript.
% of the people help strangers to understand their origin by naming the county as well.) 65 % of the adult population within the holiday area reckon their settlements to the Balaton Region, 14 % to Southern-Transdanubia, 12 % to Central-Transdanubia and 9 % to Western-Transdanubia. The idea of an independent territorial local government is shared by 82 %; and 81 % of the permanent residents agree with making the Balaton Region an independent administrative category, whereas only 19 % disagree with it.

Arguments supporting independence show majority opinion everywhere in settlements located farthest from the lake. Among those insisting on independent territoriality, the number of people with higher education is much higher, and the ratio of persons who belong to the younger generations is overrepresented.

All these circumstances partly testify to the fact that opposite to the artificial grouping of counties into developmental regions, the region of Lake Balaton reveals an organic sociological formation, the citizens of which are aware of the nationally significant weight of the area, and they are also well aware of their underrepresented share from the benefits of the touristic products which have been produced in their neighbourhood with their direct or indirect assistance.

The Balaton-identity as an extraordinary phenomenon can also be explained with an attachment to a really attractive geographic-natural-cultural and historical complex besides the anti-centre attitude of the periphery leaning to separatism of our day.

Beyond the attitude of the population recognized recently we have already mentioned the official standpoint of the LBDC on the official status of our region. It is true, however, that the chairman of the newly elected Council, who had been delegated by the Prime Minister after the general elections in 2002, was accepted on condition that he had taken an oath to support an independent Balaton Region. Unfortunately, he was not so eager to tackle this question effectively in order to avoid a possible failure not to speak of some other causes. The same situation occurred at the election of officials held on 14th December 2004.

The standpoint of the Balaton Association [1904-1949, 1991-] assembling significant part of the local governments around Lake Balaton has uniformly supported autonomy from the very beginnings which is also illustrated by the official survey among the leaders of these local governments. According to their findings 82 % of the mayors are eager to establish a uniform and independent local governmental region stretching beyond the functions of area development and administration.

In November, 2003, the board meeting session of the Association decided upon to table a bill with the help of the Members of Parliament from the region in order to hold a plebiscite in the 164 settlements of the BPRA simultaneously with the elections for the European Parliament in 2004, and make this area autonomous. The presidium also thought of the holiday-home owners without local right of suffrage, who could sign a document to support this plebiscite. At the board meeting of the presidium held in 14 September 2004 discussed the possible means of the recognition of the independent Balaton region by plebiscite which was proposed by the Chairman, Károly Simon. According to the decision of the presidium, a final declaration of the Association on the topic will be accepted at the general session to be held on 14 October 2004.

We have already mentioned the large scale NGO [non-profit] organization within the region. This sector established its own regional association on 24 March, 2004. The statutes of the Association of the Lake Balaton NGOs have from the very beginnings advertise the representation of the idea of an independent region. In order to achieve this goal, the association launched a movement called Green-Blue Ribbon in the autumn of 2004.

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17 This initiative of the Balaton Association has finally transformed into the support of the Green-Blue Ribbon Movement started by the Association of the Balaton NGOs following the revision of the cobwebs of law.

18 Based on the verbal communication of Károly Simon. The Association examines other institutional alternatives as well, while being aware of public law difficulties.
A new and really significant Federation of the Bathing Societies of Lake Balaton, which unites about 6,000 members in 19 affiliated organizations and represents the interests of holiday-home owners, issued a declaration on 18 October, 2003 in Balatonlelle demanding the immediate establishment of an independent Balaton Region. The federation also stands for the principles and organizations of this democratically established region. According to their opinion the highest administrative organ of the region would be the Permanent Conference of the Balaton, which consists of three totally separate sides (national, local governmental and holiday—home owners). However lay this project looks, it manages to describe long existent conflicts of interests. One of the most important of these conflicts is the demand for suffrage at the local governmental elections, local plebiscites, and the articulation of a partial local governmental authority. According to one of the surveys of Lake Balaton Development Council Agency in 2003 41% of holiday real estate owners consider themselves locals of Balaton, many of them would live here permanently if they could and a remarkable percentage are planning to settle here permanently during their inactive period.

Balaton identity has of course not existed perpetually, its development needs lots of time and motivation. As far as the history of Lake Balaton regionalism (that particular period) is concerned the remarkable representation of an individual Balaton Region (County - to be more exact) emerged in 1919 for the first time. The Worker-Soldier and Farmer Council made a decision on the establishment of Balaton County with Keszthely as a centre during their board meeting on 30 March as a consequence of the proposal of Directorial Chairman, Imre Fodor based on the demand of 141 out of 182 municipalities (77.5 %). The decision was forwarded to the People’s Commissariat of Internal Affairs via a directorial member, Imre Pámer on 8 July. The reason for this decision was the fight of Zalaegerszeg and Nagykanizsa for the county capital status which had the consequence of a temporary territorial partition and resulted in Keszthely becoming a part of the territorial district centred by Nagykanizsa. The urge for the acknowledgement of this distinguished status had occurred many times ever since, but it has only become such intense in the near past and nowadays.

The LBPRA itself divided into three counties, three development-statistical regions, is officially only a so-called functional touristic regional unit, whereas in contrast with this condition there are clearly visible traits of the informal manifestations of spontaneous region formation. Beside the integrational-cohesive role of the Lake Balaton Development Council as a “regional council” it is evidently not coincidental that the local governments organized themselves as Balaton Association. This is also true of the non-profit sector which established its regional organisation, the Association of the Balaton NGOs, relatively early as compared to the domestic trends (24 March 2001). An interesting element of this procedure is the establishment of the Balaton Wine Region in February 2003 with the membership of the vine-growing communities of the five historic wine regions that can be found on the territory of the LBPRA.

The scope of authority belonging to one of the elements (Ministry of Agriculture – Regional Chief Architect) of the deconcentrated state administration authorities (mostly adapted to the counties) was – appropriately – adjusted to the 164 settlements of the LBPRA. Overcoming the former partitioned territorial governance there has been a unified institutional authority for environmental protection in the region from 2004. The county offices and the correspondent network of the Hungarian News Agency Corporation, MTI, which covered the whole territory of the country showed “inconsistency” only at one aspect: MTI had a special Balaton correspondent too until 2004. These decisions having precedential value are proofs at the same time for the fact that the real, valuable regionalisation of LBPRA can be technically carried out. No one would be surprised if similar problems and interests similarly convinced enterprises yet belonging to the three different county chambers to march under the same flag, or if some of those playing a role in politics in the region established a regional party thus enriching the palette of the Hungarian party structure.

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19 Declaration of the Federation of the Bathing Societies of Lake Balaton, see, e.g.: Szemesi Újság 12.2003 vol.13, p. 10.
20 K. Simon: There was, There is and There will be The Procedure of the Development of the Balaton Region Comitatus, 2002 pp. 7-8.
According to the results of a media survey\textsuperscript{22} conducted in the near past two third of the adult population of the LBPR\textit{A} is looking forward to daily or weekly regional newspaper which as a potential market would sooner or later find its investors.

The signs for the lack of coordination are shown mostly within the state institutions and properties which are operated with a separated, sporadic and sectoral attitude and interest. Their integration should be carried out as soon as possible, which is not only in the interest of the owner, the state, but it is also a regional interest. The Lake Balaton Development Council would be able to carry out its regional political tasks in the most effective way as a coordinator of these sectors capable of self-organisation.

The turnover of the existing status quo of course always interferes with interests and it also means a lot of work. Although leaders of the counties and regions in question had a positive attitude during the above mentioned examinations at least concerning the establishment of the development region, LBPR\textit{A} with an extended, full scope of authority and tasks, but it is another question what their policy would be in case of a real situation of negotiation.

Those who are against an individual Balaton Region usually put an end to the debates by stating that there is not even a centre for the region – an argument often quoted by other domestic enemies of regionalism too – and that there is no point in breaking up the carefully established regional categories of NUTS just because of prestige interests, which already cover the the whole territory of the country without any gaps. The former argument almost always has its desired effect and there is not a consensus in the Balaton area.\textsuperscript{23} There is nothing to add to the latter because of the anomalies of micro regional divisions which are characterized by rough unprofessionalism and the stubborn persistence (stemming from expert prestige aspects).\textsuperscript{24} Real obstacles manifest themselves of course in the lack of legislative consensus (for the full regional reform a two third parliamentary majority is necessary), the need for stability of the existing government, budget considerations (as we could see, the region is a net payer of the central budget) and sector (mostly apparatus) interests.

And of course expert interests ("Above all: the region depends on the outcome of fights between scholars")\textsuperscript{25}). It seems to be evident that nowadays we can witness the process of Balaton area becoming a region. Although this is neither realized by the politics which defines the institutional and regional framework of country regionalism in a way, nor by most of those scholars of regional studies who take part in it, it is still happening today. It would be more fortunate if this procedure was shaped deliberately and expertly i.e. by taking the identity of local societies showing the signs of self-organization into consideration.\textsuperscript{26} This can either be slowed down (strangely enough the gestures of the central government would be the most suitable for this in the form of a positive discrimination – i.e. through the provision of plus resources or through their positive attitude towards the last model mentioned) or it can be accelerated.

This latter could be put into practice e.g. if those experts of regional studies belonging to the IDEA working party, who show the signs of an intensive preparation (and who by the way are aware of the results of this research) and politics considered the homogeneous nature of the Balaton area in their regional reforms which are artificial and incapable of consensus today and if they could build it in the new structure accordingly. However it is just the contrary what is

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\textsuperscript{22} Gábor Dombi: Media Consumption Habits, the Role of National and Local Media in Shaping the Public Opinion of Balaton Research Closing Study, Lake Balaton Development Council Agency, Balatonfüred-Siófok
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\textsuperscript{23} Mikiós Oláh: "It is not up to the majority of those concerned" - Opinions and Thoughts on the Status of Balaton Region and its Territorial Problems, Research Closing Study, Lake Balaton Development Council Agency
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\textsuperscript{24} The HCSO does not provide data at a published price (as it does for counties) because of the territorial anomalies. Although the LBPR\textit{A} code can of course be found in its database it provides only four data (number of foreign and domestic tourist and nights spent at commercial accommodasions) in the usual way with the usual regularity. Point 15 of the 1033/2004 government regulation corrected the aims of the 1075/2003 government programme (the so-called 47 point Balaton Programme) in order to cure the anomalies concerning the central data provision considering the LBPR\textit{A}.
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\textsuperscript{25} P. Bourdieu Identity and Representation Sociological Observer, 01.1985
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\textsuperscript{26} Cf.: Antal Böhm: Local and Regional Identity Comitatus, 29-33 April 2002 : "...regional identity does not currently exist in Hungary...because there are neither any regions...Since the change of the political system every government has had a regional concept..., but neither of them have been put into practice, i.e. no regions have been institutionalized...Whereas there are regions organised from the underground as opposed to the frequently changing governmental concepts..., which the local society tries to establish in accordance with the local and regional needs – often against the main currant. The Balaton Region which has close relations with the Loire Region, or the Vág-Ipoly Region which has relations across the borderline...Would not it be more reasonable to take – at least – also these regional efforts into consideration together with the government’s ideas?"
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happening today, which further fuels the anti-centre attitude (turning into a more or less open separatism) of most of the local society and those playing a role in local regional politics.

It would be unfortunate to circumvent this issue, because in our case that is what it is all about. Just as identity means attachment to something it can also be directed against something else. Let us see what the well-known French sociologist has to say about this: “And it is true that region could not possibly claim its existence if it did not already exist as a stigmatized space, as a “province” that is defined by the economic and social (and not the geographical) distance from the “centre”, i.e. by the fact that it is deprived of the symbolic and material capital constructed by the capital city.”  

The space is already “stigmatized”. Therefore it can claim its existence according to Bourdieu, i.e. it can claim material (its own resource production and acquisition possibilities) and symbolic (territorial status and symbols of other development regions) capital. The success of these claims depends on the willingness for restoration of the central power and the counties, which seem to erode in many aspects and also on the conflict handling capability of the Balaton Region.

B: Lake Balaton Priority Recreation Area with a Real Priority

The possible alternative for becoming a region with full rights, which is able to acquire resources on its own, is that the recreation area is handled with high priority. It is necessary so that the region with its continuously worsening position can gain back and keep its competitiveness on the international tourist market and as a consequence it can take its former place among those innovative regions having a population preserving ability, which play a remarkable role in producing the domestic GDP. This alternative can be put into practice beside the current status quo without any special difficulties. As a matter of fact nothing else is necessary for it except for a lot of money from the central budget. And it is necessary only because the LBPR will not have its own income even in case of the regionalization of the whole country and it will not get access to the EU resources with its current legal entity. Therefore most of the developments have to be covered by national resources. A region continuously and richly supported by the central budget can be made competitive again within a few years in Central-Eastern Europe. This can be carried out through the traditional state resource redistribution or by the decentralization of a remarkable part of the resources, i.e. via putting it within the scope of authority of the LBPR. In order to gain back and preserve the touristic position of the region in the area it would be necessary to consolidate the region with a considerable sum (200-250 billion HUF according to some estimates), because the later the consolidation takes place, the higher the need for the resources will be. The application of this double standard, however, may result in the repugnance of those other actors of the regional development, who are forced into partnerships in order to be successful and are bound to take risks in order to survive within the strict rules of the European regional politics. A consequence of the demoralising effect of the unprincipled positive discrimination may be the slackening of Balaton regional identity and especially of the efforts taken for autonomy.

For the sake of appearances the borders of the LBPR can be adjusted to the HCSO micro regions, or vice versa (depending on which way the former actors lose less of their prestige), but because monitoring has almost no influence in this model, this can be spared. By letting this model live on an element can surely be added to the touristic attraction of the region: the tired regional politicians and project managers (Phd students) can be invited to a time travel on a journey back to the Central-Eastern European reserve of a model long surpassed everywhere else.

27 P. Bourdieu: see above
28 The situation analysis part of the 4th version of the Hungarian Touristic Development Strategy which was modified following a social debate and is just about to be ratified declares the central resources used for touristic development in the last 15 years. The figures of these sums (million HUF) for these years were the following: 1990: 1,100, 1991:600, 1992:1,000, 1993:500, 1994:200, 1995:200, 1996:500, 1997:1,557, 1998:2,446, 1999:2,713, 2000:3,770, 2001:29,878, 2002:26,726, 2003:19,000, 2004:10,973, 2005 (according to the budget) 9,7
29 It is to be noted that the operation of the LBDC is not necessary for this model (just e.g. the regional government is unnecessary for operating county institutions). The resources of the central budget can also be handled within sector frameworks. (On the analysis of regional and local factors of regional development leadership before during and after the change of the political system, please see: Ilona Pálné Kovács: Regional Politics and Public Administration Dialóg Campus Press, Bp.-Pécs, 1999, pp. 111-165.)
C: Integrated Regional Cooperation: Interregion

The theory is obvious: if you cannot change the rules of the game try to live with them effectively! Most of the anomalies (overlapping scopes of tasks and authority, lack of regional planning and concentration of resources) stemming from mistaken innervations within the current legislative and institutional framework can be dissolved by the coordination of the activities of those playing a role in regional politics and by cooperation. The means for this is the cooperation of the LBDC, the decision making authorities and the agencies of the three counties and of the three development statistical regions in question, and those ministries concerned, which is based on mutual advantages and is laid down in a contract. It is about the fact that the model, which was operated by central resources and centrally designated actors, which was obligatory for the recreational area and was based on the institutional model of the “regional councils” legislated by the regional development law, has to be brought back on its feet from its upside-down position. In order to operate this region really effectively, one has to overcome the condition, that this model has to be put into practice with a sociologically questionable and artificially created territory and with institutionalized partners, who do not really operate as regions.

Working out the formal and content elements of the cooperation in the form of a partnership can be brought into being as a result of a well-scheduled negotiation. Following this process counties, regions and the government could transfer the planning, programming and monitoring of their touristic development, environment protection and e.g. disaster control (or other) tasks on the territory of the LBPRRA into the scope of authority of the LBDC together with the attached resources. The amount of resources could be equal to the sum provided to the given party for the last six months valid for their territorial share in the LBPRA just as the norm counted from the average based on them. Since there can only be advantages emerging from the coordination of resources as compared to the uncoordinated resource utilization, the cooperation can be evidently described as a process with a positive balance in the end and these voluntary changes result in allocative efficiency stemming from their nature.30

All of this would not mean that the counties, regions and the government give up having an influence on territorial processes in their own areas. They are taking part in the processes via their members delegated to the LBDC even today. (Since in the current model they do not risk anything else, but their membership fees31 their participation is mostly formal and their activity depends on the personal ambitions, workload and diligence of their delegates.) However, their participation in the council would gain real meaning only now. Therefore it is all about a special way of regionalizing regional politics32 in which there would be a real chance of putting nowadays often quoted principles kept to the fore such as: decentralization, subsidiarity, additionality and partnership into practice.

This operating, governance-type exercise of regional-political power33 során means a more effective model with the current resources, which could also largely contribute to the increase of the absorption ability of the region. The application of EU resources on its own right (with its own name) would become possible (which of course could also happen in case of an occasional cooperation, but a longer symbiotic relation within the framework of a contract would be more fortunate from the point of view of programmability and monitoring). This is an important aspect in a touristic region where a considerable part of the holiday real estate owners and most of the guests are citizens of the European Union.

The concept can be further refined by the above mentioned regionalization of the regional politics of the central power and by the decentralization of the direct sector resources invested on the territory of the LBPRA, i.e. by transferring them to the LBDC. Via the LBDC members delegated by the ministries concerned the communication and the central power control

31 LBDC members have an overdue sum of 56,201,121 HUF of membership fee towards the council according to 25.05.2004 data. County government delegates owe 6.2 billion HUF, regions owe 28 billion HUF, whereas county chambers, who have lower interests, but higher financial problems owe 20 billion HUF. We would not be far from the truth to say that the overdue sums of membership fees thematize the relation of actors of regional politics in the region today!
33 see.: Ilona Pálné Kovács: Transformation of the Mechanisms in the Ability to Enforce Territorial Interests Political Science Review 04.2003
exist even today, but in this case this could gain a new meaning as well. If the central and the regional quota of resources could be drawn near to each other it would have a good influence on the partnership relation of the parties.

In that case, however, it would not only be necessary to redefine the earlier falsely determined external and internal borderlines of the region and to make the LBPR the output of central statistical data provision for the sake of appearances. The (inter)region has to be made compatible with the HCSO micro region division, as suggested by the essence of the model itself, and not only generally for the sake of programme monitoring, but also in order to make the relation of interests of partners related to regional integration comparable and publicly followable. Despite our promise, this would need the modification of one of the legal acts. It is to be remarked, that the existing NUTS categories ratified in Brussels would not necessarily need to be altered. The circle of settlements defined in the CXII Act (2000) (on the acceptance of the LBPR territorial organization planning and the definition of the Balaton territorial organization regulations) should be adjusted to the HCSO micro region borders. As mentioned above, this could also be done vice versa, of course by taking the natural county borders into consideration.

It is to be noted that on the level of the community (EU) it is the regional division structure, the NUTS system, which is competent over the member countries. It was revised in the year 2003 and new regulations were introduced in the 1059/2003 Mutual Decree of the Council of the EU and the European Commission. The NUTS division of the regions was defined according to the resident population volumes. The LBPR would fall into the categories NUTS 3 and 4 in this system. According to the new division one of the three domestic NUTS I territories is the Transdanubian Region, an organic part of which is the Balaton Region with its whole territory. It is not unimaginable that following the integration of the ten countries the EU will denote these NUTS I regions as the objects of its resource provision practice.34

The basis of the idea is not at all new. In 1992 a project preferred by the OECD has been introduced by Dr. István Csalagovits on regional development, environment protection and disaster control, which can be utilized in the areas of planning, realization and monitoring.35 In 1993 a report on the project was prepared for the Hungarian Government.36 A recommendation encouraging interregional cooperation was released by the LBPR in its 1999 Regional Development Concept37 which is also one of the priorities of the LBDC’s Middle Range Development Strategy.38 There was also an endeavour for preparing an operative programme commissioned by the LBDC in 1999, which aimed at working out the cooperation between the institutions specialized on regional development.39 The latter was not accepted by the LBDC, which is partly due to the shortcomings of the prepared material. Both the faith in an individual Balaton Region and the unpreparedness of the partners potentially concerned could play a role in the fact that the former version was unsuccessful.

The adaptational model described hereby is new in the aspect, that it is not only extended to monitoring, but also to planning, programming and the acquisition of resources. It suggests that by overcoming the traditional frameworks of interregional integration such conditions should be introduced, which are surely capable of channeling the cooperation of the parties because of the mutual advantages; which are able to avoid the earlier dishfunctionalities and can surely guarantee the activity of the participants and their interest in success because of their real willingness to sacrifice and to take risks.

34 see: Gábor Zongor: The Changing Regional Politics of Europe and the Hungarian Regional Efforts Manuscript
35 RIM (Regional Integrated Monitoring) project, GIS-based for the intersectoral integration of the regional politics, RIM invited presentation EUROGIS, 1992 Conference, München
36 Report for the ministerial conference of the Ministry of Environmental Protection and Rural Development within the framework of the “RIM” information technology system development concept and the PHARE environmental protection programme, “PHARE FEASIBILITY STUDY Project No. 124”, on the results of the feasibility study and other applicable experiences of the processes supported by the European Community, Bp. 01.04.1993, counsellor Dr. István Csalagovits.
37 Prepared by the MTA-RKK NYUTI, Mid-Pannon Regional Development Inc., Quo Vadis Consulting Ltd., T&T Consulting, Régiorg Ltd., 1999
38Preparation of a favourable environmental state, activization of economic resources, embettering the infrastructure, development of cooperation between the actors of the region see: www.balatonregion.hu
39 Somogyi & Szentes Attorney Office Ltd, T&T Consulting, 2000
This model can, however, be put in to practice only as a result of carefully prepared negotiations and planned expert background work. Experiences of the interreg-programmes can surely be applied during this work. Their limitations are evident stemming from their own nature (cross border cooperations), but there is hardly an example for similar interregional cooperation within the national borders. In case the cooperation is successful, partners taking part in the interregion could gain such a know-how, which could also be adapted by the European Union of the future.

Current Issues

The annual conference between the three counties concerned in the Balaton Region and the president of the LBDC is traditional. After a long period of time (1996) the conference between the three county assemblies and the LBDC took place this year in Keszthely on 24 June. On the day of the conference Hungary has been a member state of the European Union for 54 days. Perhaps the counties took the question mark from the earlier motto (Is the county going to Europe?) of their usual conference held in Harkány (later in Pécs) and changed it into a statement in vain. The county municipalities and the county development councils are practically—similarly to the LBPR – neither subjects nor objects of the EU’s focus of attention and its resource distribution practice on their own. Together, together with the regions they might become...

Beyond the regional development tasks the four bodies recommend the integration of environmental, natural protection and water conservancy issues into the region and they emphasize the necessity for the cooperation concerning particular tasks most of which are also mentioned in government decrees.41

The initial, timid steps were taken by those having signed the “Statement”40, which was unanimously accepted by the joint conference. The carefully assembled document warns of the fact that Hungary is an EU member state and also of the possibilities and tasks stemming from this fact. It mentions that the sustainable development of the region can only be successful if the Balaton Region is considered as an organic territory and it is developed as such. In this spirit the four bodies suggest:

- that strategic planning, execution and monitoring should be put into practice with LBDC coordination and via decentralization (and that it should be ensured that this basic principle is effective during the regionalization process),
- that the plans and the documents signed by the parties should be harmonized in order to bring similar approach and method of work into being,
- that the activity aiming at acquiring domestic and international resources necessary for putting the plans into practice should be harmonized,
- that central resources such as these should be further decentralized, the necessary legal conditions should be brought into being and the coordinational function of the LBDC over these resources should be strengthened,
- that the reform of the territorial division of micro regions in the region should be carried out.

The document explicitly or implicitly keeps referring to the most effective key phenomena of regional development such as: decentralization, partnership, cooperation and subsidiarity. The guarantee criteria such as; persons responsible, deadlines etc. are missing from the text of the Statement (signed by Dr. István Gyenesei, Zoltán Kiss Bódog, csaba Kuti and István Kolber) which would be necessary for it to become effective. The Closing Suggestions include only the following: in order to harmonize the developments and to make the ability to enforce interests really effective they will hold a periodical joint conference the place, time and theme of which will be jointly suggested and that during the interval between the conferences the assemblies will closely cooperate with each other via the work organizations in order to ensure the mutual exchange of experience and information.

For the effective cooperation the current institutional framework – as we might have already managed to prove it – is insufficient. It is the task of the near future to decide whether the document will become one of the many unproductive, easily forgettable statements, or those

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40 Joint statement on the tasks considering Balaton accepted by the conference between Somogy, Zala and Veszprém counties and the Lake Balaton Development Council on 24 June 2004 in Keszthely see: www.balatonregion.hu
41 see: 1033/2003 and 1075/2004 Government Decree
having signed it will really take its content seriously this time and will make efforts to put it into practice. The actors of regional development in the region consider it a favourable development (as opposed to their earlier approach) that the president of the LBDC, Dr. István Kolber became a member of the government at the end of September. He was the initiator of the joint conference on 24 June in Keszthely as the competent minister without a portfolio in the Gyurcsány Cabinet. As a president one of his last decisions aimed at the development of a system of conditions for an interregional cooperation with an appropriate content. Although the success of the initiative basically depends on the actors of regional development in the region, it is not negligible what the reaction of Budapest to that is.