

Civil actors in the social welfare field in four Hungarian towns  
Civil szereplők négy magyar város szociális életében

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**NONPROFIT SECTOR RESEARCH SERIES / NONPROFIT KUTATÁSOK**

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Series editor / Sorozatszerkesztő:  
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## SOCIAL QUARTET

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## SZOCIÁLIS KVARTETT

Civil szereplők négy magyar város szociális életében

INSTITUTE OF SOCIOLOGY OF THE HUNGARIAN ACADEMY OF SCIENCES /  
MTA SZOCIOLÓGIAI KUTATÓ INTÉZET  
NONPROFIT RESEARCH GROUP / NONPROFIT KUTATÓCSOPORT  
2000, BUDAPEST

Supported by the Institute for Human Sciences' SOCO' program, which is financed by the Austrian Federal Chancellery's Fund for Cooperation with Central and Eastern Europe and by the Ford Foundation.

A kutatást támogatta:

INSTITUTE FOR HUMAN SCIENCES KÖZÉP-KELET-EURÓPAI GAZDASÁGI ÁTALAKULÁS SZOCIÁLIS KÖVETKEZMÉNYEI ALAPÍTVÁNY (SOCO) programja.

Finanszírozta: AZ OSZTRÁK SZÖVETSÉGI KANCELLÁRIA KÖZÉP ÉS KELET EURÓPÁÉRT ALAPÍTVÁNY és a FORD ALAPÍTVÁNY.

The research work and publication of this book have also been supported by:

A kutatások és könyv megjelenésének további támogatói:

MINISTRY OF INTERIOR / BELÜGYMINISZTERIUM

THE NGO COMMITTEE OF THE HUNGARIAN PARLIAMENT / az ORSZÁGGYŰLÉS TÁRSADALMI SZERVEZETEK BIZOTTSÁGA

NATIONAL CULTURAL FUND / a NEMZETI KULTURÁLIS ALAPPROGRAM

MINISTRY FOR SOCIAL AND FAMILY AFFAIRS / SZOCIÁLIS ÉS CSALÁDÜGYI MINISZTERIUM

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FOUNDATION FOR DEVELOPMENT OF DEMOCRATIC RIGHTS / DEMOKRATIKUS JOGOK FEJLESZTÉSÉÉRT ALAPÍTVÁNY

English translation / Angol fordítás: Elayne M. Antalffy

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Dear Reader,

This year the Nonprofit Research Group will celebrate its tenth anniversary. It is a fortunate coincidence that the volume you are holding is also the tenth in this series. Ten books in ten years. I hope that our earlier readers have found them of interest and that new readers will be encouraged to stay with us.

This volume is the direct continuation of *CAUGHT IN THE NET*, the eighth book to appear in the *Nonprofit Research* series. The two are linked in two respects: in both we examined services provided in the social welfare field and in both we took a closer look at the relations arising and taking shape between the local authorities and the nonprofit organisations of the settlements studied.

We received great assistance from both the local civil communities and the local authorities for the empirical investigations conducted in four towns: Békés, Komló, Sárvár and Sátoraljaújhely. We owe them a debt of gratitude for this help. I hope that on this occasion we will be able to welcome many of them among our readers.

Dear Reader,

I hope that you will enjoy this quartet in which the solo is played by the different towns in turn but perhaps the result is harmonious.

*László Harsányi*  
September 2000



## INTRODUCTION

In Hungary in recent years numerous representative empirical surveys have examined the place of nonprofit organisations in the welfare model. Experts concluded from the findings that the civil organisations are playing a big role in easing social and social welfare tensions, particularly in local societies. At the same time it also became obvious that substantial differences can be found from one region and area to another and even from one town to another in the tasks undertaken by the nonprofit organisations. For this reason, with the support of the Vienna-based Institute for Human Sciences, Social Consequences of the Economic Transformation in Central Eastern Europe (SOCO) programme, we launched an investigation aimed at comparing the operation of organisations in towns located in different regions of Hungary.

The work of civil organisations active in the field of social welfare in Budapest and the larger towns was already quite well known from previous research projects, but we knew far less about civil organisations operating in the *smaller settlements*. The question to which we sought an answer was: does the activity carried out in these towns have the same characteristics as that found elsewhere, or does the small town have specific features which help or impede the work being done in the local communities? Is the operation, maintenance and development of a civil organisation working in a small town difficult, and if so, why? To examine these questions we selected four towns with a population of 20,00–30,000 of medium-size by Hungarian standards, having different courses of development, economic, social and cultural traditions and located in four widely differing regions of the country: Sárvár in western Hungary, a town with strong middle-class traditions located near the Austrian border; Komló in south-west Hungary, earlier a flourishing mining town but struggling to cope with serious economic and social problems following the systemic change; Sátoraljaújhely, a former county seat located in one of Hungary's most disadvantaged regions near the north-eastern border shared with Slovakia and Ukraine and "afflicted by history"; and Békés in the county of the same name in south-east Hungary, a region also in a very disadvantaged situation.

In this book we attempt to present the data of the survey by questionnaire<sup>1</sup> conducted among civil organisations operating in the social welfare field in the four towns in a slightly different way from the customary analyses, "combining" them with information gained from depth inter-

<sup>1</sup> We surveyed social welfare nonprofit organisations in all four towns, a total of 83 organisations, using a structured questionnaire.

views<sup>2</sup>. We hope that this method has enabled us to throw light on many – non-quantifiable – things that not only give a fuller understanding of the situation but also indicate areas where further research is required.

It was also our aim to actively involve those concerned – the heads of the local authorities and the civil organisations – in the research to give them a better understanding through their participation and perhaps also accelerate the development of relations between the two sectors and the process of their interaction. For these reasons midway through the programme we held a conference and discussion forum where, on the one hand those concerned were able to give feedback on the research and on the other hand, as “homework”, we asked them to indicate after the forum how the research and discussion forum had assisted the development of their organisation (and, in their expectations, would assist it in the future). Was it helping to bring the two sectors in the small town closer together? Had it made the local authorities aware of the importance of the presence of civil organisations? Had a stronger network of contacts been formed either within the civil sector or with the market actors? The project made no secret of the fact that one of its aims was to act as a *catalyst* by drawing the attention of state decision-makers to ways in which they can count on the help of civil organisations, to unexploited areas in this field, and to the limits beyond which a civil organisation cannot help and cannot be rightfully expected to help.

Consequently, the main lines of the book are a presentation of the history and present social and economic structure of the four towns, the survey by questionnaire conducted among the social welfare civil organisations, the findings of the depth interviews conducted to supplement the survey, and an analysis of the subsequent discussion forum.

In addition, in the case of three towns, Békés, Sárvár and Sátoraljaújhely, a *full map* was made of the nonprofit structure.

Finally, in the summing up we tried to concentrate on elements which represent both common and differing features of the social welfare civil and nonprofit organisations in the four small towns.

<sup>2</sup> Depth interviews were conducted with the heads of local authorities (two in each town) and also with the leaders of outstanding social welfare nonprofit organisations in the towns (six in each town), altogether a total of 32 interviews.



## PAST AND PRESENT

### KOMLÓ

#### History of the settlement

Komló is the youngest of the four small towns. Although a deed dating from 1256 already confirms the existence of the settlement in south-west Transdanubia, it remained of little significance throughout the Middle Ages and did not begin to develop until the 18th century when prospecting began for coal deposits in the Mecsek Mountains. Coal was found in Komló in 1812. From then on the population of the village rose steadily through migration but it was the opening of the mine at the end of the century that brought a sudden leap in development. The history and development of the settlement became inextricably interwoven with *coal-mining*. It is an unquestionable fact of industrialisation that the population of the settlement rose from 1513 in 1910 to 2000 in ten years. This increase was due not only to migration but also to natural increase (31.9 per 1000) which was higher than the county average (23.25 per 1000). As a consequence of mining, a *trade union* was formed very early – in 1911. It is an indication of the organisation's strength that it staged a 40-day strike in 1942. In this way, by the time of the Second World War the community had an industrialised society and an active Social Democratic past, setting it apart from the small agricultural villages in the vicinity. In 1944 it had a quarry, electrical power plant and railway station.<sup>3</sup> (The railway still plays an important part in access to Komló since nearby Pécs can be reached from Budapest in a relatively short time by Intercity trains and there is a good bus service between Pécs and Komló.)

Komló gained large village status in August 1947. In 1949 a vocational training school was established and in 1951 it was given town status. In 1953 a general secondary school was founded and in 1966 a secondary school for health care and economics and a hostel were opened. Mining activity accelerated. Parallel with this, major urban construction began and hundreds of apartments a year were built. In early 2000 Komló had 10,885 residents. Most of the kindergartens, nurseries and schools were built in the first two decades of urban construction.<sup>4</sup>

<sup>3</sup> [http://www.baranyanet.hu/komlo/az iparosodas kezdetei](http://www.baranyanet.hu/komlo/az_iparosodas_kezdetei), pp. 3–4.

<sup>4</sup> [http://www.baranyanet.hu/komlo/az iparosodas kezdetei](http://www.baranyanet.hu/komlo/az_iparosodas_kezdetei), pp. 4–5.

## Komló today

### *Demographic characteristics*

The town's population grew steadily under the influence of the policy of large-scale industrialisation pursued in the fifties. From a large village with 6914 residents in 1949 it grew into a small town with 18,175 inhabitants by 1954. Komló had 22,000 inhabitants in 1956 and 24,733 in 1960 with men representing a clear majority as a consequence of the mining work. 52.6% (13,000) of the inhabitants were men and 11,740 women. At that time the majority were young. Although most of the 28,589 registered residents in 1970 could be regarded as long-term settlers and the ratio of men to women was gradually reaching a balance, men over the age of 60 made up only 7.2% (2063 persons)<sup>5</sup>, in contrast with the proportion of around 14% for other towns in Hungary.<sup>6</sup> By 1980 Komló's population exceeded 30,000. The local population includes German and Gypsy minorities while the age tree was characterised by a striking growth in the number of inhabitants aged 40–59 years. In January 1987 the number of residents reached 32,629 and from then on declined steadily. In the first year of systemic change (1990) there were only 29,973 inhabitants and the process of ageing also began: *the proportion of men over 60 almost doubled*, bringing it to 13.6%, close to the national average.

In 1991 29,838 persons lived in Komló, then in 1992 the town had only 28,693 inhabitants. According to the data for 1966 the population was 29,295.<sup>7</sup>

### *Economic characteristics*

The strong decline in the population in a short space of time is clearly related to the economic processes. In the years preceding the systemic change Komló was one of the ten towns in Hungary where per capita income tax (at historical values) exceeded 10,000 HUF a year which meant that it was one of the most prosperous settlements. From 1991 the Mecsek coal-mines were closed in increasingly rapid succession. Coal-mining which had been carried out in the Mecsek region for 200 years gradually ceased almost entirely. With the liquidation of the Mecsek Coal-mines the biggest industrial enterprise in Southern Transdanubia ceased to exist. The Zobák mine which employed 1800 miners was merged with the Pécs Power

<sup>5</sup> [http://www.baranyanet.hu/komlo/a\\_nepesseg\\_alakulasa](http://www.baranyanet.hu/komlo/a_nepesseg_alakulasa), p. 5.

<sup>6</sup> Vukovich, G. (1988), A demográfiai öregedésről [Demographic ageing], p. 38, In: Széman, Zs. (ed.) Nyugdíjkorhatár? [Pension retirement age?] pp. 29–45, Kossuth Könyvkiadó, Budapest.

<sup>7</sup> [http://www.baranyanet.hu/komlo/a\\_nepesseg\\_alakulasa](http://www.baranyanet.hu/komlo/a_nepesseg_alakulasa), p. 6.

Plant Ltd. in 1993 in an attempt to postpone the closure of the mine until the turn of the century.<sup>8</sup>

In view of the seriousness of the problem, in 1991 the government decided to elaborate a crisis management programme, setting up regional development councils and an agency to direct them. In 1994 the council recognised the town as a zone needing to receive priority support. In the summer of 1966 a new regional development act was passed. Citing the principles of Government Resolution No. 1007, this decided on the creation and forms of representation of county regional development councils.

### *Social problems*

As a result of the processes outlined above, from the early nineties Komló was characterised by numerous related and interacting social tensions. One of the most serious was *unemployment*.

The unemployment rate in Komló in 1991 was already 16.3%, which meant 2468 registered jobless persons. In 1992 this proportion rose to 22.8% (4824 persons). Another problem was the appearance of growing numbers receiving income supplement support.<sup>9</sup> In 1992 551 persons were receiving such support, their number rose to 1326 in 1993 (with 3059 unemployed persons) and was 1722 in 1994 (with 1900 registered unemployed). In December 1995 the unemployment rate was down to 12.5% but if the unregistered unemployed were taken into account in reality it was much higher. At the same time the number receiving an income supplement stagnated at 1715. In other words, long-term unemployment had developed within overall unemployment. In 1996<sup>10</sup> there were 1923 registered unemployed, 50.9% of whom were men, and most of the women were skilled and semi-skilled workers. This trend in unemployment was the source of numerous other social tensions.

Because of the closing of the mines, there was an extremely high proportion of able-bodied persons on pre-retirement pensions and of disability pensioners. As a result many persons aged 30–40 years became

<sup>8</sup> [http://www.baranyanet.hu/komlo/a\\_munkaeropiac\\_valtozasai](http://www.baranyanet.hu/komlo/a_munkaeropiac_valtozasai), p. 6.

<sup>9</sup> Income supplement support was paid to unemployed persons who *a*) had received unemployment benefit for the full period of entitlement, *b*) were not engaged in income-earning activity and not entitled to any other form of unemployment benefit, could not find a job and the employment agency was unable to provide them with employment, *c*) whose monthly income or per capita family income was less than 80% of the minimum old-age pension, *d*) continued to co-operate with the employment agency. Unemployed persons meeting all these conditions were entitled to income supplement support which could be paid for 240 days.

<sup>10</sup> National figures: the unemployment rate in Hungary was 12.6% in 1993, 10.9% in 1994, 10.9% in 1995, 10.7% in 1996 and 10.4% in 1997.

marginalised simply because they were pensioners, thereby *accelerating the social ageing*. Not only was it difficult for 40-year-old pensioners to support their families and young children but they also found it hard to formulate their own goals in life. Because of their poor financial circumstances they had feelings of guilt towards their family and often sought escape from their feelings of helplessness in *drinking*.

Another problem was the *disintegration of the one-earner family model*. This was especially serious because in Komló during the period of socialism – in contrast with other towns – the one-earner family model was the norm rather than the two-earner. The miners' income was so high that, as already noted, they were able to support their families at a level well above the national average. The view that men should be the bread-winners had been very strong in Komló. This made it more difficult for unemployed men to cope with their situation.

The unemployment rate above the national average, the disintegration of the one-earner family model and its transformation into a two-earner model, then the high proportion of women among the unemployed clearly indicate the process whereby what had been a prosperous settlement by national standards began a rapid slide into *impoverishment*. The financial insecurity led to the break-up of families. Children at risk appeared in Komló too and in 2000 their number had reached 300.

It is another indicator of the poverty that because of the labour market situation there was an increase in the number of persons *receiving aid from the local authority*. In 1995 8640 persons received some form of support, around 5000 of them temporary aid, 1244 housing maintenance support, 290 families received regular child-raising aid, various fees were paid for 675 persons, numerous others received free medicines, a nursing fee or funeral benefits.

*Homeless* persons, estimated to number 100–120, also appeared, the number of alcoholics increased, many people had difficulty buying food and drug abuse emerged among the young people.<sup>11</sup>

The basic solution for the social tensions would be restoration of the town's earlier economic structure and prosperity. The municipality tried to find foreign buyers for the Május 1 Garment Factory – later Elegant Komló Fashionwear Ltd. – which had provided many jobs for women. However, it was only able to slow down but not halt the loss of jobs. No Hungarian or foreign big or middle-sized enterprise able to fully counter-balance the closure of the mines was found in Komló. The small businesses that appeared after the big industrial enterprises and mines were closed did not prove sufficiently successful. In 1990 there were 1138 small

<sup>11</sup> [www.baranyanet.hu/komlo/szocialis\\_ellatas](http://www.baranyanet.hu/komlo/szocialis_ellatas)

entrepreneurs in the town, in 1992 1497, and in 1993 their number had risen to 1698. But by the end of 1994 this number had dropped to 1459 which remained the same in the following year, then in 1996 fell below 1200. It can be seen that over the long term they were unsuccessful and did not ensure a livelihood. A big factor in the decline in the large number of small entrepreneurs was the introduction of excise tax in 1993 and the social insurance act of 1995. The social tensions remained and it was left to the local community – the local authority and the civil actors – to find a solution.

# SÁRVÁR

## History of the settlement

Sárvár, the second biggest town in Vas County, is also an old settlement. In contrast with Komló, it already played an important role in the Middle Ages. In 1537, for example, it had a book printing house where the Hungarian grammar book of János Erdősi Sylvester was printed. Over the course of its history it was owned by a number of famous Hungarian, Croatian, Austrian and German families. In 1920 it had the status of big village. Its economy was not a “monoculture” like that of Komló. Its residents made their living in agriculture, industry and trade. In the early 20th century the relatively small settlement already had a processing industry based on agriculture – a sugar mill and vinegar factory – and light industry (rayon factory). The institutional structure indicated the process of embourgeoisement: the settlement has a district judge’s office, public notary, district court, taxation office and two savings banks. The school structure also promoted the development of the settlement and emergence of the middle class. Besides a school for boys and a vocational school providing training in the dairy industry, it has a school for girls.<sup>12</sup> Two further factors contributed to this process. The settlement had a German minority and the Germans living in Hungary were more advanced in the process of embourgeoisement than the Hungarian population. Due to the proximity of Austria trade was lively, and the auxiliary industries, such as the dairy industry, flourished.

## Sárvár today

The proximity of Austria and the western border still has a big influence on the life of Sárvár which has since gained town status, on its economic processes and social problems.

### *Demographic characteristics*

Taking into account the strictly demographic data, Sárvár has not shown such rapid development in the past decades as Komló. Compared to the population of 9929<sup>13</sup> in 1920, in 2000 Sárvár had barely 40% more

<sup>12</sup> Révai Nagy Lexikona (1924), vol. XVI, p. 586., Révai Testvérek Irodalmi Intézetének Részvénytársasága, Budapest.

<sup>13</sup> Révai Nagy Lexikona (1924), vol. XVI, p. 586., Révai Testvérek Irodalmi Intézetének Részvénytársasága, Budapest.

inhabitants, 13,900. Nevertheless, the cause for this moderate growth is to be found not in a disadvantaged situation but, on the contrary, in the extremely favourable economic structure.

### *Economic characteristics*

Hungary's industry is concentrated in three main regions: Western and Central Transdanubia and Central Hungary. Within these three, the most dynamically developing area is the western corner of Transdanubia which has good roads and railways, is located close to the Austrian border and Vienna and has excellent transit links to Western Europe. This area has experienced substantial growth in industry in recent years. (In contrast, the industrial output of Békés County has grown by only 4%. Borsod-Abaúj-Zemplén remains at the bottom of the list, together with Heves and Nógrád counties. Practically every indicator in this region has declined and the unemployment rate is also the highest here.)<sup>14</sup>

According to the data of the 1990 census, there were 7691 active earners in the town, of whom 6813 worked in their place of residence which also indicates that quite a high proportion of the town's residents, over 10%, find work elsewhere, many of them in neighbouring Austria. At the same time around 2900 persons commute to the town daily to work from the surrounding smaller settlements. At the end of the nineties 9719 persons found work in the town.<sup>15</sup> The key to this extremely good indicator is to be found in the *successful economic restructuring*. Before the systemic change the greatest number of jobs were in the light and processing industries as well as in heavy industry (garment industry, leatherwear production, shoe industry, poultry processing, sugar mill, processing forest products; rolling stock and machine manufacture). Although a large number of workers were shed in the course of privatisation following the systemic change, at the same time foreign – Austrian, Italian, British, Dutch, German and other – capital appeared in the town, seeing good investment opportunities there in view of the cheaper Hungarian manpower, the good transport and transit and the proximity to the western border. As a result, even despite the losses, the economic restructuring was relatively painless in Sárvár.

In 1995 the Philips Group opened a subsidiary, ECOPLAST Kft. (Ltd.), providing work for 1200 persons in the town and region. It manufactures plastic products and assembles telecommunications articles. Provertha, a

<sup>14</sup> Magyar Hírlap (2000), Régiós különbségek [Regional differences], May 16, p. 9.

<sup>15</sup> Némethné Cseh Margit (1999), A munkanélküliség alakulása Sárváron és hatása a helyi szociálpolitikára [The trend in unemployment in Sárvár and its influence on local social policy]. Dissertation. Manuscript, Sárvár.

German-owned firm, manufactures machine tools and assembles electronic and computer components. The machine tool production began in 1997 and the assembly work in 1998. The firm is steadily hiring new workers and also intends to introduce outworking. In 1994 the Shoe Industry Co-operative was privatised with the help of Dutch capital and the Leatherwear Factory (Mandarina Duck) with Italian capital. There has been no loss of jobs in these units since then and a small increase has even started at the leather factory with the opening of a new unit. The SARBO Kft. (Ltd.) which took over the Shoe Industry Co-operative now also offers outworking. Austrian and British capital made substantial new investments in the Poultry Processing Enterprise, developing it into one of the main employers in the sector now known as SáGa Foods Rt. (Inc.). The number employed has increased by around 150. The garment industry firms (Rába Garment Industry Co-operative, TRIKA Co-operative, LAFUMA Hungária Kft. (Ltd.)) also work for the western market.

In the space of a few years *conflicting processes* have occurred in the economy, with *winners, losers and new actors*.

The winners include the firms which built on the roots, integrating and developing the industries already existing in the town – light industry, agricultural processing industry – introducing new technologies. The former Poultry Processing Enterprise, now operating as SáGa Foods Rt. (Inc.), became one of the biggest employers with around 1650 employees. Building on the region's agricultural traditions, the British owner began major developments in poultry breeding and has also opened a canning plant.

The economic restructuring has also had big losers. Machine manufacturing in the heavy industry branch was placed in the worst position. The Sárvár plant of the Hungarian Wagon and Machinery Factory carried out several waves of dismissals, affecting not only those with low qualifications, the health-impaired and skilled workers, but also to a small extent white-collar workers. Later, as RÁBA SÁRVÁR Kft. (Ltd.), they switched to production of stoves and fireplaces and are able to employ skilled ironworkers. Another of the big losers is the Sárvár Sugar Mill where the number of workers fell by half between 1990 and 1995. The loss of jobs continued in 1997 and 1998, then in 1999 the mill was closed down with the loss of 200 jobs.

At the same time, the narrowing possibilities on the labour market were counterbalanced by the appearance of new actors in the region who set up new industries in the town. ECOPLAST Kft. (Ltd.) mentioned above employs around 1200 persons. PHILIPS COMPONENTS is also present in forwarding, as is PRESSMATIK in the production of paper and synthetic packaging materials, and KODAK has also appeared. The latter firm alone



is expected to employ 200 persons. The new actors employ a more highly trained labour force which they pay at rates above the average.

Besides the undoubted winners, the losers and new actors, mention must also be made of the construction industry, commerce and catering which are in an equivocal situation. Because of the seasonal employment there is a shortage of labour in these areas in summer and a surplus in winter. Despite this, tourism is a developing sector, providing work for a growing number of *small businesses*. The nearby medicinal water is a big attraction, as is the town's lively cultural life. The Nádasdy Castle and the János Sylvester Library, among others, are institutions with long traditions, associated with figures who played an important role in Sárvár over the past centuries and which now provide opportunities for outstanding artists and major events.

The appearance of the new enterprises and industries also means that the initial negative process, the loss of jobs, has slowed down considerably and in some areas there is now a shortage of labour. Unemployment was 5.1% in 1991, rose to 8.1% in 1992 and 8.6% in 1993, but has been gradually declining since 1994; in 1998 it was only 4.5% which is lower than the figure for Vas County as a whole (5.6%) where the rate is also favourable. This indicator was better only in the case of Budapest which has the lowest unemployment rate, and in neighbouring Győr-Moson-Sopron County which is also close to Austria.<sup>16</sup> These examples clearly show that the inflow of capital and the strengthening of small and medium firms not only assist the recovery of the economy and its restructuring, but its successful operation also prevents the flow of manpower out of the country. This process favours Hungary's accession to the EU.

### *Social problems*

In contrast with Komló, unemployment was not a major problem in Sárvár. The number of persons receiving income supplement support *fell* from 387 in 1994 to more than one quarter, 80 persons in 1998. Only 22 persons received regular social welfare aid. However, because of the naturally occurring demographic processes, the town could not avoid *ageing*. The number of inactive earners (mainly pensioners) *increased four-fold* and the number of dependants fell by 25%.

Although a number of employers in Sárvár paid wages *30% above* the national average and the two-earner family model was the norm, *poverty*

<sup>16</sup> Némethné Cseh Margit (1999), A munkanélküliség alakulása Sárváron és hatása a helyi szociálpolitikára [The trend in unemployment in Sárvár and its influence on local social policy]. Dissertation. Manuscript, Sárvár. The statistical data on the town have also been drawn from this dissertation.

nevertheless existed. The proximity to the western border not only ensured jobs and pushed wages up, but the large volume of tourism also meant higher prices which had a negative effect on local residents, driving up living costs. 200 families in the town were in debt to various public utilities and 23 to the OTP Bank. Large families, families with children and unemployed families in general were placed at a special disadvantage. Between 1995 and 1998 the number of families receiving regular child-raising aid rose by 28%, from 194 to 248 and the number of children involved more than doubled from 299 to 682. There were unemployed persons in 70% of these families. At the same time the number of families receiving temporary or extraordinary child welfare support fell by almost half, from 2561 in 1994 to 1047 in 1998, indicating that a significant proportion of the disadvantaged families *escaped* further marginalisation. In addition to the creation of new jobs, *civil initiatives* played a part in this.

A new problem in the town was the growing numbers of *youth* using or showing an interest in *drugs*. Both the local authority's institutions and the police are largely helpless in face of this problem.

It was generally characteristic of Sárvár that while the economic sphere developed there was no decline in the *activity of the civil sphere*: there was a revival not only in the roots of the civil sphere but also in various types of associations that had played a role in the town's past.

# SÁTORALJAÚJHELY

## History of the settlement

Sátoraljaújhely has a long and illustrious past. This settlement in north-east Hungary earned *town status* with its accompanying privileges in 1261. Its location astride the trade routes to Russia, Poland and Transylvania contributed to its development. The lively commerce of Sátoraljaújhely attracted various ethnic groups: in the Middle Ages Jews from Poland Subcarpathia and Galicia settled in the town and were wholly integrated into the local community until their deportation in 1944. At the end of the 18th century Sátoraljaújhely was an urbanised settlement, a regional centre with a large stratum of tradesmen and merchants, as well as many people living from its renowned wine industry. From 1756 it became the seat of Zemplén County, making it not only a *centre of trade, industry and the wine industry but also of culture*. This steady course of development was broken by the First World War when the redrawing of the borders suddenly placed the town in a peripheral situation.

## Sátoraljaújhely today

Today Sátoraljaújhely is Hungary's northernmost settlement and a border-crossing to Slovakia but during the decades of socialism because of the policy of the time for many years the settlement was developed less than other towns. Although it has good rail transport and can be reached by Intercity train from Budapest in three hours, its economic situation after the systemic change of 1990 was strongly influenced by the fact that it is located 600 km from the western border. This more distant region of Hungary was not so attractive to western capital as the easily accessible western region (including Sárvár), Budapest or its agglomeration. The town could not really count on East European capital which is much weaker than the western capital.

An important factor in overcoming the unfavourable situation created after the Second World War was that Sátoraljaújhely could build on its cultural heritage, it was able to preserve its traditions and its character as a school town. This enabled it to retain the town's intellectual elite, the people capable of creativity, and also to "reproduce" this elite. The school towns always made an important contribution to the flow of information and cultivated informal contacts which helped the survival and development of the local community. The town has twin town links which are especially advantageous for young people. Both primary and secondary school students have regular opportunities for holidays abroad and study

trips with the help in part of twin towns and in part of civil organisations. Their schools have good contacts with schools in other countries. For example, Sátoraljaújhely's Dutch twin town, Franeker recently hosted 36 primary and secondary school students.

### *Demographic characteristics*

The town today has a population of 20,000. Its ethnic composition is marked by a large Gypsy (Roma) minority, estimated at around 12%. This causes serious problems in the town. The name of Sátoraljaújhely figures frequently in the Chronicle of Everyday Events (1997)<sup>17</sup> published jointly by the Hungarian Helsinki Committee and the Roma Press Centre. The basic problem was the difficulties faced in integrating the Gypsies who had moved to the town from the Bodrogköz region, as a result of which some of the town's residents felt that there had been a deterioration of law and order. The local authority, the national and local press, the police, Hungarian Television, then in August 1997 the Parliamentary Commissioner for Minority Rights, the chief prosecutor of Borsod-Abaúj-Zemplén County, the Sátoraljaújhely Gypsy Minority Self-government and the Parliamentary Sub-committee for Human Rights, Minority and Religious Affairs, Gábor Kuncze minister for the interior at the time, the National Gypsy Minority Self-government, and ombudsman Katalin Gönczöl all dealt with the question. Without setting out all the arguments for and against, the above list is simply intended to show that the social tensions arising from mobility and internal migration are not merely local social problems but national problems.

### *Economic indicators*

From the late eighties substantial changes again occurred in the economic and social life of the region, as a result of which the old tobacco factory was privatised (it is now owned by Reynolds Tobacco) and workers were dismissed. It was a characteristic of privatisation that although western capital appeared here too and outside the tobacco industry created new jobs, e.g. in the engineering industry [Precast Foundry Kft. (Ltd.), Rota Elzett Certa Kft. (Ltd.)], the number of jobs created was far less than in Sárvár near the western border. A multinational investor showed interest in the Elzett box factory building while negotiations were also conducted in Poland. At the same time, the development of international rail transport could make Sátoraljaújhely more attractive for multinational firms. Attention is being given to this question in the town.

<sup>17</sup> Bernáth, G. et al. (2000), Köznapi események krónikája [Chronicle of everyday events] – 1997, Internet, pp. 1–44.

However, in recent years the increase has been mainly in the number of small and medium businesses with little capital and employing *fewer than 20 persons*. This also means that the small and middle-sized businesses are much more vulnerable to the negative changes occurring in the economy (e.g. rising petrol prices) than the larger firms with bigger capital resources.

For centuries the region had a strong agricultural culture. This factor could ease the loss caused with privatisation of the industrial sector. However, the large and renowned wine industry is itself in difficulty due to the harsh competition it faces on the wine market from the wines of other countries and to the great spread of beer drinking. At present neither agriculture, nor the wine industry nor tourism are able to counterbalance the loss of jobs caused by privatisation, although the wine-growers' organisation wants to introduce various bans to protect the wines of Hegyalja and Tokaj. Regulators which place the emphasis on administrative measures rather than production do not really help the development of grape and wine culture either. They are having precisely the opposite effect. Under a provision of the excise act, all Hungarian wine-growers who cultivate more than 1500 square metres of vines had to register themselves by June 30, 2000. The same registration deadline was set for those who produce more than 1000 litres of wine a year. However, close to one third of vine-growers and wine producers failed to meet this obligation; only 50,000 wine-growers figure in the records of the Customs and Revenue Guard and around 20,000–30,000 are missing. From August 2000 the excise guard intends to conduct extensive checks. They will inspect all places of hospitality selling wine and check the origins of the wine they sell. The national "concealment" almost certainly applies to most of the famous Hungarian wine regions, presumably also Sátoraljaújhely, thereby weakening the attempts to strengthen the region's economy by developing a many-sided structure.

The region's natural endowments and stock of game could help to make up for the losses arising from privatisation, if the town is able to build on its cultural heritage and natural beauty of the region and further develop tourism.

For this reason the Zemplén Regional Business Development Foundation is paying special attention to preparing small and middle-sized businesses, local authorities and civil organisations in the region for meeting the expectations preceding *accession to the EU*.

#### *Natural catastrophes contra development*

At the end of 1999 the County Regional Development Council decided to award the sum of 52 million HUF to the municipality of Sátoraljaújhely for the construction of a chair-lift. Many cultural events are organised in

the neighbouring town, Sárospatak and Sátoraljaújhely. Formalities have been greatly facilitated at the border with the introduction of a new computerised data processing system in April 2000. The Zemplén region was included in the regional tourism development projects of the PHARE II programme. These programmes and measures helped to strengthen tourism. At the same time the region was afflicted by natural catastrophes which acted against this process. During the big floods in 1999 and 2000 many villages beside the Bodrog River were in great danger and houses became unfit for habitation. The cyanide pollution originating in Romania and killing fish in the river was another environmental catastrophe. Although the town of Sátoraljaújhely was not in immediate danger during the floods, it scared tourists away from the town and region.

### *Social problems*

*Unemployment* remained one of the major problems of Sátoraljaújhely. In the late 1990s the proportion of registered unemployed was around 12–14%. The proportion of non-registered was much higher. The problem was aggravated by the continued loss of workplaces in the Zemplén region. The German-owned Hutschenreuther Hungária Porcelain Factory Kft. (Ltd.) was closed down, leaving 210 people from Hollóháza and the Hegyköz area jobless. As a result, although the town has a good school system, many young people are moving away. Only a few of the well trained young people find jobs in the town and region. With the aim of retaining young people in the town and providing higher qualifications and so creating new jobs, the rector of Miskolc University and the mayor of Sátoraljaújhely signed a declaration of intent to begin college-level training in the town by the university in the near future.

Of the four settlements, the *Gypsy question* appeared most acutely in Sátoraljaújhely where Gypsies represent around 12% of the population, three or four times more than in Sárvár and Komló and one and a half times the proportion found in Békés. One of the biggest sources of problems is not only those already settled in the town but also Gypsies who have moved in from elsewhere in search of a livelihood. The living conditions of the Gypsy population – the majority are unemployed, have a low level of schooling, poor housing and health status – have a negative influence on their possibilities for adaptation and place them in a marginalised situation. Their different cultural customs, including larger families, evoke negative prejudice in the population.

These two problems are closely related to the third, *poverty*. Most of the unemployed are sinking into poverty and the long-term unemployed have practically used up all their family reserves and are now poor. In the case of the Gypsy families, because of their cultural traditions the one-earner

family model was the norm which meant that the families were at great risk because of the men's unemployment. Despite the fact that the families receive the benefits to which they are officially entitled (child-care allowance, family allowance, regular child-raising support, etc.), poverty is reproduced in this group, among others because of the poorer schooling opportunities for the children and the small or non-existent family reserves.

With the economic and social structure outlined above, not only the Gypsy families and the unemployed but others who have so far lived above the poverty line could slide into poverty or be forced to make further economies. The situation is aggravated by increases in utility rates, e.g. the 8% in the water rates. The BABA-91 Bt. (Limited Partnership) firm requested the approval of the Sároszatak and Sátorajáújhely municipalities to raise its chimney-sweeping fees as from January 2000. PR-Trió Kft. (Ltd.) which operates the cable TV service in the two towns not only expanded its range of programmes but also raised its charges. As a result cable TV, which deals intensively with the life of the local community and provides most useful local and regional news as well as films will not be accessible for everyone.

All these problems weigh heavily on the local authority (as in Sároszatak), which is struggling with a serious lack of funds. The biggest item in the budget of the local authority is the operation and maintenance of its own institutions. Repairing the many wine cellars under the town in danger of collapsing is also very costly. This leaves much less than desired for investments and developments. Despite this, the local authority has many good initiatives, e.g. it has announced opportunities for summer work through its twin town contacts. Various events and urban improvement programmes are organised to give impetus to cultural life and tourism. In the efforts to improve law and order attempts are being made to build good relations with the police and modern criminal investigation.

# BÉKÉS

## History of the settlement

Békés too has a long historical past. Békés castle reaches back to King Stephen (11th century), founder of the Hungarian state, and gave the county its name. It was originally a royal castle (although the Gyula castle, where county assemblies were held, later became more important). In the 16th century, during the Reformation it already had a grammar school. In 1566 Békés was occupied by the Turks, putting an end to its development. The Turks did not leave until 1715. The settlement suffered many setbacks, including the plague in the 1730s and a cholera epidemic in 1831. It was granted large village status in 1910.

By the beginning of the 20th century it could be regarded as having a sizeable middle class; it had a Calvinist secondary school, a school for girls, a trade training school and a state basket-weaving school, a district court, a land registration office, a public notary's office, a people's bank, two credit co-operatives, a post office, telegraph and telephone station, a police station, a revenue guards' post and railway station.<sup>18</sup> However, the situation has since changed substantially, as reflected in demographic data.

## Békés today

### *Demographic characteristics*

In 1910 Békés had a relatively large population of 26,826. Although with a population of 21,641 it is today the fourth largest town in Békés County, this figure nevertheless represents a considerable decline compared to 1910. The rate of live births per 1000 inhabitants (8.9) is low even by county standards while the death rate is average (14.1). Persons over 60 make up 20.4% of the population.

The town's ethnic composition has changed since the turn of the century. In 1900 less than 1% were German and close to 2% Slovak. As regards religious denominations, there was an exceptionally high 78% of Calvinists, 10.5% Roman Catholics and the remainder were Jews, Lutherans and Greek Catholics. Today the town has a substantial Gypsy minority of around 8%.

The town's regional centre is Békéscsaba which is also the county seat. Because of the extensive area of isolated farms around the town and the undeveloped rural area, even the county seat does not belong among the

<sup>18</sup> Révai Nagy Lexikona (1911), Vol. III, p. 11. Révai Testvérek Irodalmi Intézet Részvénytársaság, Budapest.



dynamically developing regions.<sup>19</sup> As a consequence, Békés is the only county in Hungary where the population has been *declining continuously since 1960*. Between 1960 and 1980 close to 70,000 persons – a number equivalent to the population of the county seat – left the county.<sup>20</sup> This is the biggest loss of population among all 19 Hungarian counties. The number of elderly persons per 100 children increased in the county seat and in the county as a whole, women were having children at a later age and the number of children has been declining steadily.

The negative demographic trends in the region are very closely related to the economic possibilities of the region, including the town of Békés.

#### *Economic characteristics*

Earlier the economy of Békés was clearly based on agriculture, on crops, animal husbandry and wine-growing. Although Békés had no heavy industry it had quite a large processing industry linked to agriculture (e.g. dairy industry, steam-mills). In the early 20th century the institutional structure and economy of the settlement reached a peak. It had many *associations, institutions* and trades bodies.

This situation changed significantly with the rise of heavy industry. Settlements with a traditional agricultural structure were gradually forced into the background by the dynamically developing industrial settlements, making the region one of the poorest in the country. The situation further deteriorated after the Second World War during the period of socialism when a policy of accelerated development of heavy industry was followed. Although the processing industry was developed, more jobs were lost in the course of the privatisation in the 1990s, not only in Békés but in the whole region, including Békéscsaba and Gyula, adversely affecting residents of Békés who had earlier found work here. In the absence of any job opportunities, people moved away. Unemployment and the problems that accompanied it, such as poverty, homelessness and alcoholism, became one of the greatest concerns.

By the mid-nineties the county and the whole region became a zone struggling to cope with very serious problems. In 1995 *TBC re-emerged*. In a single year 242 new cases of pulmonary tuberculosis were registered. The Békés County head of the State Public Health Service ordered compulsory screening in all settlements because of the significant increase in the number of new cases. Statistics show that the incidence of TBC was

<sup>19</sup> Dr. Csatóri Bálint: A magyarországi kistérségek néhány jellegzetessége [Some characteristics of small regions in Hungary], in: <http://www.rkk.hu/regional/tan/beavatk.html>

<sup>20</sup> Városunk Békéscsaba [Our town, Békéscsaba], [www.bekescsaba.hu/nepesseg.html](http://www.bekescsaba.hu/nepesseg.html). May 18, 2000

always high in the region known as the Stormy Corner.<sup>21</sup> As a result, in 1995 all persons over 30 in the region underwent compulsory screening and in the most infected localities, Békéscsaba, Gyula, Szarvas and Orosháza, all those over 18 years were screened.

### *Social problems*

The above problem leads to the social problems. According to figures given by the director general of the National Korányi TBC and Pulmonology Institute, in 1995 1000 more new cases of TBC were detected in the compulsory tests than in the previous year. The number of patients *increased in those counties, including Békés County where there had been a decline in the standard of living and an increase in impoverishment.* It is probable that even more new cases would have been detected if everyone had undergone the compulsory screening. However, half the population did not come for the check which is a source of risk since there is a growing number of people who are infected but free of symptoms.<sup>22</sup> There are many homeless and long-term unemployed among whom the risk of infection is higher.

In Békés the rate of registered unemployment is 12–14%, depending on the season. Although this can be considered as an average rate for the region, the activity rates are low in the outlying rural areas and as a result social tensions are growing.

There are even more unregistered unemployed. A high proportion of the jobless are long-term unemployed. This is the group that has to face impoverishment and other problems. The situation is aggravated by the very low level of wages in the region which in turn has a negative influence on the level of unemployment benefits.<sup>23</sup> Many people seek escape in drinking from what they see as a hopeless situation and the proportion of families breaking up is also growing. This trend is closely related to the poverty and the income situation.

<sup>21</sup> Calculated proportionately, only Szabolcs-Szatmár-Bereg County and Budapest have had more cases. The former region has a very high rate of unemployment, while Budapest has an exceptionally high number of homeless persons among whom the incidence of TBC is six times higher than in the normal population.

<sup>22</sup> Pro Patiente 1995, Népszabadság, Home Monitoring Service, Archive, Délkeleten támad a tüdőbaj [Tuberculosis spreads in the south-east], Szakértői brigád indul Békés megyébe a fertőzés okainak kiderítésére [Team of experts leaves for Békés County to discover the causes of infection]. Internet

<sup>23</sup> Unemployed benefits are paid to unemployed persons who, *a*) were in employment for at least 360 days in the 4 years preceding loss of employment, *b*) are not entitled to any other form of benefits (old-age pension, accident or disability pension, sick pay), *c*) want to work but the competent employment agency is unable to provide a suitable place, *d*) register and co-operate with the labour market organisation.

A representative data survey by questionnaire was conducted in a random sample of the town's adult population between April 27 and May 14, 2000. In the course of the analysis 400 persons were interviewed.<sup>24</sup> 47% of the respondents were men and 53% women. The breakdown by age group was: *over 60 years* 24.3%, 40–59 years 36.5%, 30–39 years 15.8% and 18–29 years 23.5%. Regarding their economic activity, 56% of those questioned *were not working*. The inactive were made up of 35% pensioners, 7.3% unemployed, 1.3% household duties, 5.5% students and 4.8% on child-care allowance and child-care fee.

*Net income of the families questioned*

N=354	Number of cases	Percentage
Below 25,000 HUF	20	5.0
25,001–50,000 HUF	117	29.3
50,001–100,000 HUF	162	40.5
100,001–350,000 HUF	23	5.8
no income	32	8.0
Total	354	88.5
No reply	46	11.5

An examination of the income factors showed that 8% of those questioned had no income at all and 5% had an income of less than HUF 25,000. This means that 13% of the sample formed a stratum with a livelihood below the subsistence minimum. A further 29% had incomes between 26,000 and 50,000 HUF. Taken together, 42% of the sample, mainly the elderly, the unemployed and also large families (Gypsies) have every chance of becoming marginalised and of passing on their cumulatively disadvantaged situation.

Unemployment especially affected two groups: young people who have very poor employment prospects, and ethnic Gypsies who often face a number of problems.

*The Gypsy question*

The Gypsy situation followed an interesting course in Békés. Up to the systemic change it appeared that the Gypsy population had been quite successfully integrated and had obtained housing and jobs. After the systemic change this situation changed radically. Those who lost their jobs

<sup>24</sup> The survey was also supported by the Ministry of Social and Family Affairs.

over the long term slid towards marginalisation. They were unable to retain elements already incorporated in their way of life (e.g. to spend a lot on cleaning). The marginalisation fed the prejudices against the Gypsies among the Hungarian population, e.g. because of their large families. Despite the fact that the part of the town inhabited by Gypsies has attractive facilities (e.g. school), not only the Hungarians but also Gypsy residents who have work prefer not to enrol their children in this school but in the “good, town” school to ensure a better future for them through education.

It is not by chance that one of the 10 regional centres set up by PHARE from the mid-nineties is located in this region. The work of the centre made an important contribution to handling social tensions in the town; it launched numerous innovative initiatives and also improved relations between the civil sphere and the local authorities.

### *Catastrophes contra development*

Besides the above problems, in recent years the region has suffered repeated floods and inland waters, a situation that neither the people nor the local authorities have been able to cope with. With increasing winter precipitation levels, the role of the Carpathian Basin as a catchment area has come increasingly to the fore and the Tisza River and its tributaries have been causing ever more serious floods. Although the government and groups of MPs with an interest in agriculture have been paying attention to the region, the help from macro level has not solved the basic problem.<sup>25</sup>

The programme aimed at improving the competitiveness of the Hungarian economy and strengthening the small and middle-sized businesses of importance for accession to the EU intends to ease the economic problems of the region. The Source Map elaborated within this frame between May and August 31, 2000 summed up all the special programmes and forms of credit intended to support businesses in the region.<sup>26</sup>

The crisis situation arising as a result of the series of catastrophes adversely affected the local authority's efforts to develop tourism. The negative publicity did even greater harm to the region and scared away possible investors and potential tourists. This impeded the development of a service industry that would be favourable for small and medium-sized businesses. At the same time it could set off a learning process which, after overcoming the initial difficulties, could help to reduce the problems within a few years.

<sup>25</sup> March 19, 1999, Friday, Kisgazda gyorssegély Békésnek [Emergency aid for Békés from the Smallholders' Party], Internet.

<sup>26</sup> <http://www.bmva.hu/2000>

A comparison of the four towns shows that Sárvár has the best indicators, while together with serious social tensions the development of Békés and Sátoraljaújhely was indirectly influenced by the natural catastrophes, the cyanide pollution of the Tisza River and the record floods in 2000. The following table clearly shows the advantage of Sárvár over the other towns.

	Sátorajújhely	Békés	Sárvár	Komló
<b>Location</b>	North-east Hungary	South-east Hungary	Western Hungary	South-west Hungary
<b>Accessibility</b>	<input type="checkbox"/> IC train from Budapest; motorway to Miskolc, - but 600 km from western border. <input type="checkbox"/> The new borders drawn after WWI changed the triple-based economic structure of the region; the town is famous for its agriculture and wine-growing but the economic restructuring brought a loss of jobs; <input type="checkbox"/> tourism could bring economic development; <input type="checkbox"/> the crisis situations caused by recurring natural catastrophes place limits on this.	<input type="checkbox"/> <i>Relatively good from Budapest</i> , there are proposals to close down the branch line. <input type="checkbox"/> The economy based on agriculture provides few job opportunities for town-dwellers; the processing industry in the town and vicinity is declining and jobs are being lost; <input type="checkbox"/> tourism could bring economic developments; <input type="checkbox"/> the crisis situations caused by recurring natural catastrophes place limits on this.	<input type="checkbox"/> <i>Good from both Budapest and Western Europe</i> (near motorway, IC trains). <input type="checkbox"/> The town's economy is strong, there is a steady inflow of western capital, the town's proximity to the western border favours western investors. <input type="checkbox"/> The town has an industrial park.	<input type="checkbox"/> IC train from Budapest to Pécs; frequent buses <input type="checkbox"/> Industry is declining; there has been no industrial restructuring; investments are slow.
<b>The town's general social problems</b>	<input type="checkbox"/> 12–14% unemployment, low wages; <input type="checkbox"/> big migration away from the town due to poor job prospects for youth; <input type="checkbox"/> Gypsy problem, Gypsies make up around 12% of the population.	<input type="checkbox"/> 12–14% unemployment, low wages; <input type="checkbox"/> poor job prospects for youth; <input type="checkbox"/> Gypsy problem, Gypsies make up around 8% of the population.	<input type="checkbox"/> children, large families, <input type="checkbox"/> Gypsies (although they make up only 3–4% of the population); <input type="checkbox"/> unemployment is only 4–5%, in some areas there is a shortage of labour.	<input type="checkbox"/> unemployment (high rate due to closing down of mines), <input type="checkbox"/> low level of qualifications.
<b>Number of civil organisations operating in the town</b>	77	77	73	no data
<b>Of which, in the social welfare field</b>	24	25	16	18

## TARGET GROUPS OF THE CIVIL ORGANISATIONS

Although the percentages differ, in each of the settlements most of the civil organisations *helped children and youth*. In Sárvár 75% of the civil organisations, in Békés and Sátoraljaújhely *more than 60%* of the foundations, associations, charity organisations and churches and in Komló 44% supported them. Since there are fundamental differences in the economic situation of the four towns, the high degree of support can be attributed to differing causes.

In Békés and Sátoraljaújhely the help given to children and youth was related to the most serious problem, unemployment, which also had aspects concerning many young people:

- a) how to provide jobs for young people,
- b) how to prevent young people from moving away,
- c) how to prevent the reproduction of disadvantages in unemployed families struggling to cope with many social problems and falling behind,
- d) together with this, how to create equal opportunities for young people,
- e) how to handle the new social problems that are appearing even among children (e.g. drugs)?

The struggle against unemployment was not so characteristic of Sárvár compared to the other three towns; it was easier for young people to find work in the town and region as there was a shortage of labour in some areas. A few multinational firms, for example, hired buses to transport workers from as far as 50 km away.

According to the local authority and two staff members of the family care centre: “*There is no real unemployment. Anyone who wants to can find work*” (except those who for some reason are not capable of working). Drug abuse could become an increasingly serious phenomenon among young people if appropriate measures are not adopted. Young addicts will have especially poor prospects on the labour market in the near future.

The strong focus on children and youth by the civil organisations of Sárvár is definitely related to two elements.

- a) One, which is very important for any civil organisation and is especially so in the case of a small town, is the role of an *individual* showing an interest in the problem, who sets up an institution (foundation) and through this is able to *mobilise* the local community and even a *wider area*. This latter factor deserves special attention because it makes the organisation *more flexible* than the local authority which

can act only within the public administration limits of the given settlement.<sup>27</sup>

- b) The other important element is the stronger economy and relatively smaller “mass of social tensions”, which meant that the civil organisations were not forced to support a number of target groups, e.g. the elderly, children, large families, simultaneously.

In other settlements some of the civil organisations targeted a number of disadvantaged strata simultaneously. In Komló, for example, “only” 44% of the civil organisations dealt with *children*. However, this certainly does not mean that the civil organisations in this town were less active, simply that, compared to Sárvár, there were far more social tensions present simultaneously in Komló demanding the attention of the civil organisations which spread their possibilities for support among the groups most at risk.

Besides children, more than 33% of the organisations in Komló dealt with *families and the elderly*, close to 30% supported the *needy*, that is, the *poor*.

These four target groups – *children, youth; large families; the elderly; the needy, the poor* – although in varying order were supported by *the greatest percentage of civil organisations in all four towns*.

In three towns, Békés, Sátoraljaújhely and Komló, children and youth (44%, 44%, 39%) were followed in *second place* by the *elderly*. In Sárvár, only 31% of the civil organisations assisted the elderly and this is related to the relatively better situation of the elderly living here. Persons over 51 years represent only 15% of the registered unemployed. The reasons for this are the following:

- a) the elderly can stay in the labour market longer because of the low unemployment and the demand for manpower that has arisen in certain areas of the economy;
- b) in the case of retirement (early retirement) they have greater chances of returning to the labour market as a small businessman or family member;

<sup>27</sup> The local authorities also fully agreed with this conclusion. The main findings of the above research were presented to around 100 mayors in the section on “Human services in settlements (social policy, employment, education and culture)” at the 3rd World Gathering of Hungarian Mayors held on June 29, 2000. The participants considered it highly important for the civil organisations “to have a role pointing beyond the limits of settlements”. This was all the more so since around one third of the mayors were from Hungarian settlements outside Hungary, people who could play an important role in the flow of information between regions, in the adaptation of new ideas and in consolidating good neighbourly relations.



- c) because of the relatively low unemployment the elderly do not have to support the younger age groups financially as is the case, among others, in Békés or Sátoraljaújhely;
- d) because of the useful occupation, biological ageing and subjective health problems do not appear until later;
- e) Thanks to the town's flourishing formal and informal relations, the elderly receive substantial support in cash from foreign (western) civil, local authority or market actors.

*For example, the Sárvár Pensioners' Association formed in 1992 declares itself to be self-sustaining, and not long after they also set up the Foundation for Pensioners. Although the local authority provided the association with a large meeting room which it could use free of charge, apart from support in kind it did not give them funds until 1997 (HUF 70,000) and 1999 (HUF 100,000). The organisation's present material autonomy is ensured by their earlier foreign relations. Sárvár's twin town is Stendheim an der Mur near Stuttgart. The mayor of that town wanted to strengthen the civil sector in Sárvár. So before his retirement he contributed DEM 10,000 to the establishment of the association. The association has not touched the capital since then. They cover their operating costs, cultural and other programmes from the return on the capital and the very low membership fee (HUF 10), as well as from the ad hoc support from the local authority. The foundation was set up in 1993, also by a German citizen, an amateur archaeologist whose son married a girl from Sárvár. He visits Sárvár often and holds talks for the pensioners. He provided a sum of approx. DEM 3000 for the foundation. Most of the activity is carried out by the association itself. (The association's highest membership was around 220 persons.)<sup>28</sup>*

Also in three towns, families struggling to cope with difficulties, big families and broken families were *third on the list of groups supported*. In Sátoraljaújhely and Komló around one third of the civil organisations (35%, 33%) and in Sárvár one quarter assisted them in some way. Surprisingly few, only 12% of the civil organisations in Békés dealt with disadvantaged families.

Far fewer civil organisations dealt with the “needy” and the poor. Although close to 30% of the foundations, associations and other civil organisations in Sátoraljaújhely and Komló supported the “general” poor,

<sup>28</sup> These data were obtained from the depth interviews.

it would appear from the data that the organisations preferred to help target groups which could be “labelled”.

Despite the fact that the town has to face a great many social problems, in *Békés* a surprisingly small 16% of the organisations, including the Red Cross helped the needy and poor. One explanation for the seeming contradiction could be that there are *overlaps* between the target groups. For example, the Red Cross did not support only the needy but also children, Gypsy families and the elderly and had good relations with other civil organisations and the local authority. Another explanation is the *self-help* strength of the given civil organisations which, within the local community, prevents the members of a disadvantaged group from joining the ranks of the “needy” if the organisation has a person with leadership abilities and charismatic power, as well as the requisite organisational skills, knowledge, information and contacts. A high proportion of the civil organisations in *Békés* helped the *elderly*. Most of the pensioners in *Békés* receive very low pensions. Many of them retired from agriculture and since the region’s processing industry had a wage scale lower than the national average the workers received lower pensions when they retired. As a result there are many people on small pensions in an even worse than average situation. Many of them were people who had left the labour market under constraint, on anticipatory pensions, receiving pensions that were below the level of the old-age pension. The pensioners felt a number of social problems simultaneously:

- inflation
- privatisation
- plant shutdowns
- collapse of the agricultural co-operatives
- rapidly rising unemployment not only in *Békés* but in the whole region.

These problems accumulated in the everyday lives of pensioners since many of them also had an unemployed family member. The basic question was raised in the following way.

*“My pension is enough for me to get by very modestly, but my son and my daughter have lost their jobs. What will they live on? Do I have to give them the little money I have?”*

It was to remedy these problems that the *Municipal Pensioners’ Interest Protection Association* was formed in *Békés* in 1993. The appeal brought a much bigger response than was expected. The association was formed with 38 members, but there were already 70 people present at the first meeting. The association had no funds and even the paperwork for the establishment was done with the help of a volunteer lawyer. The association elected

a five-member board and a three-member supervisory committee. Over the years these expanded to seven and ten members. In early 2000 the association had over 400 members. There was a sharp increase in 1999 in particular, as people saw the successful work of the association. In that year membership grew by 100 persons. The board meets once a month and a members' gathering is also held each month. The voluntary work done under the aegis of the association is much more important than the gatherings. With representatives covering all areas of the town they are in daily contact with the local people. They are able to pass on information and also have an exact knowledge of people's real material situation (their income from household plots, expenditures, family situation, etc.). The better educated members of the association are aware of the rights and benefits to which pensioners are entitled. They are able, among other things, to handle pension matters where there is a possibility to have the merits of the case taken into account.<sup>29</sup> They also help elderly people to submit requests to the local authority for emergency aid. The town has 10 electoral districts. Since, through its district representatives, the pensioners' association has practically up-to-date knowledge on the social and welfare problems of the local people it is able to prepare a kind of informal "social map" and to remedy the problems accordingly through its volunteers. It has been able to act in three ways:

1) Taking advantage of the possibilities offered by *social insurance* they have undertaken

- to submit a request to social insurance on behalf of elderly persons whose pension is less than HUF 25,000;
- to do the means test required on the applicants in place of social insurance (which does not have sufficient personnel for this).

In 1999 they submitted 160 such applications which were all accepted.

2) The association also helps the *local authority* in the distribution of aid, undertaking to do the means test in place of the local authority in three areas:

- for housing maintenance support,
- for emergency social aid,
- for funeral benefits.

They were able to obtain aid from the local authority for 40 persons in this way. Preparation of the means tests required for the social insurance and local authority aid took 400 hours of work, a figure that does not include the voluntary activity of the district representatives.

<sup>29</sup> Pensioners living in very modest circumstances can apply for a supplementary benefit which is awarded from a separate social insurance budget as long as the funds for this purpose are available.

3) Assessing and meeting social needs is in itself a very important activity, but the association has gone further than such emergency measures. At the local authority elections in 1998 they reached an agreement with the office of the mayor that one of their delegates would take part *in an advisory capacity* in the local authority's various committees. This means that members of the pensioners' association take part in the preparation of decisions and in certain matters also make recommendations. This kind of relationship is not yet operating perfectly, for example it has not yet produced results for pensioners in the matter of free medicine. Nevertheless, on the whole their activity is extremely effective. If only the successful applications for aid in 1999 are taken into account, it can be said that they improved the standard of living of 200 pensioners. Members are required to pay an annual membership fee of HUF 300 which even those with low pensions can afford to pay.

The association received an annual support of only HUF 50,000 from the local authority for its activity. At the same time, the association assisting the elderly took an enormous burden off the shoulders of the local authority. The size of this can be seen in part from the figures cited above; what is less visible is the flexibility of the civil organisation, the trust with which the public receives such a civil organisation, the way in which it makes information affecting them known in a readily understandable, informal way to simple, less educated members of the elderly age group.

The local authority cannot be reproached for giving a "mere pittance" if we know that the HUF 1.8 million earmarked to assist the civil organisations was distributed among *60 social organisations*, although some of them were much less effective and held only one gathering a year in return for the one-off support; it was widely believed that some of the organisations received more as a result of lobbying.

The Békés pensioners' association also set up a foundation three years ago with a capital of HUF 100,000. They try to use this to help those most in need: e.g. at Christmas 1998 they gave two persons HUF 5000 each; in 1999 they gave one person a Christmas parcel worth HUF 1500. In early 2000 they supported victims of the floods and inland waters. The president of the foundation's five-member board of trustees also attends meetings of the association where they discuss problems, financial management and other disadvantaged strata and groups to be supported as well as pensioners.

In this way the association carries out a dual task. It helps not only citizens and the elderly (writing applications), but also the other side, institutions, the local authority, social insurance (by doing the means tests

it increases the chances of needy pensioners being awarded special allowances since social insurance does not have sufficient staff to handle this). It simultaneously protects the citizen and serves the local authority and state sphere since it “benefits” both sides.

As a result of this self-organisation, membership of the pensioners’ association increased *ten-fold* from the initial 38 to 400. This *process* could also be interpreted as meaning that individuals migrated from the stratum of “*nameless needy*” to a civil organisation *defending their interests*. With this the number of “only poor and needy” decreased, but it also *launched a trend among elderly people in the small town*, similar to that which took place in the form of the Graue Panther or Grey Panthers movement in Western Europe and the United States some years ago when the elderly in extreme cases even went out on the streets to defend their own interests.

In the case of *Sárvár* there was a different reason for the smaller extent of support given by the civil organisations for the poor: the town’s economic stability.

Quite a few of the civil organisations in the four towns helped people with *health impairments* (e.g. diabetics, persons with sight or hearing disability, persons with cardiovascular disorders). This was the case for 35% of the organisations in *Sátoraljaújhely*, one quarter in *Sárvár*, one fifth in *Békés* and 11% in *Komló*. The explanation for this relatively high level of support is also complex. In addition to the familiar arguments, namely that social problems are often inseparable from health problems, some of the civil organisations also carry out prevention or rehabilitation.

The high level of support in *Sátoraljaújhely* is definitely related to the role of the local group of the Hungarian Maltese Charity Service. The head of this organisation is one of the town’s chief physicians and his wife is also a doctor. Doctors, lawyers, priests, pharmacists, the mayor, teachers and others form an “elite stratum” in the life of a small town and the influence they have on the everyday life of a small community should be taken into account. Their system of relations, their wider horizon reaching beyond the frames of the small town, and their informal channels can create invisible advantages for the given settlement. As Maltese Service volunteers, through their foreign contacts the doctor couple have done a great deal for the development of the town’s health institutions (hospital, etc.) and for the health of the local people. The local organisation was formed in 1990 and the local authority gave them what had been the military barracks. Renovating this building required a great deal of money but the organisation had very strong contacts with Germany and the head physician, the leader of the Maltese group, visited Germany a number of times. They requested and received tens of thousands of Marks for the renovation of the building which now provides a sound background for

the organisation's activity. They have been able to receive and distribute all the aid donated to them, among others 70 truckloads received from Bavaria over the last ten years. Besides donations of food and clothing, the Sátoraljaújhely branch of the Maltese Service also received *very costly health care equipment* which they forwarded to the appropriate health care institutions and units. For example, towards the end of the nineties the surgery department received electronically-controlled beds, worth around HUF 300,000 each at that time.

These examples show that a wide range of facts lies behind the mere statistics. The elite of a small town is a very important force in shaping the community; their example encourages others to do voluntary work and in this way they also strengthen the civil organisation.

The statistics in themselves do not show the role played by the civil organisations in redistribution either. In the case of the Maltese service this covers the whole local community. They distribute the donations received both to the public and to institutions, including those in the health care field. In this way they build up activities that are not tied to specific areas or institutions but, directly or indirectly to the local people of the settlement as well as to a wide variety of institutions, thereby developing the town's welfare structure and contributing to a better sense of well-being for the community. The Maltese Service, for example, distributes *100 free lunches* daily, a service which is quite clearly directed at the general public; the same applies to the distribution of clothing, Christmas parcels and the provision of medicines for the needy. Recently, they gave the cultural centre lighting fixtures worth HUF 500,000, directly assisting the institution and indirectly the general public. The local authority received *furniture worth several million forints* from the Maltese Service. This appears to serve the institution, but a better sense of well-being for the administrators has a positive influence on the way they deal with clients. The same applies to health care donations made to the hospital. The modern hospital beds not only improve the equipment of the institution but are also of fundamental importance for the patients who are people from Sátoraljaújhely and district.

It was striking how a single organisation is capable of *carrying out tasks beyond the limits of the town as a public administration unit*. In this way a civil organisation operating in the social welfare field in a *small town is capable of generating something extra, an innovation*, something that the local authority is not able to do since it has to remain within the strictly set frames of public administration and therefore concentrates on developing those areas. Since it is not able to move beyond these limits, its structure does not allow it to achieve more complex innovation. But innovation is vital for the future. It is sufficient to consider the situation

in Budapest where it is now clear that the existence and treatment of various problems often exceeds the limits of a single public administration district, in other words, *the local authority jurisdictions and the sources of tensions do not coincide*. (For example, sick elderly persons could be given a device the size of a wrist-watch that could be used by their doctor from a distance to check their state and the dosage of medicines. But this would require co-operation in the fields of social services and health care and the introduction of a kind of extra-territorial state “outside public administration”.)

Of the four towns, Sárvár – representing one quarter – occupies second place as regards the civil organisations which also deal with *health care* problems. A number of leaders of civil organisations are members of the local authority’s committee on social welfare affairs. Supervisory councils were only introduced in the hospitals in 1999 and relatively few of the civil organisations have been able to join in this activity as yet. The Sárvár hospital is the only one where the supervisory council was formed, held its founding meeting and nominated members. The work of the hospital is supported by the “*Hospital Foundation*” which assists the hospital from the sum available to it in 1999 (partly provided by the local authority). The foundation also received 1% of the income tax of numerous private persons and substantial donations from grateful patients and these sums are also returned in part to the institution. In 1999 the local authority and the foundation were able jointly to invest HUF 28 million in equipment for abdominal and cardiac surgery and to purchase a gynaecological instrument. The foundation supplied one quarter, HUF 7 million of this very high sum, a considerable effort for a foundation. 1999 was judged to be an above average year. Normally, it can count on revenues of between HUF 3.5 and 4 million. This four million is made up of many small sums. Not only people from Sárvár but also others living in the district make donations, e.g. through the 1% of income tax which the taxpayer can donate to specified recipients, because people were alarmed by the bad situation of the health services, the very small support given by the local authority and the heated national debates over the closure of hospitals. The people of Sárvár wanted to avoid this fate. *Around 50,000 persons live in the district of Sárvár, 2.5 times the population of the town itself*. Although it is not the aim or task of local authorities in this district to support the Sárvár hospital, the *residents*, quite understandably, have a great interest in the continued existence of the hospital and its development. The investment was made from the following sources: HUF 7 million from the local authority and the same amount from the civil organisation; although this latter sum contained a small amount of support given to the civil organisation by the local authority, *the greater part was the result of civil initiatives*

and the remaining sum came from other sources (applications for grants, interest on capital).

It can be seen that the same process occurred in Sárvár in the late nineties as in Sátoraljaújhely. The civil organisation steps over the limits of the public administration unit that constrain the local authority. In other words, the area covered by the civil organisation and the agglomeration of the local authority are not the same. In a given case a civil organisation operating in a settlement is capable, for example, of mobilising a population two and a half times greater than that of the settlement itself in the interest of the smaller local community and, either in co-operation with the local authority or without it (as in Sátoraljaújhely) this represents a very important step for the infrastructure, welfare institutions and welfare policy of the small town. The same process also acts in the opposite direction. The higher standard of the welfare institutions in the small town increase the sense of well-being and raise the standard of services for people living in the wider district.

In Békés one fifth of the civil organisations carried out health care activity. In view of the particularly poor health situation of the region, this is not surprising. At the same time, this indicator is considerably below the 35% found in Sátoraljaújhely, for which there are a number of explanations.

- a) Part of the health problems in the region (e.g. TBC) are of a kind which cannot be solved with the help of the civil organisations, only through a comprehensive state health programme.
- b) The civil organisations active in the region do not have foreign relations which would make possible help in kind on a scale comparable to that received by Sátoraljaújhely.
- c) The organisations' activity of this nature was "hidden" under another name, often also concealing considerable foreign support.

*One such example in the region was the Regional Intellectual Resource Centre launched in the mid-nineties in the frame of the PHARE programme, from which a number of civil initiatives developed. The KAPU (Gateway) programme which undertakes to handle official affairs for the elderly, talk with them, do shopping and cleaning and visit the sick was also launched at this time at the initiative of a Calvinist nurse who wanted to help the needy. The service practically coincides with the home help provided by the local authority, apart from the enormous advantage that it is free of charge. In two other settlements of the region, Csongrád and Nagyszénás, the KAPU organisation already has relations (an agreement and a contract on co-operation) with the local authori-*



*ties. At first they dealt only with the elderly, but their attention gradually turned towards young people as well. On the basis of a British model their supplementary initiative eventually became a prevention programme. Even their name is intended to express many things: the organisation aims to be a bridge between the local authorities and the civil organisations, a passage between generations, a bridge between the disadvantaged ethnic minorities (Gypsies) and Hungarians, a link between Hungarian and foreign service systems, and among Hungarian civil organisations. They wish to achieve all this with tolerance, flexible working hours, volunteers, in-house training and with feedback from their clients. The local authority also appreciates the activity of the organisation and there is an office suitable for the operation of the organisation in the local authority building. It was planned for 2000 to take over certain health care tasks from the local authority within the frame of a contract or co-operation. This will be an important stage in contracting out in Békés.*

The other important civil organisation in Békés carrying out tasks in health care is the Lazarus Foundation established in 1995. It defined three main areas of its activity:

- a) home nursing service,*
- b) humanitarian activity,*
- c) helping persons with a work disability.*

Accordingly, they deal with three target groups: the elderly, youth and persons with a work disability. Home nursing for the most part involves the elderly and persons with a work disability, so this is another instance of overlaps. All the more so since the organisation provides not only home nursing for the target groups but also help in kind of a non-health care nature, such as clothing, assistance in purchasing school supplies, etc.

It was actually the depth interview that revealed the health care activity. This threw light on an interesting process which is also fairly characteristic of the movement of tasks between the different sectors. In the beginning the local authority was behind the foundation and this also gave the background for organisation of the home nursing, through the trained health workers and welfare nurses. Between 1995 and 1999 the organisation operated as a foundation, then in 1999 set up a limited company to act as employer. At the end of 1999 ninety persons were employed in this way. The company operates parallel with the foundation and the property is owned by the foundation. The foundation operates mainly with regular and occasional volunteers. Their target groups include the *elderly* and the *sick* (these two target groups frequently overlap) and the poor.

They give assistance in the form of clothing, food parcels, fund-raising, holidays, free advisory services, financial aid (HUF 1000–2000), payment of utilities bills and home nursing. Since the activity of the organisation is highly varied and it supports several strata simultaneously, the situation here is the same as for KAPU: it is not certain that an organisation of this nature would classify itself under the label of “health care” in a statistical survey.

There are also “purely” health care civil organisations in Békés. One is the Association of Diabetics which received HUF 100,000 in support from the local authority in 1999 and collected around 30,000 in membership fees. Doctors specialising in different fields, such as internal medicine hold free monthly lectures for the members and through the association’s volunteers they have also organised blood pressure and blood sugar checks. Their plans include the purchase of further units for the measurement of blood sugar (at a cost of around HUF 17,000–18,000 each) and the accumulation of reserves.

The smallest proportion (11%) of civil organisations helping those with health problems was found in Komló, classified themselves under the heading of “health care”: the Association of the Physically Handicapped, the Association of the Blind, the Leo Amici Foundation (assisting drug addicts). All of the civil organisations take an active part in protecting the interests of the population and they have created a lifestyle centre for their members in the Community Centre serving as a base for the civil organisations. They transmit information which can be of use to the strata concerned in their everyday lives and in improving their quality of life; e.g. they explain how to apply for housing maintenance support, or when the personal allowance for the blind is regarded as income and when it is not.

Similarly to that in Sárvár, a civil organisation called *Foundation for Komló Hospital* was formed in Komló in 1993. The reasons leading to the establishment were similar. The founders saw that “*the health sector is in trouble, the local authority gave very little support and it was difficult to purchase equipment*”. In contrast with Sárvár, it was mainly the technical people who initiated the establishment of a foundation,

*“because there was no money for supplies, we couldn’t do the maintenance work properly and in our hospital the technical staff had an interest representation organisation that was formed in 1992; the technical workers’ independent trade union began to promote the foundation. They were then joined by a number of doctors and entrepreneurs who were working in the hospital and could see all the problems; then the laundry workers joined, some of them*

*donated as much as HUF 5000. This is how the basic capital was collected. The hospital has a lot of workers. The laundry women and the ironers gave HUF 500 because they wanted to see the foundation set up too. The head doctors supported its establishment too, and then another trade union appeared, the health workers' union."*

In the first year they were able to mobilise only relatively little money, HUF 400,000, but by the following year they had more than a million Forints. In 1994 the local authority initiated a major hospital investment with some help from the state but mainly with support from the hospital. The foundation contributed HUF one million to this. They gave the hospital substantial help in kind a year later when the general contractor declared bankruptcy and the firms working there offered their work worth around HUF one million to the foundation. Since then the foundation has had around HUF 1.5 million a year at its disposal which it uses to help the operation of the hospital, buy instruments, furniture, etc. for it. In the operation, maintenance and development activities many of the entrepreneurs regularly support the foundation *with work or donations in kind*, e.g. one entrepreneur did free flooring work and another painted to create a rooming-in ward for mothers and children in the hospital.

In Komló the foundation that also supported the health sector was in contact not only with individuals in the community but also with "official" interest protection organisations and the *market sphere*. This is clearly indicated by the fact that businesses joined the foundation.

A link between the market sphere and the civil sector cannot be regarded as a new phenomenon since it was also found in a town with entirely different conditions from those in Sárvár. The three sectors are drawing closer together *to solve* a common "local" problem *jointly*. Naturally, the solutions may differ: the state–local authority sector may set up a foundation which later "gives birth to" a market actor; they may draw closer together when the civil organisation becomes intertwined with market actors and then enter into contact with the state–local authority sphere. A study of further small towns and villages would probably reveal even more variations but even the variants in these four towns indicate that in the future there will probably be even more activities and target groups where the three actors – civil, market, state–local authority – handle the problems differently but together. In other words, the solution of social problems within a given community is increasingly being achieved within a three-actor model which actually has four actors if the citizens who make up the civil organisations are seen as a distinctive sector. However, it must be stressed that such major tasks as operation of the health care system cannot be passed to the civil, market or citizens sphere. Here the civil

organisations can only have a supplementary, helping role within the state health care services; the main responsibility and the sources must be borne by the state–local authority (public financing).

A relatively high percentage of the organisations also worked with the handicapped: in Sárvár almost one fifth, in Sátoraljaújhely and Komló 17% and in Békés 12%.

One of the most interesting of these organisations was the Foundation for Children with Impairments in Sárvár. One of the schools attended by children with slight impairments and disadvantaged children, at the initiative of a remedial teacher, set up a foundation with the financial support of Barnevál, the big enterprise at the time (Poultry Processing Enterprise, now SáGa Food), with the aim of providing funds for leisure programmes, adding to the school's equipment and promoting further studies for the children of that time. The enterprise donated HUF 100,000 as initial capital. The foundation has been successful since then as it regularly received *material support from entrepreneurs and firms* amounting to around HUF 800,000–900,000 a year. Some of the firms give donations for particular activities; SáGa Food, for example, “invested” HUF 130,000 in swimming lessons. The foundation generally stated the purposes for which it wanted to raise funds because it was easier to obtain support this way. Besides donations in cash, the firms also gave the foundation a wide variety of help in kind, e.g. a refrigerator, VCR, indoor plants to decorate the school.<sup>30</sup>

We find the same phenomenon in the case of the Foundation for Children with Impairments as already seen in the health care institutions (services): a foundation is set up in an institution operated by the local authority, as a civil initiative, with the aim of helping the target groups of the institution. The civil organisation set up in this way then forms extensive ties to the market sector and would practically not exist at all or only with difficulty without the help of the market sphere.

In its own evaluation, the foundation has done a great deal to improve the situation of those concerned. Despite the double state capitation paid for children with impairments, the school was under-financed since they never received the full amount of capitation with the result that at least half of the activity vital for the children's physical and intellectual development was left to the parents. This further increased the burdens on families already facing many problems. Because of the lack of funds it was not possible to ensure summer holidays or swimming lessons for all children or their participation in open-air school. The foundation was able to ease these problems to some extent.

The role of the civil organisations beyond the immediate region could

<sup>30</sup> The firms could deduct donations of this kind from their tax.

be clearly seen in the case of this organisation too. Many of the students came from rural areas and the proportion of children from Sárvár and from the region could be felt within the foundation as well: 60% of the children supported were from Sárvár and 40% from the region, from other public administration districts. Paradoxically, the foundation's activity is not as well known in the local community, in Sárvár. The reason for this is that the foundation's activity is closely linked to the *school* and provides a "service" for a limited social group, moreover for people whose social prestige within the community is extremely low. In this way it is equally true that the foundation supports a target group beyond the immediate region and that its activity involves only a smaller community in Sárvár.

There is a Foundation for Our Handicapped Youth in Komló too but, in contrast with the one in Sárvár, it was set up by the local authority although it received no help from the office of the mayor apart from its establishment. As a result the foundation's receipts of HUF 100,000–120,000 were sufficient to help only two or three families, only a fraction of the real need. The development of the foundation is greatly impeded by the very large number of civil organisations in the town, the great majority of which require sponsors, and the relatively few entrepreneurs and the absence of a prosperous middle class from which the civil organisations could expect substantial help. A few organisations do receive support but the Foundation for Our Handicapped Youth cannot count on any significant help either in kind or in cash in the future either. The limited sum available annually is used to help young people with slight handicaps set up a family or start their career (e.g. by buying household appliances for them). This example is a further illustration of the great need for the civil sphere, the market sector and entrepreneurs in a small town.

Compared to the numbers supporting children, the elderly, disadvantaged families, the "needy", persons with health impairment and the handicapped, far fewer civil organisations supported the unemployed, even though this problem was one of the major concerns in three towns – Sátorajújhely, Békés and Komló. The civil organisations provided the most help (17%) in Sátorajújhely, but their proportion was not very high in Békés and in Komló only 6% of the civil organisations devoted attention to the unemployed.

Considering the size of the problem, only a small proportion of civil organisations dealt with the Gypsy (minority/ethnic) question in two regions most seriously affected, Sátorajújhely and Békés, despite the fact that there is a minority self-government in both towns. In Sátorajújhely only 13% and in Békés only 12% of the organisations supported the Gypsies although it is clear from the description of the towns' social situation that the Gypsies' multiply disadvantaged situation has not improved and the

local authorities are not really able to manage the problem even despite the external investigations (by the ombudsman in the case of Sátoraljaújhely). The Gypsies' own self-organisation is inadequate precisely because of their low level of schooling, their poorer social position and system of contacts, and because of the prejudices the local community is far more willing to support causes it judges to be "worthy".

These trends are not unique. The attitude of the civil organisations in the four towns basically coincided with the national trends in the groups they supported most and those relegated to last place. Children and youth ranked in first place as recipients of help on the national level too.<sup>31</sup> They were followed by the elderly. The third and sixth places in Koml6–S6rv6r, S6toraljaújhely and B6k6s differed slightly from the national findings where the handicapped rank third and the health impaired fourth. However, in the present investigation these groups ranked sixth and fifth respectively in the three towns, while families with problems were third and the poor and needy fourth.

This behaviour could also be interpreted as meaning that the small town community is better informed, through the *informal* channels that operate more effectively here, on the situation of given families and so knows exactly which families need to be helped. "*Everyone knows everyone else here and I know exactly who is in need of help.*" At the same time there is prejudice against certain groups in small towns too. In line with the national findings, the civil organisations in the four towns paid much less attention to the problems of the *unemployed, the national/ethnic minorities, alcoholics, drug addicts and others with adjustment disorders*, despite the fact that unemployment and the ethnic problem, for example, are cause for serious concern. The Gypsy problem is not solved on the national level either but, as we have seen, is also a cause of serious tension in two of the four towns.

Nor, despite the innovative initiatives, did the organisations pay as much attention to the growing new problems, such as drug abuse and alcoholism, as they did to children, the elderly and other matters.

At the same time, we must also take into account a number of factors that prevent the community of a small town from helping individuals and families despite "neediness". Fewer civil organisations deal with the health impaired and handicapped because they are not able to take over certain tasks or because they lack the financial resources. In Koml6, for example, there is a foundation which knows all the young handicapped persons and knows exactly how it could make life easier for them but, lacking material possibilities, is able to do so to only a very limited extent. In addition, some

<sup>31</sup> Sz6man, Zs.–Hars6nyi, L. (2000), *Caught in the Net*, p. 44, Nonprofit Research Group Association – MTA Institute of Sociology, Budapest, data of a 1999 survey.

of the organisations lack a leader, degree of organisation or the strength to take over tasks related to health care or handicaps and requiring special qualifications. The same applies, as already noted, to the resources of the organisations. An organisation dealing with a particular health problem needs a certain amount of capital or at least the contacts or institutional structure required to obtain sources in kind or cash. Lacking this its activity is greatly limited. The 36% of organisations dealing with health care problems in Sátoraljaújhely cannot be regarded as being the result of chance: highly qualified doctors do voluntary work in the organisations here, not only ensuring the professional background but also mobilising the sources needed through their informal contacts.

*Groups supported by the civil organisations, %*

Town	Komló	Békés	Sátoraljaújhely	Sárvár
Children, youth	44	64	61	75
Elderly	39	44	44	31
Families with problems	33	12	35	25
Needy	28	17	31	19
Health impaired	11	20	35	25
Handicapped	17	12	17	19
Unemployed	6	insignificant	17	13
National/ethnic minorities	insignificant	12	13	insignificant
Alcoholics	insignificant	4	9	13
Other	insignificant	12	4	insignificant

Sátoraljaújhely appears to be the “*best covered*” of the four towns by civil organisations in the social welfare field: as well as the two best supported groups found in all four towns (children, the elderly), one third of the civil organisations also dealt with the health impaired, families with problems and the needy. Of ten groups with problems<sup>32</sup> the civil organisations paid *great* attention to five, and an acceptable degree of attention to another two.

Although Sárvár was in the best position of the four towns both economically and socially, it was also found to be active in the area of civil

<sup>32</sup> The strata and groups listed on the questionnaire followed the classification of the Central Statistical Office and the categories used in the earlier representative survey. These were: 1) children, youth; 2) families with problems; 3) health impaired, mentally ill (diabetics, etc.); 4) handicapped; 5) elderly, pensioners, the elderly sick; 6) the needy, poor; 7) unemployed/homeless; 8) alcoholics; 9) national/ethnic minorities; 10) other, e.g. persons with adjustment disorders, drug addicts, persons who have attempted suicide, etc.

organisation. Compared to the town's "modest" problems, the civil organisations showed a strong presence. Besides children and youth, and the elderly, they gave a high degree of support to a further four important target groups: *families with problems, the needy, the health impaired and the handicapped*. The roots of the "social net" reach back to the very rich civil culture in the town's history which favoured the development of all kinds of foundations, associations and societies. The revival, further development and reintroduction of these traditions after the systemic change in this town in a good economic situation is greatly helping the citizens to organise themselves, transform their prosperity into everyday practice and at the same time to dispel the misbelief widely held in western societies that civil society had no serious traditions in Hungary.

In Komló, of the 10 target groups, besides young people and the elderly, *families with problems* and the *needy* were also among those largely supported by the civil organisations. In other words, the town's civil organisations had sufficient strength to deal with four socially disadvantaged strata (including the elderly and children), and the proportions for three of these target groups (elderly, families with problems, needy) were approximately the same as those found in Sátoraljaújhely.

The greatest *discrepancy* among the civil organisations was found in Békés where, although the town faced many social tensions, the civil organisations *largely* supported only two target groups – *youth* and the *elderly*. The help given to all other strata and groups was considerably less. In our opinion this is certainly not an indication of any lack of willingness to help since the depth interviews showed what efforts the civil organisations were making to solve problems and how hard they tried to form relations with the local authority. But in a socially disadvantaged town in one of the most backward regions in Hungary the civil organisations are not capable of organising themselves and asserting their will without outside help. This is especially so if the town has foreign contacts with much less "economic" strength than is the case for other small towns (Sátoraljaújhely, Sárvár). Programmes for the development of regions, small regions and disadvantaged regions, government programmes, including investments in infrastructure, are therefore indispensable. The appearance of foreign investors is not sufficient in itself since many factors influence their movement.

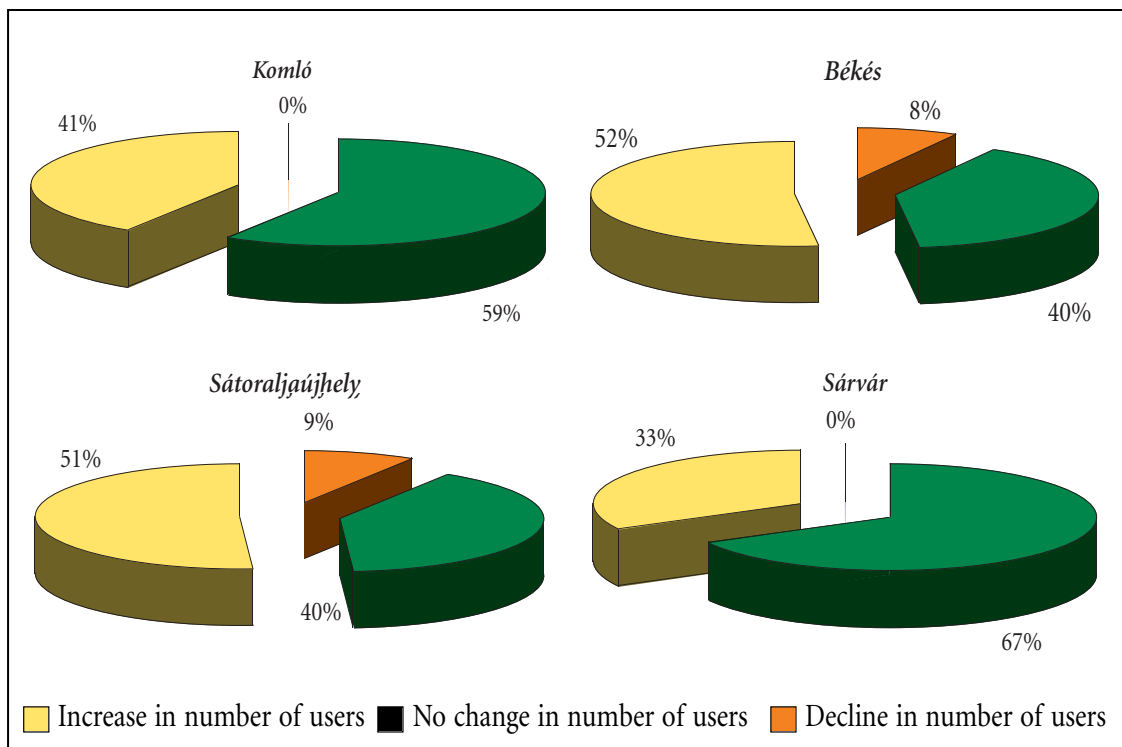
The case of Békés once again showed the problem that the mixed model based on three pillars (local authority, civil sector, market) only works effectively in those small towns where the different elements are themselves strong, where interaction among these elements has begun and where the economy is strong not only because of the lower level of unemployment but also has a prosperous stratum of intellectuals and entrepreneurs able to support the civil organisations.



## USERS OF THE SERVICES – FEE FOR SERVICES

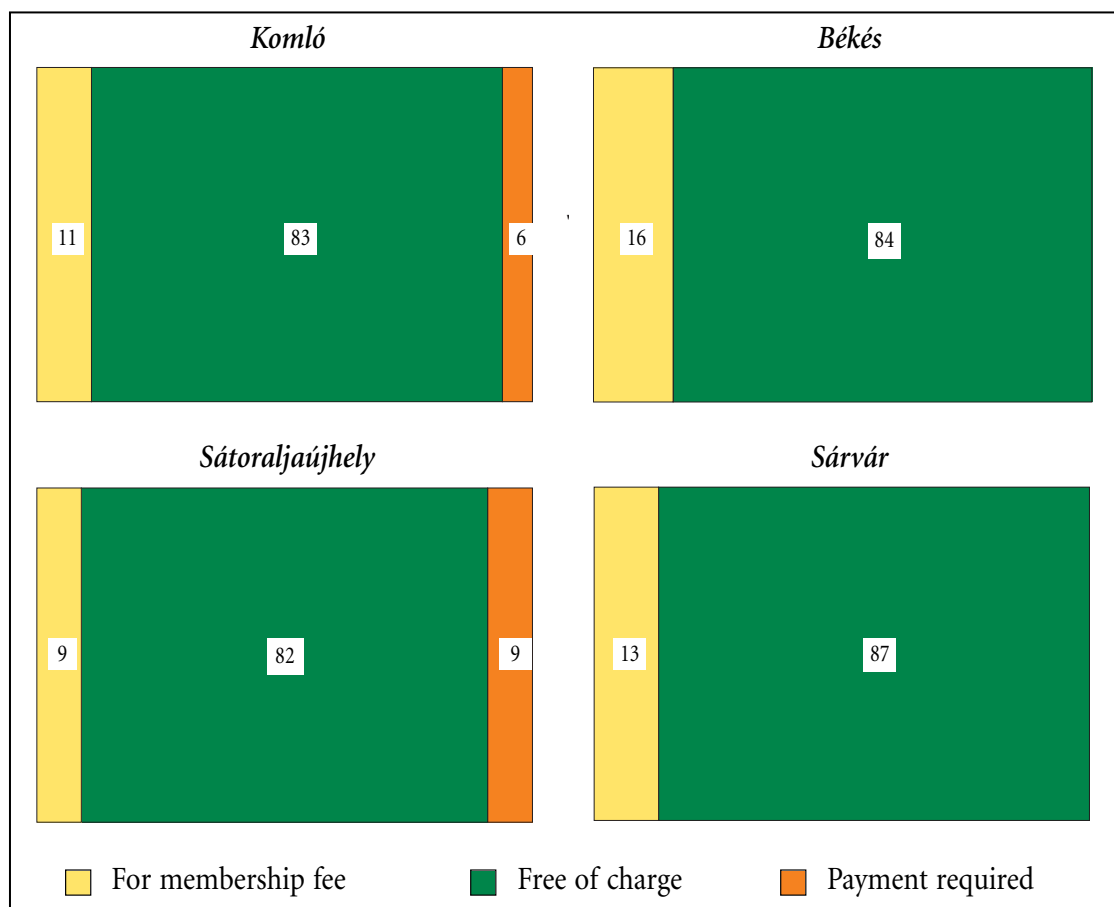
It can be seen that in the case of Békés the mixed welfare model functioned well only for a few target groups. At the same time, in the *two years* (1999, 1998) preceding the survey, of the four towns it was in Békés that the number of persons requiring the services of the civil organisations increased the most, by more than 50%. Sátorajáújhely was not far behind: 46% more persons sought the services of the civil organisations in early 2000 than two years previously. At the other pole was Sárvár, eloquent proof of the smaller pressure on the civil organisations. Here, as a consequence of the town's better economic and social parameters, the number of persons using the services increased by only one third while, in contrast, the town also had the most civil organisations (67%) where the number of clients did not change.

*Change in the numbers using the services of the civil organisations, %*



These data once again confirm that the civil organisations are playing an increasingly important role in the solution of social tensions and that the civil organisations in two settlements – Békés and Sátorajáújhely – face especially important tasks. This is not contradicted by the fact that the civil organisations in these two towns do not support the different target groups to the same extent. The process definitely indicates that part of the population hopes for a solution from the civil organisations. This can take the form of crisis support or a (permanent) social or health care service. The

“clients” of the civil organisations can at the same time be clients of the local authority. They can and do receive services and help from that source as well. Leaving out of account the role of the market sphere, this means that in the settlements at social risk the population looks *simultaneously in two directions*, to the local authority and the civil sphere, for a solution of the problems. All the more so since the *great majority*, 82% of the civil organisations provide their services *free of charge* and there is no real difference in this among the settlements which is also fully in line with the *national trend*.<sup>33</sup> While providing free services, more than 10% of the organisations in three settlements – Komló, Sárvár, Békés – also collected a membership fee. The role of the membership fee was most important in Békés (16%) since the Pensioners’ Association here had a large membership and all of the members paid fees. According to the findings of the investigation, only a few civil organisations have become sufficiently institutionalised to charge a fee for services. Traces of this could be found only in Sátorajájhely (two organisations) and Komló (one organisation).



<sup>33</sup> Széman, Zs.–Harsányi, L. (2000), Caught in the Net, p. 47, Nonprofit Research Group Association – MTA Institute of Sociology, Budapest.

## SCOPE OF INFLUENCE OF THE CIVIL ORGANISATIONS

In this respect the most colourful picture was found in *Sátoraljaújhely*. Here 46% of the organisations covered the whole town. Is this a lot or a little? In itself, it is a little. But if we compare this indicator with other data we discover the flexibility of the civil organisations which, as already mentioned, enables them to step beyond public administration and even national borders. 38% of the civil organisations were active in the county or in the immediate region of the town, 13% nationally, and 8% also among Hungarians in the neighbouring countries. This means that the operation of 59% of the civil organisations active in the social field was not limited exclusively to Sátoraljaújhely. Seen in this way, the 46% of organisations covering “only” the whole town cannot be regarded as a negative indicator. Many factors can appear among the causes of this flexibility. In the case of Sátoraljaújhely these were the following: one major factor was the proximity of the border, encouraging the local people to help the large Hungarian minority living across the border; the local group of a national organisation, the Hungarian Maltese Charity Service, was in contact with branches in other regions; the big problems of the Gypsy minority living not only in the town but also in the region.

Even among the civil organisations with a smaller scope of influence 8% covered the workers of enterprises, 4% the residential area, 4% an ethnic group and 13% some other category.<sup>34</sup>

In *Komló* it could be felt that the civil organisations reached beyond the limits of the town. Half of the organisations were active in the whole town, while close to *one quarter* covered a wider area, *the county* or the *immediate region*.

A relatively high proportion (17%) of the organisations with a smaller scope in Komló too operated within a smaller unit or residential area. Only a few were concerned with the workers (former workers) of a firm, probably because the big coal-mines have been closed down and their places were not occupied by firms taking the “welfare” of their workers to heart (holidays, sport, aid, etc.).

*Békés* seems to be the “purest” of the four towns as regards the scope of influence. It had a very high percentage (80%) of civil organisations which were active *in the whole town*. At the same time only a few organisations operated in the whole country or the region since most of them were not yet sufficiently strong and had not yet reached the stage of maturity which would have allowed them to be active outside the town on such a scale as

<sup>34</sup> A separate investigation would be required to reveal what this relatively high 13% “other” category contains.

was found in the case of Sátorajáújhely. Despite the fact that British and PHARE models played a role in the life of the town's civil organisations, so far one of the giant Hungarian civil organisations, the Hungarian Maltese Charity Service has left Békés County out of its own development plans, in contrast with other disadvantaged regions of the Great Plain (e.g. Csongrád, Hajdú-Bihar, Bács-Kiskun and Szabolcs-Szatmár counties<sup>35</sup>).

In Békés 8% of the organisations supported target groups living in particular areas of the town. *Strikingly few* (4%) dealt solely with an *ethnic group*, a proportion also found in Sátorajáújhely. Knowing the problems of the Gypsies in both towns this is once again a warning that where there is prejudice against a social group there is relatively little readiness to help within the local community compared to the size of the problem. This is generally true even if examples to the contrary can be found. The depth interviews in Békés showed that there are people who want to struggle against this attitude, such as the Epreskert Kindergarten and the Foundation For Children it set up. This kindergarten has the highest number of Gypsy children of all the nine kindergartens in the town. The director of the kindergarten set up the foundation to help them with HUF 5000 each from the two wealthiest Gypsy parents, her own HUF 10,000 and other donations from the kindergarten's staff. Nevertheless, it is extremely difficult to combat prejudice because the Gypsies themselves are stratified. In Békés the poorer families live in apartments consisting of a single room and a kitchen while there are also wealthier entrepreneurs among them. The Gypsies try to protect themselves from prejudice by evading it: the more prosperous families send their sons and daughters to the "town", to schools attended by Hungarians, although there is a very attractive modern school beside the kindergarten, as already mentioned. Both Hungarians and upwardly mobile Gypsies take their children out of this school to ensure a better future for them. In other words, the ethnic group concerned defend themselves from prejudice not by self-organisation (they have little experience of this; it is Hungarians, such as the head of the kindergarten in our example, who try to persuade them to take such action), but by assimilating into another ethnic group.

*Sárvár* can also be regarded as a town in a pure situation as regards the

<sup>35</sup> The Budapest Centre of the Hungarian Maltese Charity Service continually applied for grants for development. Their plans included the further development of an alarm system for which they requested funds from the Ministry of Social and Family Affairs. They introduced this system into a number of settlements in Bács-Kiskun, Csongrád and Hajdú-Bihar counties. At the time of the survey the *alarm system* operated by the Budapest Maltese Charity Service which is of vital importance for the *elderly and the sick* was in use in 150 settlements in addition to the system operated by the Budapest Maltese Charity Service. It was an even greater achievement that the Hungarian Maltese Charity Service had reached an agreement with the Szabolcs-Szatmár County Authority to set up the system in all settlements in the county by 2001.

scope of influence of the civil organisations. The majority of the organisations (73%) cover the whole of the town; our statistical survey did not find any organisations with a national or even a county/regional scope. Nevertheless, we know from the depth interviews that the Sárvár Hospital Foundation concerns not only patients from Sárvár but also from the region. In this way the *statistics somewhat distorted the real picture*, at least in the case of organisations active in health care (social welfare).

As in the other towns, organisations covering smaller territorial units (7%) and denominational groups were found here too.

The following table gives only the main trends but is unable to show the nuances we found in the case of Békés, Komló and Sárvár as well: the activity of a particular organisation only appears to be tied to the town, in reality the scope of its influence is much greater (e.g. the KAPU Foundation, the Komló Hospital Foundation, the Sárvár Hospital Foundation). It is quite possible that more such organisations will emerge in the future or that the existing ones will develop in a direction which will extend their activities beyond the public administration boundaries, offering their services to both residents of the town and people outside the region. Numerous external or internal factors and their combination could assist such a shift towards a greater scope of action, such as support from government or ministry level, growing donations, new adaptable foreign models, personal contacts with other organisations, the personality of the leaders of the organisation(s), the enhancement of their training, their contact with other civil organisations, the giant civil organisations' own rate of development by region, type of settlement, etc.

*Scope of influence of the organisations, %*

Town	Outside town			Whole town	Within town				
	Beyond border	Whole Country	Country region		Resid. area	Religious denom.	Ethnic group	Workers of a firm	Other
Komló	–	–	22	50	17	–	–	6	22
Békés	–	4	–	80	8	–	4	–	–
Sátoralja-újhely	8	13	38	46	4	–	4	8	13
Sárvár	–	–	–	73	7	7	–	–	20

### Activity of the organisations

The activity of the organisations was highly varied: they supported residents in cash and kind but also provided the community with legal advice,

technical aids and meals. They identified latent needs, provided home help, created residential homes, in cases created jobs, introduced previously missing services and trained specialists for all these activities.

In keeping with the national data<sup>36</sup>, *help in kind and cash and legal advice* ranked in first place among the services provided by the civil organisations in the four towns.

There was hardly any difference between *Komló, Békés* and *Sátoralja-újhely* regarding the proportion of *support in kind* (44%, 40%, 39%). The local people received slightly less support in kind in Sárvár (37.5%). At the same time it was in Sárvár that cash supports played the biggest role (56 percent) with Komló second (50%).

In *Békés* and *Sátoraljaújhely* only a relatively small proportion of the civil organisations, just under one third, were able to give support *in cash*. There are a number of explanations for this:

- a) these civil organisations have only limited funds,
- b) they support the local people in other ways, avoiding and substituting aid in cash.

Some of the organisations regard it as especially important to avoid *aid in cash* in cases where they believe that the cash donation will not solve the problem (e.g. the Gypsy problem, the question of unemployment). In these cases they prefer to give assistance in kind, “care” and attention. For example, the local authority transfers child welfare support to the already mentioned Epreskert Kindergarten in Békés attended mainly by Gypsy children; the kindergarten deducts the cost of the child’s meals and hands over the remainder to the parent. In this way the parent cannot spend the money for other things. One of the greatest problems in the kindergarten is how to divert children from the parents’ way of life and to some extent also influence the parents. In the crisis cases and in the interest of prevention the activity of the institution maintained by the local authority and the civil organisation is closely intertwined and even merges because the same person is found behind both (the director of the kindergarten is also the president of the foundation).

*“The parents who live out in the rural area left two young girls here. It was already five thirty so I asked my husband to take me out to the farm. There was no one there. I fed the children and asked my husband to check the pubs. He found them in one of the pubs, with the infants (several pre-kindergarten children). But not*

<sup>36</sup> Széman, Zs.–Harsányi, L. (2000), *Caught in the Net*, pp. 40–41, Nonprofit Research Group Association – MTA Institute of Sociology, Budapest.

*all families are like that. We had a child who felt dizzy every morning and we didn't know what was the matter with him. It turned out that they couldn't give him breakfast. Now we always make sure that he gets something to eat.*

*I hold vitamin days for the children. I invite the parents to attend, we bake together and teach them to preserve fruit and run a household. The doctor and welfare nurse also come out here. They have set themes but the parents can ask for others and ask questions about healthy nutrition. I have good relations with the Red Cross, the local authority, the Gypsy minority self-government, other kindergartens in Békés and with the Gypsies themselves. They are used to seeing me stop to talk with them at the market, I am not ashamed of them. There was an assistant who left us for this reason (because of the Gypsies).”*

In three of the towns quite a lot of civil organisations provided *technical aids* to facilitate everyday life. The highest proportion in this respect was found in *Sátoraljaújhely* (26%), and the local group of the Hungarian Maltese Charity Service almost certainly played a leading role in this as for years it has been supplying the town with valuable medical and health equipment. Close to one fifth of the civil organisations in Komló and Sárvár also performed such activity, and mention must also be made of the foundations for hospitals set up in these towns; their tasks included a better provision of instruments and technical facilities. The proportion of technical help was lowest in Békés (4%), probably due to the fact that this town has the smallest network of informal foreign contacts and so lacks a source of technical aids that it could distribute in the town.

Komló ranks in first place (50%) for *legal advice*, followed by Békés (24%), then Sárvár (19%) and finally Sátoraljaújhely (13%). This order also indicates that interest protection provided by the civil organisations is strong in the towns leading in legal advice.

This is closely related to the fact that, although in reverse order, a strong demand arose in the above two towns to *identify the needs of the population*. This phenomenon was most striking in Békés where 56% of the civil organisations carry out such activity. Some of them, such as the Pensioners' Association, do this work very systematically, breaking down the town into its public administration districts and this approach obviously also has an influence on the other civil organisations. In Komló one third of the civil organisations deal with identifying the needs of the population. This proportion is smaller than in the case of Békés but it is quite possible that some of the needs come to light when giving legal advice and since half of the civil organisations in the town gave legal advice presumably that task was solved there.

In all four small towns *ageing* was one of the basic problems, so it is not by chance that there is a high degree of self-organisation among the elderly. Retired people or those of pensionable age liked to attend pensioners' clubs they had set up themselves where they took part in informal gatherings, played cards, celebrated various events, organised holidays, theatre evenings and excursions and generally gave members of the older age group a better sense of well-being. More than one third of pensioners' associations carried out this type of activity in Komló, Sátoraljaújhely and Sárvár, but they played an exceptionally big part (68%) in Békés where club activity was not limited to gatherings but, as mentioned above, the elderly people of the town received very substantial support of a different kind through the members.

Békés also played a leading role in the area of *general health care assistance*; one fourth of the civil organisations active in the social and health area (5 organisations) also provided a health service for the population (KAPU, LAZARUS, Diabetes Foundation). Activity of this nature by the organisations was also on a relatively high level (17%) in Komló. One organisation each in Sátoraljaújhely and Sárvár classified itself in this category. However, this does not mean that these two towns did not receive considerable health care assistance since the depth interviews showed that an organisation in Sátoraljaújhely, the Maltese Charity Service, has for years been supporting the town and its residents with a large volume of modern health aids. In Sárvár this modernisation role is played by the Hospital Foundation. As a result the two towns do not lag behind other settlements in the region, in fact they are ahead of many of them.

Civil organisations in both Békés and Sátoraljaújhely gave *home (social) help*; this involved three organisations in each town and around 12–13% of the civil organisations. In Sátoraljaújhely the Maltese Charity Service played an outstanding role in this area and in Békés the KAPU Foundation.

Close to the same number and proportion of organisations took part in providing *meals* in three towns, Békés, Sátoraljaújhely and Sárvár (12%, 9%, 14%); in Komló only one civil organisation was involved in cheap meals but in that town the proportion of services also providing residential care was very high (17%), twice the level found in Sátoraljaújhely, while such a service did not exist in the other two towns. It was also in Komló that a civil organisation took part in day care and also introduced a previously lacking service. At the same time Sátoraljaújhely was the only town where the civil organisations also took part in *creating jobs*. This is probably related to the fact that for years Borsod-Abaúj-Zemplén County (together with Szabolcs-Szatmár County) has had the highest rates of both registered and unregistered unemployment. As a result, providing for the future of the town(s) has become one of the major problems of the local



authorities and civil organisations. After a while the tension in a town reaches such a level that the civil organisations begin to devote attention to the problem in the interest of the town's development and to keep people from moving away. The Sátorajújhely phenomenon cannot be regarded as an exception. Research conducted in the region, in Ózd in 1999 clearly showed that the civil organisations operating in the town join in job creation, either directly or indirectly. The organisations not only provide services, they also create the jobs needed to operate the services. In this way they are not only linked to the civil sphere and the local citizens but also "serve" state and local authority interests. In cases the number of jobs created can be so high that it also draws the attention of the local authority and the employment agencies.<sup>37</sup>

The above examples too show that the civil organisations in the small towns have created a network of many links enabling them to make a big contribution to improving the residents' quality of life. Since what was found in the small towns is fully in line with the national trends,<sup>38</sup> it can be said that the civil organisations operating in the field of social welfare in Hungary in the late nineties and early 2000 attempted to spread a kind of safety net in their environment and region. This safety net comprised not only crisis management but also innovative elements of prevention and rehabilitation, solutions without which the civil organisations would not have reached the population. Of course, this path of development meant that in addition to lay volunteers the civil organisations had to have appropriate specialists at their disposal to provide certain services, especially in the case of institutional services. Training was provided on the biggest scale in Komló where almost one quarter of the organisations were involved (it must be kept in mind that there was a very high proportion of care in residential homes here).

On the whole, the "system of links for quality of life" covering the residents appeared to be the fullest in Sátorajújhely and Komló, once again demonstrating that civil initiatives can be stronger in a region in difficulties than in a settlement where the conditions are "normal" if this activity is supported by other facilitating conditions, e.g. the presence of someone with outstanding leadership abilities, connections, foreign funds, etc.

<sup>37</sup> Széman, Zs. (1999), Two towns: social alternatives in a time of change – Két város szociális alternatívái az ezredfordulón, p. 66, KHF–MTA, Budapest.

<sup>38</sup> Széman, Zs.–Harsányi, L. (2000), Caught in the Net, pp. 44, Nonprofit Research Group Association – MTA Institute of Sociology, Budapest.

*Activities (services) provided by the civil organisations (%)*

Settlement	In kind	In cash	Legal advice	Technical aids	Meals	Club for pensioners	Home (social) care	Day care	Health care assistance	Residential homes	Job creation	Providing missing services	Identifying needs	Training specialists
Komló	44	50	50	22	6	39		6	17	17		6	33	22
Békés	40	28	24	4	12	68	12		20				56	4
Sátoralja- újhely	39	30	13	26	9	35	13		4	9	9		9	4
Sárvár	38	56	19	21	14	38	7		6				19	

It must be stressed that we encountered *types* of activity which played an important part in the lives of people living in all four settlements: *assistance in kind, assistance in cash, legal advice, provision of technical aids for the population, meals and pensioners' clubs*. Some, like assistance in kind, provision of technical aids or assistance in cash represented a substantial proportion or were almost on the same scale in all four or at least three of the towns (explanations of the exceptions have been given above). In other cases, the percentage proportion of the service appeared relatively small but an analysis of their relationship to other services revealed overlaps and uncertain links, once again confirming that the activities provided by civil organisations should never be examined as independent units but should be seen in the context of their wider environment.

### Activities regarded as important by the organisations

The increasing incorporation of the civil organisations in the social net and their appearance in the lives of people in the four towns is also shown in the fact that, if they were engaged in one of the 14 activities described above, they listed them among their *very important* services in all four, or at least three towns:

- 1) assistance in cash,
- 2) identifying needs,
- 3) health care assistance,
- 4) pensioners' clubs, organising informal gatherings,
- 5) provision of technical aids,
- 6) meals (Békés, Sátoraljaújhely, Sárvár; this took another form in Komló with day care or residential institutions "replacing" meals),

- 7) home help (Békés, Sátoraljaújhely, Sárvár; in Komló this was replaced by day care and residential homes),
- 8) legal advice (Békés, Sátoraljaújhely, Sárvár),
- 9) assistance in kind (Békés, Sátoraljaújhely, Sárvár),
- 10) training of specialists (Komló, Békés, Sátoraljaújhely).

The evaluation of “very important” could mean that the civil organisations not only helped those in need with services but also raised the “welfare level” of local people. Only a few of the 10 activities, such as assistance in cash and in kind, identifying needs and in some of the cases providing meals, can be classified among the social services dealing with crisis situations. In the majority of cases the activities mean “improved quality of life” not only for those in social need. Anyone can be in need of legal advice. The same is true for the social gatherings which bring colour to the everyday lives of people living alone and also increase the sense of belonging to a community. Help provided in the form of technical aids, health care assistance and home help can be important for any member of the community and the complex treatment of these areas contains numerous innovative elements. Finally, it can be regarded as an indicator of the incorporation of the civil organisations into social welfare policy that in three towns – Komló, Békés and Sátoraljaújhely – the *training of specialists* was considered to be very important. The explanation for this could be that a number of the civil organisations either maintained residential homes or took part in home help or day care and such activity requires the provision of expert service (regulated by the Social Welfare Act of 1993). It also means that in these towns the civil organisations have

*Activities regarded as “very important” among those performed by the organisations, %*

Settlement	Assistance in kind	Assistance in cash	Legal advice	Identifying needs	Health care aid	Pensioners' clubs, informal gatherings	Home help	Meals	Provision of technical aids	Job creation	Providing missing services	Training specialists	Day care	Residential home
Komló	38	78	36	68	100	100			50		100	100	100	100
Békés	100	100	83	100	100	94	100	100	100			100		
Sátoraljaújhely	89	86	100	100	100	88	100	100	100	100		100		
Sárvár	100	100	100	100	100	100	100	100	100					

set out on the path of institutionalisation, that is, in certain areas there is already some form of *agreement on co-operation* or *contractual relationship* between the local authority and the civil sphere in these places.

In a few towns, besides the above services, the civil organisations also regarded other activities as very important, in keeping with the special problems of the town. In Sátoraljaújhely, for example this was the case for job creation, in Komló it was providing missing services and also day care.

However, the data also show that the organisations are aware of their own role, of the function they serve in the life of the community and they judge it very positively even if it concerns only a single organisation within the given community.

### **The appearance of activities performed by the organisations**

The majority of the civil organisations have been engaged for years, largely since 1992–93 in activities directed both at resolving individual life crises and at improving the quality of life of individuals. They have been joined by other civil organisations which introduced the same activities – whether assistance in kind or cash, legal advice, the identification of needs, provision of meals, technical aids or health care assistance – relatively recently, in the late nineties, in 1998 and 1999. In other words, new organisations appeared beside the already well functioning civil organisations, drawing attention to a number of things:

- a) various challenges and social problems have further increased within the local community since the early nineties and in the absence of adequate state funds and/or flexibility the local authority is incapable of meeting its legal obligations to deal with them;
- b) in the few years of their activity the civil organisations have won respect within the community since they keep their distance from politics and genuinely serve the interests of those living in the town;
- c) parallel with the growth of social problems there has been an increase in the number of civil organisations which have (also) undertaken activities earlier performed by other civil organisations;
- d) the effectively operating civil organisations were aware that their activity was important in the life of the community, even if it affected only smaller groups of the community and most of the town did not know about their work;
- e) as the range of services provided by the civil organisations in the social field expands, it is becoming obvious in the small towns too that the civil organisations play an important role in creating the “system of links for quality of life”.

*Appearance of activities conducted by the organisations, %*

		Komló	Békés	Sátoraljaújhely	Sárvár
Assistance in kind	recent service	43		22	
	older service	57	100	78	100
Assistance in cash	recent service				
	older service	67	100	100	100
Legal advice	recent service	62		67	
	older service	38	100	33	100
Identifying needs	recent service	33	21	50	
	older service	67	79	50	100
Health care assistance	recent service	33			
	older service	67	100	100	100
Pensioners' clubs, informal gatherings	recent service	17			
	older service	83	100	100	100
Home help	recent service				
	older service		100	100	100
Day care	recent service	100			
	older service				
Meals	recent service		33	50	
	older service	100	67	50	100
Provision of technical aids	recent service	75		33	33
	older service	25	100	67	67
Residential social home	recent service	67			
	older service	33		100	
Job creation	recent service				
	older service			100	

All these factors together indicate that the model existing before the Second World War which, in addition to the state resources, relied heavily on the civil sector (foundations, associations, church organisations) for help had strengthened at the end of the nineties.

### **Co-operation/contracts between the local authorities and the civil organisations<sup>39</sup>**

In the country as a whole only 28% of settlements operate three kinds of basic services, one third do not offer even two of the mandatory services

<sup>39</sup> Although the contract and co-operation are not exactly the same since the contract implies a stricter legal frame than co-operation, because of the small number of cases they are treated here as synonyms.

*Proportion of recipients of personal care by county*

	Recipients of		Recipients of care in institutions providing		
	cheap meals	home help	day care	respite care	long-term accommodation
	per 10,000 inhabitants				
Budapest	110.2	37.2	35.3	20.1	54.2
Pest	63.9	25.5	16.5	3.8	50.4
Fejér	86.8	44.9	20.3	8.6	49.4
Komárom-Esztergom	82.3	30.4	47.0	8.4	59.7
Veszprém	104.0	33.8	31.5	6.6	48.2
Győr-Moson-Sopron	90.4	42.8	31.1	8.0	48.8
Vas	148.1	43.0	43.3	7.3	50.8
Zala	116.7	33.9	41.0	6.1	59.4
Baranya	88.9	42.4	46.1	10.5	85.1
Somogy	122.2	27.9	52.3	2.7	50.9
Tolna	80.8	37.7	39.7	8.6	70.0
Borsod-Abaúj-Zemplén	143.6	50.1	57.6	7.6	55.7
Heves	105.1	45.3	41.7	3.0	62.5
Nógrád	106.5	41.1	50.5	5.5	69.5
Hajdú-Bihar	77.4	34.9	36.7	6.5	56.0
Jász-Nagykun-Szolnok	115.1	57.6	42.9	3.3	77.1
Szabolcs-Szatmár-Bereg	99.2	63.3	65.9	8.1	59.5
Bács-Kiskun	80.6	34.8	47.8	4.8	65.4
Békés	90.6	52.5	76.8	7.8	87.6
Csongrád	87.1	56.4	49.0	10.8	73.9
Total	99.3	41.0	41.4	9.1	59.7

*Source:* Statisztikai Évkönyv [Statistical Yearbook], 1999, KSH.

and in 7% there are no basic services at all. The national distribution is very uneven. In Baranya and Békés counties, which are important for this research project, the indicators for one of the forms of basic services, *social meals*, are very low; in Vas and Borsod-Abaúj-Zemplén counties they are close to 1.5 times higher. As regards the other form of basic service, *home*

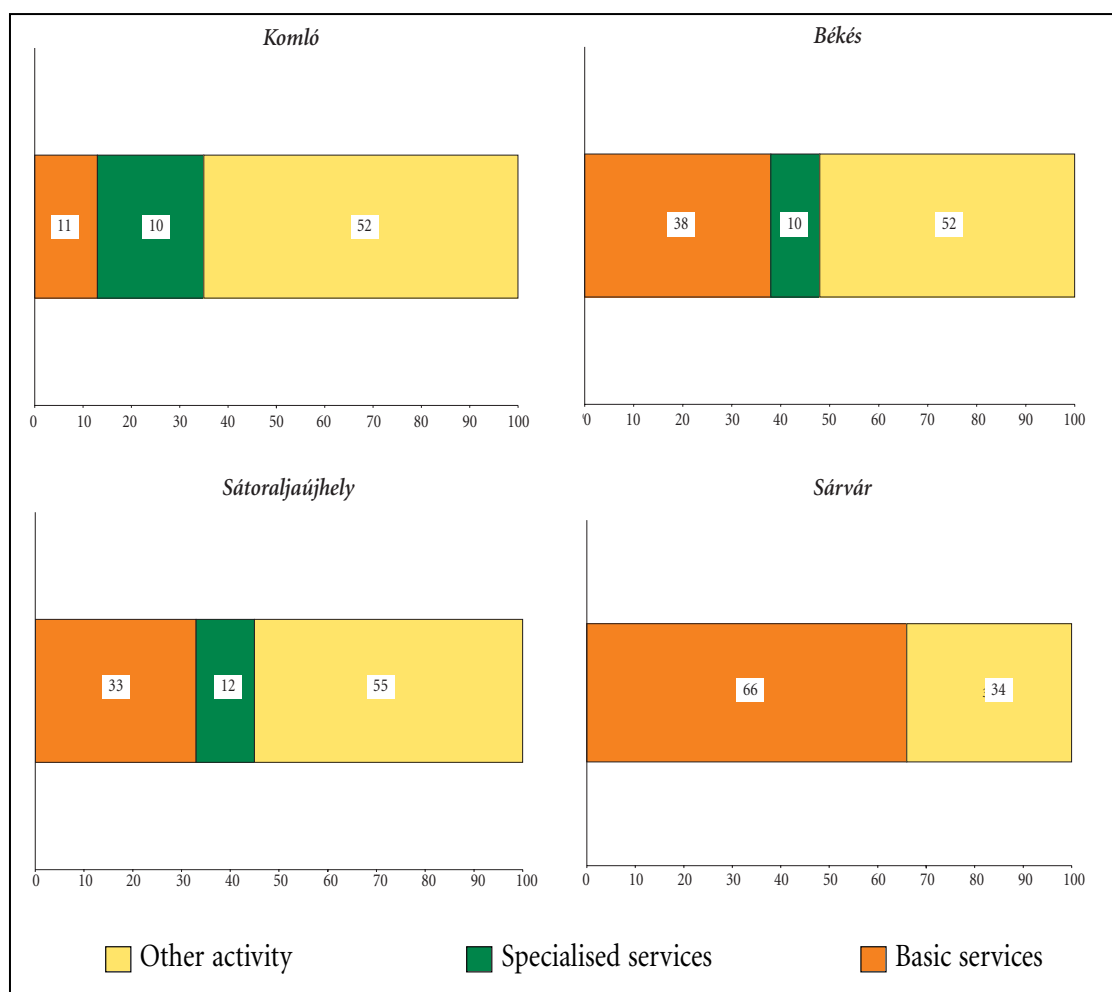
*help*, among the four counties better indicators are found in Békés and Borsod-Abaúj-Zemplén counties. As regards *day care*, classified in the category of specialised services, the indicators are exceptionally good in Békés county, followed in order by Borsod-Abaúj-Zemplén, Baranya and Vas counties. However Baranya leads in respite care, which is also classified among the specialised services, and also leads, together with Békés county, as regards residential homes.

In the light of national figures, it is worth examining how the local authorities of small towns shaped their relations with the civil organisations in the field of personal care in the interest of providing better services for the town's residents. In three towns, Sátoraljaújhely, Békés and Sárvár, 30–40% of the civil organisations had contracts or co-operated with the local authority in the provision of basic services (home help, meals, family help, child supervision). A much smaller proportion of civil organisations had contracts or agreements on co-operation for the provision of specialised services (day care, club for the elderly,<sup>40</sup> day-care institution for the handicapped, long-term residential institutions). Only Komló, where this rate was 20% – because of the residential homes and day-care – stood out in this respect. Almost certainly these indicators played a role in the fact that Baranya County ranked second highest among all the counties of Hungary in the figures for 10,000 residents. However, the indicator for specialised care involved only 10% of the organisations in Békés and Sátoraljaújhely, although we know from the depth interviews that the two sectors are expected to draw closer together in the future, e.g. in the case of the KAPU Foundation operating in Békés and the local authority.

It is of note however, that in the case of special activities the proportion of contracts and co-operation is 50% higher in the three more disadvantaged settlements. This is an indication that in “other areas” co-operation with the organisations is much higher than in either basic services or specialised services.

<sup>40</sup> This is not the same as the pensioners' clubs, since the clubs for the elderly also provide several meals daily and activities.

*Types of co-operation/contracts between the civil organisations  
and the local authorities*



The civil organisations understood “other activities” to include the following: passing on information, identifying needs, environmental protection, beautification and development of the town, support for the community as a whole, ensuring the future of the town, which indicates that the civil organisations did not enter into contracts with the local authorities for the implementation of social policy in the narrower sense. In this way the co-operation/contract in the field of basic services between civil organisations operating in the social welfare field and the local authority applies to a more comprehensive welfare policy, including not only social considerations but also the physical state of apartments, their immediate place of residence and environment, the network of informal contacts surrounding them. In this way the self-classification used by the civil organisations does not coincide with the definition of basic activities used by the Social Welfare Act and the local authorities. Here too, the reason can only be the attitude taken by the civil organisations which treat the needs of citizens as a uniform whole and do not break them up according to *basic and specialised services*. This is almost certainly the reason why some of the



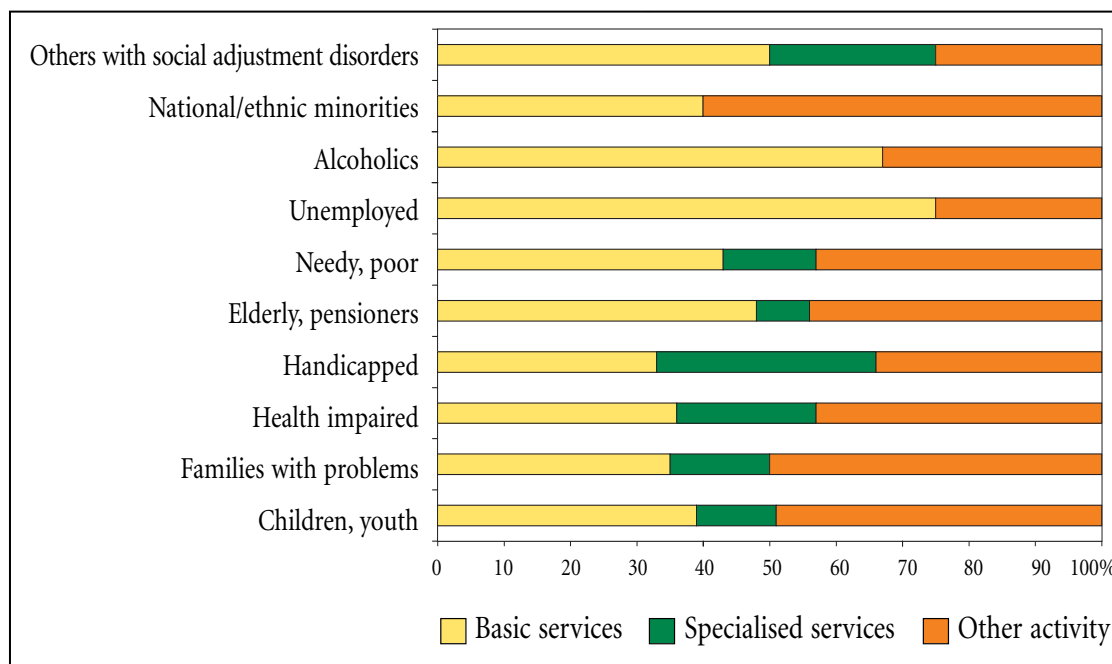
civil organisations listed day care as a basic service, even though it is a specialised service. While this conceptual uncertainty causes confusion when the “pure categories” are used, it also confirms that the civil organisations are extremely flexible. This is true not only for their well known fund-raising campaigns; they are capable not only of exerting an influence beyond the public administration units described above, but of overstepping the pure conceptual/activity *categories* and moving into other areas and co-operating with the authorities in the interest of a higher goal, the residents’ sense of well-being and through them the town’s prosperity. Proof of this can be seen in the fact that the indicators for community support, flow of information and identification of needs are all high (28–43%) in the fields of basic services, specialised services and other services. In short, we are witnessing a form of intentional misrepresentation by the civil organisations. In the area of specialised services it is only in the case of health care services and residential homes that we find the pure categories; there is no substantial shift here towards the basic or other service contracts, obviously because the civil organisations too recognise that these services really do require a high level of special health qualifications.

*Nature of the relationship involved in the case of contract/co-operation, %*

Within the relationship	Home help	Club for the elderly	Cheapmeals	Day care	Health care service	Respite care	Residential home	Service involving technology	Town beautification, development	Environmental protection	Job creation	Aid	Community support	Provision, flow of information	Identifying needs	Other
For basic service	17	29	17		11	6			17	17	11	28	39	28	28	17
For specialised service		14	14		57		29	11				14	43	43	29	14
For other	7	16	7	3	10		7	14	13	13		13	41	32	23	26

This is also confirmed by the breakdown into target groups for basic and specialised tasks. In the case of children, big families with problems, the health impaired, the elderly, the needy and even alcoholics, the organisations not only signed contracts or co-operated with the local authority for the provision of mandatory basic services, but between around one third and 40% of the civil organisations also maintained regular contact

### Tasks of the contract/agreement on co-operation by target group



with the local authority *in other specialised areas* in the course of their support for these strata.

While national surveys<sup>41</sup> have found that the local authorities regarded principally children and youth as the target groups of contracts and agreements on co-operation to be signed with the civil organisations, followed by the elderly, the needy, the handicapped, and big families with problems, in our survey the organisations entered into contracts to provide services *within the basic services* mainly for the elderly, the needy, national and ethnic minorities, persons with adjustment disorders, and alcoholics. The reason for this is almost certainly that, however paradoxical it may seem, thanks to the pensioners' clubs and associations the self-organisation of the elderly in the small towns was better than that of youth. This is confirmed by the data of the depth interviews.

Among the indicators for contracting out related to specialised tasks, the indicator concerning the handicapped (30%) approached the national figures, but in the case of children and youth the values remained below the national trend, while the proportion of regular co-operation found in the *other categories* was much higher than the national indicators. This can also be interpreted as meaning that certain endowments of a smaller community – e.g. more personal acquaintances contributing to a transparent flow of information – make it possible to handle problems in a

<sup>41</sup> Széman, Zs.–Harsányi, L. (2000), Caught in the Net, p. 131, Nonprofit Research Group Association – MTA Institute of Sociology, Budapest.

different way and establish different links both with the population and the various sectors (local authority, civil sector).

It can be said that in the four towns the civil organisations played a significant part in solving the problems of the community, acting flexibly and showing mobility across categories, public administration boundaries and national borders.

## Partners of the civil organisations

In 1998<sup>42</sup> in the course of their social activity the civil organisations in the four towns regularly or on occasion co-operated with other institutions, nonprofit organisations and market actors.

At one pole we find the *local authorities*: everywhere they and their institutions were the *main supporters* of the civil organisations. To a lesser extent the civil organisations maintained regular contacts with other nonprofit organisations in the town as well as with the churches and it even appears that the market actors, businesses and entrepreneurs also played a role in the life of civil organisations in the small towns. At the other pole were the *ministries and national authorities* with which the great majority of the civil organisations *did not have contacts*, while in the case of a minority this “relationship” was of an occasional nature.

Nevertheless, the nature of the contacts differed considerably from one town to another.

The civil organisations built their contacts most strongly with the *local authority sphere* in Békés where more than one third of the organisations had regular contacts with the local authority. The ties to the social institutions were also very strong here: *almost one quarter* of the civil organisations maintained such contacts regularly. However in Békés the market sphere is entirely lacking from the regular contacts and appears only in the form of occasional co-operation. This too shows the disadvantaged situation of Békés because this is the only one of the four towns where entrepreneurs did not appear in this picture at all, a situation confirmed by the depth interviews.

At the same time, the statistics do not fully reflect the reality regarding foreign help. In the case of Sárvár, for example, foreign help did not appear even in the occasional category even though some of the organisations have received substantial foreign support on a number of occasions from private individuals. This is probably related to the fact that *the organisations*

<sup>42</sup> In the survey conducted in 2000 the respondents were asked for data applying to 1998.

*received the foreign support some time ago, at the time they were set up; it has since been incorporated into their operation and they now regard it as their own.*

*Co-operation of the civil organisations with other institutions  
in 1998 by town (%)*

		Komló	Békés	Sátoralja- újhely	Sárvár
Social institution	none	61	12	82	68
	occasional	17	64	9	13
	regular	22	24	9	13
	no information				6
Other nonprofit organisation	none	61	16	70	81
	occasional	33	76	13	6
	regular	6	8	17	6
	no information				7
Enterprise, business	none	67	44	70	56
	occasional	22	56	17	25
	regular	11		13	13
	no information				6
Local authority	none	55	8	48	63
	occasional	39	56	35	12
	regular	6	36	17	19
	no information				6
Ministry, national authority	none	100	84	83	88
	occasional		16	17	6
	regular				
	no information				6
Church, religious organisation	none	94	88	65	75
	occasional	6	8	22	13
	regular		4	13	6
	no information				6
Foreign organisation	none	78	92	78	94
	occasional	17	8	13	
	regular	5		9	
	no information				6

## MID-WAY FEEDBACK

In addition to the usual statistical and depth interview methods, the research regarded it as an important task to determine whether the trends identified coincide with the images the organisations have formed of themselves and whether the opinion of the local authority sector is the same as this self-image. We also wanted to know whether the research conducted in the town, “stirring up” life there had acted in some way as a catalyst and whether it had served as a stimulus for closer contact between the local authority and civil sectors. Is it possible to change the civil sector’s intrasectoral links by some means within a relatively short space of time? We also wanted to know whether the research had facilitated the co-operation of the civil organisations operating in the social welfare field, the strengthening of their network of contacts or an intensive dialogue with the other nonprofit organisations.

We made no secret of the fact that in hearing the various reactions and opinions we would also be involving those directly concerned, actors of the civil and local authority spheres, in the research so that they would not only be the subjects of the research but could themselves also shape its outcome. We also wanted their help in clearing up some points that we found difficult to understand; e.g. why did the statistical survey fail to detect a single organisation dealing with drug addicts when it was found from the depth interviews that such an organisation exists (Leo Amici).

To throw light on all these elements, following the primary statistical analyses and depth interviews, in March 2000 the Institute of Sociology of the Hungarian Academy of Sciences and the Nonprofit Research Group Association held a one-day conference to which we invited actors involved in the research in the four towns, the different civil organisations and the local authorities, as well as representatives of the social institutions.

We wanted to create a forum where small towns located in different regions, with entirely different economic, cultural and historical traditions could exchange information with each other and so be enriched with a new way of seeing things. In this way we hoped that the experiences gained could have an influence on the activity of both the civil organisations and the local authorities in the life of the communities, giving them new impetus. We were very gratified to see the great interest expressed in our project both before and during the meeting by the civil organisations and local authorities. We had counted on around 80 participants and, despite their very busy work schedules, they all took part in the conference.<sup>43</sup>

<sup>43</sup> In view of the great preliminary interest we decided, in the hope of ensuring better possibilities and a more successful flow of information, to invite two experts from outside the frame of the research to report on experiences with other civil organisations (Demnet, PHARE).

The conference served a number of purposes: firstly it was intended as feedback on the research, secondly by activating the participants we wanted to throw light on a sphere of interest with the aim of passing on various important experiences, and thirdly we wanted to clarify certain concepts and tendencies in the assertion of interests which were not quite clear.

What had struck us when comparing the statistical data and the depth interviews, namely that not all the civil organisations classify themselves into the “statistical” categories given, became quite clear at the working session. This applied equally to the different target groups, fields of activity, the scope of influence of the organisations, the intensity and nature of the contacts. This could be felt especially in places where the *social and health care tasks* had become intertwined in some way, giving the organisations the possibility of classifying themselves under different headings; e.g. some of the organisations dealing with the elderly said they helped the “elderly”, that is, persons listed in the social category, while some of the organisations helping persons with adjustment disorders appeared under the heading of help for the health impaired and mentally ill. As a result, the preliminary analysis found that no one supported a given target group in Komló, although there was a civil organisation in the town carrying out such outstanding activity against drugs that even international organisations operating in Hungary and providing foreign funding (such as the Know How Fund) knew about it. It was in Komló that the biggest discrepancy was found between the statistical data and the real picture, while for the other three towns the findings of the preliminary analysis were largely confirmed by the participants. In the case of Komló however the mayor and the civil organisations frequently corrected the results due to overlaps.

The conference also confirmed the extremely important fact already known from the depth interviews and not always reflected in the statistics that some of the organisations have the power to *resolve locality*, that is, the scope of influence of the organisation is not limited to the local community in the narrower sense but extends to the villages and settlements around the town, in cases even to other towns or settlements beyond the border. This is true even if the organisation supports only a relatively smaller stratum or group of the population in the town and its vicinity. Expressed in other terms, an organisation may declare that the scope of its influence extends “only” to the settlement but deeper exploration – depth interview, group session, discussion forum, etc.– makes it clear that its help actually extends further.

It was also confirmed that the recipients of support in the town and its vicinity themselves promote the operation of the organisation, its survival and development. They do so in part through the available legal means, e.g. by designating the organisation they wish to receive 1% of their income

tax, and in part with other private donations and gifts. One very important element in the many kinds of support given to the organisations is voluntary work and the self-organisation characteristic of the given group or stratum. In cases the supported and the supporter are one and the same person/family (e.g. the parents of handicapped children do voluntary work, make donations, etc.). Whether the civil organisations are active beyond the limits of the town also depends on the charismatic figures working in the organisation who are aware that the given problems do not coincide with the public administration boundaries and since they have recognised this phenomenon are capable of mobilising the communities concerned. For example, according to the leaders of the Sárvár Association of Large Families around one third of the members are from the vicinity of the town and the situation is the same for the Hospital Foundation not only in Sárvár but also in Komló. For similar reasons, we found Hungarians from across the border among the recipients of support in Sátoraljaújhely.

The conference also made it quite clear that while the local authorities and their institutions are fully aware of which tasks must be classified among the basic services and specialised services regulated by the Social Welfare Act, the civil organisations do not treat the activities in this way but in a *complex approach* from the angle of the people living in the settlement; as a result they do not always draw the borderline between basic and specialised services since, as they stressed, that is not their task. This once again showed that the *scope of activities of the local authority and the civil spheres do not fully coincide*, the two sectors are active in different circles and the segments linking the circles are not the same everywhere. Further information on the complex approach of the civil organisations was obtained from the contributions pointing out that the special activities classified in the “other” category mentioned frequently in the course of the research, such as the flow of information and the identification of needs, fund raising and applications for grants must also be mentioned among the closer co-operation formed and contracts signed with the local authority.

Another sign of this complex approach was the way the civil organisations formed links between and substitutes for different services. For example, they not only provided meals with the home help – this is also part of the state services – but combined it with technical help, information, assistance in kind or cash, mental care, legal advice and the identification of needs, and formed alliances for their satisfaction with the other civil actors and, where they existed, with market actors. Some services were introduced to replace others, e.g. through home nursing and more effective home help fewer places in residential homes were needed. The reverse is also true: where there are more places in residential homes there is less need for

home help and meals. The conference clearly revealed the great efforts to attain this complex goal being made by the organisations, particularly in fund raising, through their personal contacts and in cases correspondence.

It is an indication of the success of the conference and its influence even in the short term that two of the four towns have already done the “homework” set. At the conference we asked the civil organisations to let us know how useful the meeting was for them and what changes the discussion produced in the life of their organisation.

The most active town in this area was Sárvár from where we received two important feedbacks. We were surprised that it was Sárvár, the town with the fewest social problems that did the homework. At the same time, the civil organisations in Békés and Sátoraljaújhely facing the greatest social challenges were unable to carry out this extra task because of the burden of work. However, the feedback from the Sárvár Pensioners’ Association is written testimony to and further proof of what we have found in our analyses so far. The organisation perceived not only the differences in definition but also the regional differences in burdens, the tasks of the local authority and those of the civil sector and the geographical differences.

*“In my opinion there is great confusion in the way the role of the civil organisations is seen. The tasks of the state institution and the expectations made on the civil organisation are often blurred. There are even big differences in the evaluation and practice of organisations of the same nature.*

*Why does this bother me? A local pensioners’ association is an autonomous organisation. It determines its own scope of activity in its deed of foundation. Its county and national federation can only give recommendations. It follows from this that the way identical organisations deal with social questions (in the different settlements) differs enormously. In the case of Sárvár we consider that the standard and degree of organisation of the work done by the competent organisations ensures suitable handling of the social problems of the elderly (Social Welfare Committee, Office for the Public, Care Centre). We have undertaken to signal the problems and give guidance.*

*I had the feeling during the discussion that too much is expected of the civil organisations in easing social problems. It reminded me of the aspirations in the early seventies when they tried to modernise the work of the councils (the local authorities of the time) by involving society in the tasks as a way of solving similar problems. It was not successful at the time. True, there were no real civil*



*organisations then. But are today's civil organisations really strong enough yet?*

*I was deeply impressed by the debate on the question of poverty (Békés, Sátoraljaújhely). In reality, for me too, it is an almost indefinable concept. It cannot be measured simply by the fact of access to material goods. The level of general culture, the way of life, social contacts, the composition and size of the family, etc. all play a role. Who do I regard as poor? Individuals or families who do not have sufficient material goods to enable them to live without everyday livelihood problems, who do not have access to even a minimum of cultural goods.”*

The feedback also throws light on the resistance on the part of the civil organisations in that they want to preserve their *independence*, and do not want to fully take over the *tasks of the local authorities* since they consider that this would *endanger the independence and flexibility of the civil sector and its ability to overstep various categories*.

The talks showed what attention the successful civil organisations pay to feedback after obtaining sources either in kind or in cash. This also means that most of the nonprofit organisations in small towns have learnt the techniques essential for their existence and for their further activity within the community. At the same time the smaller civil organisations, especially those who also support people with multiple disadvantages, are struggling with serious problems for their survival, as the following feedback also shows. *The secretary of the Sárvár Foundation for Children with Impairments wrote, among others, the following:*

*“There has been no change in the activity of our organisation since the research, the depth interview and the conference, our contacts have not expanded, we have not found new supporters or helpers. We received only a minimum of support (through applications for grants) from the local authority this year too. We have no knowledge since our establishment of any grant funds available especially for us (various programmes, development and therapeutic activities).*

*Perhaps through this research our activity will become more widely known and this will have a positive influence on support for us. We would definitely welcome the creation of a management which would really help to strengthen contacts between the civil organisations and the local authorities and the strengthening and survival of these organisations.”*

This feedback is significant in two ways: it confirms the importance of the research and the role of discussion forums, and it also reveals a need, the demand of the civil organisations for management training.

It was also instructive to hear the opinion of the local authority side. The local authority of Komló expressed the following opinions.

*“The meeting was useful in a number of respects.*

*– It drew attention once again to the civil organisations and to social policy.*

*– It provided an opportunity for the leaders to make observations, to pass on and obtain information.*

*– It was encouraging to learn that the experts are interested in the work being done.*

*– It made people aware that the official, local authority sphere does not cover everything and does not need to cover everything.*

*– There is space for the civil organisations and this space can be further expanded.*

*– The relations between the civil sphere and the town’s leadership are good and in the social welfare field they are very close.*

*– The civil organisations do not receive much support elsewhere either.*

*– There is still a certain timidity and reserve in the civil organisations.*

*– Co-operation among the local civil organisations is still weak.*

*– Everyone carries out their own task. They are not jealous but they do not yet always feel the importance of co-operation.*

*– The activity is for the most part directed inwards but it is valuable and the general public knows little about it.*

*– There is mistrust and suspicion about what they do and why. Typically it is less well qualified and informed individuals, at times even members of the local assembly, who express opinions and want to protect the organisations from dangers they see, and do so very loudly.*

*– The activity that the civil organisations have carried out already is not sufficiently well known.*

*– There has been an increase in the value of connections and in the intention to make themselves known (they more often invite the town’s leaders).*

*– They are becoming more courageous and are undertaking to hold bigger county and national events.*

*– They are seeking and finding partners and organising actions together.*

*In sum, the place and role of the civil organisations are important, they help a great deal in solving the town's tasks and in providing missing services. They attract and mobilise people, a role that is extremely important. Training them is a very important task for the future. The research, training, identification of needs and professional assistance will increase their self-confidence and effectiveness in the course of their further work."*

In addition to the recognition that the civil organisations are also useful for their own sector, these observations by the local authority also throw light on many things. For example, that the organisations still suffer a lack of funds and that this phenomenon is not unique. Despite this, their space could further expand. It also shows that some people taking part in decision-making by the local authority are critical of the organisations, often people who are not adequately informed on the work of the organisations and with this attitude they cause serious harm not only to the civil sphere but also to the development of closer relations between the local authority and civil spheres. Despite this and in spite of the fact that there is still a degree of reserve in the nonprofit sphere and fear of the other sphere, the sector is increasingly finding its place. The local authority also confirmed that the organisations are not only open towards the office of the mayor but also overstep the limits of the town in their activities and carry out county and national work as well.

## CHARACTERISTICS OF THE NONPROFIT ORGANISATIONS OF SÁTORALJAÚJHELY, BÉKÉS AND SÁRVÁR

### Organisational status

There was no substantial difference between the nonprofit organisations of the three towns studied as regards their legal status: 46–53% operated as associations and 41–49% as foundations.

#### *Status of your organisation:*

(%)	Sátoraljaújhely	Békés	Sárvár
foundation	49	41	44
association, charity organisation	46	53	54
public benefit company	5	5	3

The founders of the nonprofit organisations in all three towns were for the most part (70–82%) private persons. It is worth mentioning merely as information that the proportion of organisations founded by private persons was the highest in Békés (82%) and the lowest in Sátoraljaújhely (70%).

There is a clearly perceivable difference between Sátoraljaújhely and the other two towns in the nature of the local groups which took part in setting up and founding the various nonprofit organisations. The composition of the founders was more evenly spread in Sátoraljaújhely than in the other two towns; there was a higher proportion of economic organisations among the founders, as well as the local authority. In Békés the local institutions,

#### *Who were the founders of your organisation?*

(%)	Sátoraljaújhely	Békés	Sárvár
local authority(ies)	15	4	4
private person(s)	71	82	78
economic organisations	9	1	7
institution(s)	9	13	6
other civil organisation(s)	4	7	7
a political party	–	1	–
church, church organisation	4	1	1
other	9	3	7

including ones operated by the local authority, played an especially active part in founding the civil organisations. A higher proportion (15%) of the nonprofit organisations in Sátoraljaújhely were set up directly by the local authority, in contrast with 4% each in Békés and Sárvár. In addition to the private founders, on the whole the economic organisations, institutions and other civil organisations play a big part.

The establishment of nonprofit organisations *by political parties was not typical in any of the towns*. Only very slightly more organisations were founded by churches (1–4%) and there is no substantial difference in this respect between the three towns.

Nor was there a significant difference between the three towns regarding the proportion of their nonprofit organisations founded by economic organisations or institutions: the number founded by economic organisations was slightly higher in Sátoraljaújhely (9%). Nonprofit organisations set up by a civil organisation operated in similar proportions (4–7%) in all three towns. (The organisations surveyed reported other founders in 3–9% of cases, representing a total of 14 organisations in the three towns.)

## Areas of activity

*Where does your organisation belong according to its main activity?*

(%)	Sátoraljaújhely	Békés	Sárvár
culture	18	18	23
religion	13	13	12
sport	23	14	10
leisure, hobby	5	9	4
education, research	5	5	4
health care	1	3	3
social services	4	4	4
civil defence, law and order, fire fighting	1	3	3
environmental protection, town development	4	4	4
economic development	4	1	–
legal protection	–	1	–
representation of professional, economic interests	3	3	8
other	4	3	10

The activity of the civil organisations is largely concentrated in three traditional areas: culture with 18–23%, sport 10–23% and religion 12–13% ranked in the top three places among the main activities named.

The presence of the different activity areas does not differ greatly in proportion in the three towns (except perhaps for the organisations operating in the area of sport which are slightly more numerous in Sátoraljaújhely).

It is interesting that in Sárvár one tenth of the organisations surveyed designated their main area of activity as being other than the ones listed.

*The organisations' judgement of their economic and professional possibilities*  
 Around half of the organisations (41–57%) experience their present operation as stagnation from the financial point of view within the 10 years of existence of the nonprofit sector. A smaller proportion (25–34%) of the nonprofit organisations see their own activity as developing economically. It is of note that one fifth (17–25%) feel that their operation is definitely *declining in the financial sense*. There are no big differences here either, but it can be said that the *organisations in Sárvár on the whole take a strikingly positive view of their situation*: they tend to regard their operation as either *developing from the financial point of view* or declining rather than stagnating. (This could be related to the town's prosperous situation and prospects and to the stronger ties with Western Europe than those found in the other towns.)

*How do you assess your organisation's economic possibilities?*

(%)	Sátoraljaújhely	Békés	Sárvár
developing	29	25	34
stagnating	53	57	41
declining	17	18	25
don't know	1	–	–

The opinion of nonprofit organisations in the three towns regarding their own professional possibilities did not differ to any great degree either. The organisations regarded the possibilities for their own professional activity as rather declining (52–68%) than stagnating (30–39%). Unfortunately, only 3–9% of the organisations – by their own admission – experienced professional development. (In Békés a somewhat higher percentage of nonprofit organisations perceived their professional possibilities as declining.)

*How to you judge your organisation's possibilities for professional activity?*

(%-ban)	Sátoraljaújhely	Békés	Sárvár
developing	9	3	6
stagnating	39	30	36
declining	52	68	59

**Relations with the local authority**

*How do you judge your organisation's relations with the local authority?*

(%)	Sátoraljaújhely	Békés	Sárvár
Of an ad hoc nature	65	69	59
Mutual assistance	9	16	21
The local authority takes over certain tasks	4	8	3

Around two-thirds of the civil organisations surveyed (59–69%) had relations with the local authority of an ad hoc nature. It was not typical (3–8%) for the local authority to take over certain tasks from the nonprofit organisations in the three towns, just as this is not on a significant scale on the national level either. Mutual assistance between the nonprofit organisations and the local authorities was somewhat more characteristic, especially in Békés and Sárvár, the towns representing the two extremes regarding the crisis. These values differed in the social field where the proportion of those co-operating with the local authority was exceptionally high in Békés and almost on the same high level in Sátoraljaújhely and Sárvár (17–19%).

*Do you have relations with other local authority(ies)?*

(%)	Sátoraljaújhely	Békés	Sárvár
Has relations with other local authority(ies)	34	27	10

A substantial difference can be observed regarding the relations of nonprofit organisations in the three towns with local authorities other than their own. The organisations of Sátoraljaújhely have the *highest proportion* of relations with other local authorities (34% of the nonprofit organisations in the town have such external relations) while those in Sárvár have the fewest (only one tenth of the organisations here had such ties). This is related to the historically determined situation of the former town and

to the resulting fact that contacts extending beyond the region and across the border are of greater intensity.

*Form of help extended to the town's society*

The nonprofit organisations in the three towns help the local society most by organising holidays and providing other leisure programmes (22–27%), and by doing voluntary work (14–35%). Other important forms of help given by the civil organisations are the provision of information, handling official matters and giving advice (16–22%), or providing a particular service (5–31%).

The organisations of the three towns differ from each other as regards the nature of the help given to their towns mainly in that while in *Békés* voluntary work is more typical, in *Sátoraljaújhely* we can observe the dominance of providing particular services. It is interesting that in *Sárvár* each of the latter two forms of help is present in 14% of the organisations.

Services of an interest protection type were provided by a somewhat smaller proportion of organisations (9–17%). Even less characteristic were help in kind (3–9%), assistance in cash (1–10%), and the maintenance and/or operation of an institution (4–7%).

Form of help (%)	Sátoraljaújhely	Békés	Sárvár
money	8	1	10
help in kind	9	8	3
voluntary work	23	35	14
information, administration, advice	22	17	16
providing particular services	31	5	14
maintaining, operating institution	7	4	7
providing holidays or other leisure programmes	22	27	24
protection of interests	11	17	9
other	16	38	35

It is interesting to note that in answer to the question regarding the different forms of help, quite a large percentage of organisations indicated “*other*” forms. Considerable differences can be observed between the organisations of the different towns in this respect: in *Békés* 38% of the organisations indicated the presence of some other form of help, in *Sárvár* this figure was 35% and in *Sátoraljaújhely* “only” 16% mentioned “*other*” forms. However, in this latter town there were also services in the social sphere (e.g. work) which were missing in other towns. This means that a



smaller percentage of “other” services shifted the activity of the nonprofit organisations in the direction of particular services.

*Participation in the work of preparing decisions of the local authority*

Participation in the work of preparing decisions of the local authority was found to the greatest extent among the nonprofit organisations in Békés (40%) and to the least extent among those of Sátoraljaújhely (22%). Sárvár, with 32%, occupies an in-between position.

The form of participation also differs (among those who participate): (regular) participation as a permanent member in the work of the local authority was more typical in Sárvár, while membership of an ad hoc committee or (regular) participation as an invited expert was found more often in Sátoraljaújhely.

*Regularity of participation in the case of organisations which participate*

(% of organisations taking part in the work of preparing decisions of the local authority)	Sátoraljaújhely	Békés	Sárvár
as a permanent member	38	61	81
<i>of which: regularly</i>	67	95	94
<i>of which: occasionally</i>	33	5	6
in ad hoc committee	44	13	10
<i>of which: regularly</i>	29	25	50
<i>of which: occasionally</i>	71	75	50
as invited expert	50	13	14
<i>of which: regularly</i>	50	25	33
<i>of which: occasionally</i>	50	75	67
as participant in social round-table	19	7	5
<i>of which: regularly</i>	67	50	–
<i>of which: occasionally</i>	33	50	10
in some other way	6	10	5
<i>of which: regularly</i>	100	67	–
<i>of which: occasionally</i>	–	33	100

*Relationship of the organisations with the local authority*

*and the other civil organisations, and with the market actors*

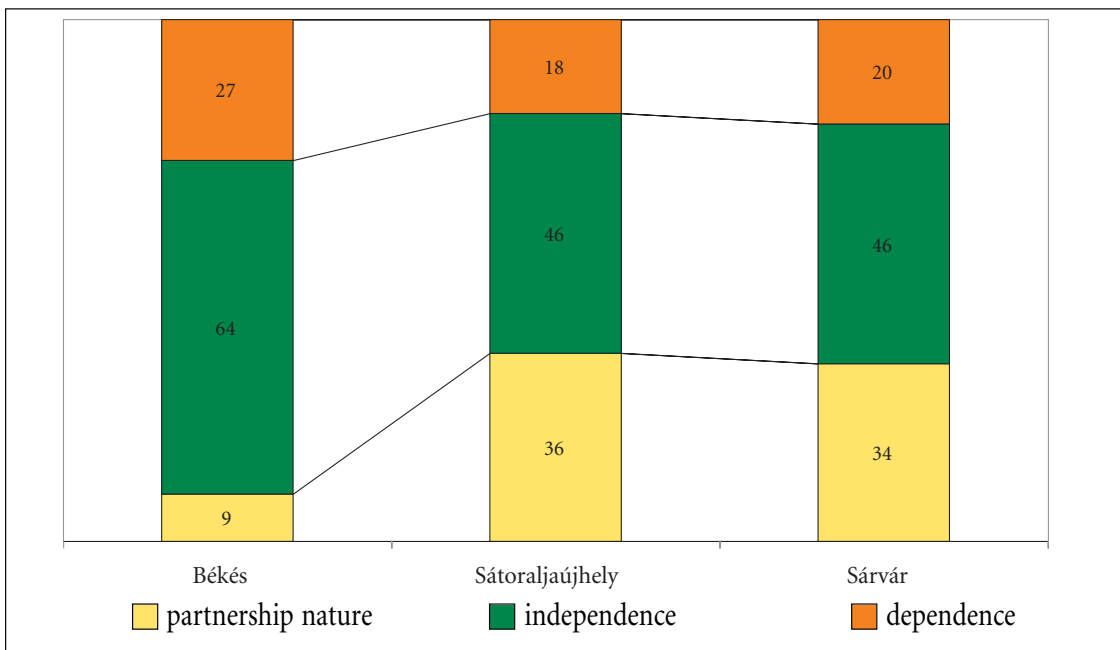
On the whole the relationship between the local authority and the nonprofit organisations tends to be characterised by operation of the organisations independently of the local authority (44–64%). The relationship

between the organisations and the local authority in *Sátoraljaújhely* and *Sárvár* is rather one of *partnership*, while in *Békés* the civil organisations tend to operate either entirely independently of the local authority or, on the contrary, in dependence on it, although in the case of organisations operating in the social field it was found that the local authority and the nonprofit organisations are drawing closer together.

*How do you judge the organisation's relationship with the local authority?*

(%)	Sátoraljaújhely	Békés	Sárvár
it is rather the local authority that helps the organisation	12	12	44
it is rather the organisation that helps the local authority	18	7	5
who helps whom depends on the activity, the type of service and the target group	58	81	45
don't know	12	–	6

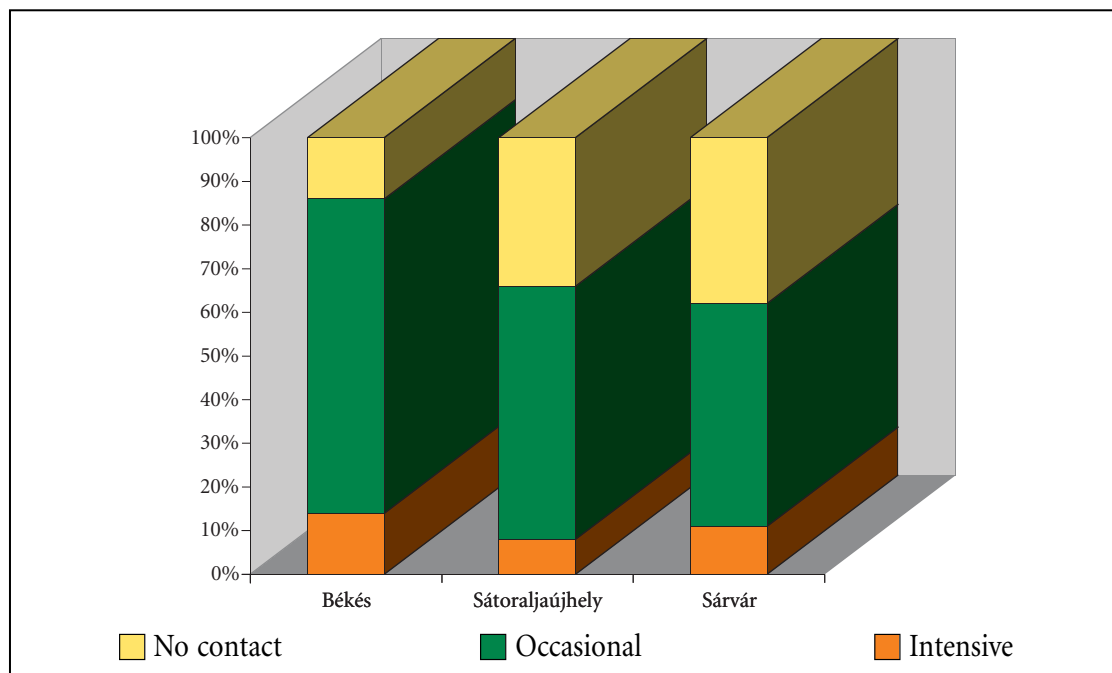
*How do you judge the organisation's relationship with the local authority?*



The relationship linking the organisations to other nonprofit organisations is mainly of an occasional nature (51–71%). In the three towns studied 14–38% of the organisations in the civil sphere have no contact at all with the other civil organisations. Relations described as intensive were characteristic in only 8–14% of cases in the towns studied.

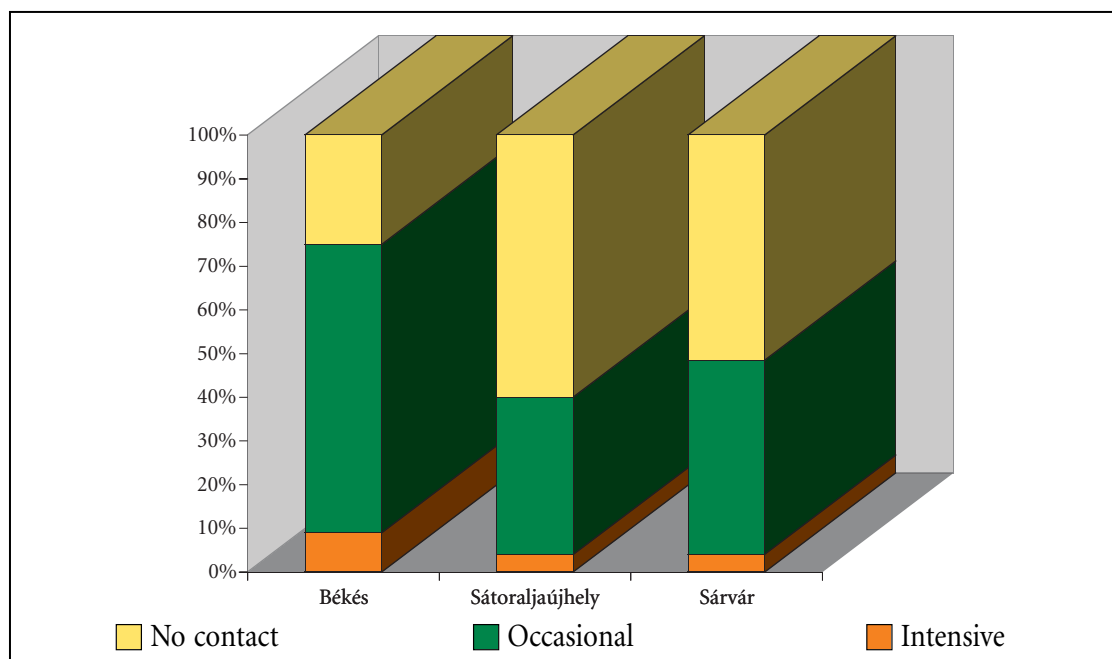
The picture differs from town to town: occasional and intensive contacts were found mainly in the Békés organisations. At the same time it can be said that there is a lack of contacts in Sátoraljaújhely and Sárvár.

*What kind of contact does the organisation have with the other civil organisations?*



The nonprofit organisations do not have much contact with the organisations of the market sector. Occasional or *intensive* contacts could be observed mainly in the case of organisations in Békés, which is interesting because the social nonprofit organisations in this town have no regular contact at all with the market actors, while in the other two towns the absence of market contacts is more typical: 60% of the organisations in Sátoraljaújhely and 51% in Sárvár do not have contacts with market organisations.

*What kind of contact does the organisation have with the market actors?*



## IN PLACE OF A SUMMING UP: CIVIL ORGANISATIONS CONTRA LOCAL AUTHORITY

The investigation conducted in four small towns located in different regions and in different economic situations confirmed that the local authorities and the civil organisations perform different tasks that substitute each other to only a small extent. The differences are striking even if the civil organisations are prepared to take over certain tasks from the local authority. In addition, the project also threw light on phenomena about which little is known.

The flexibility with which the civil organisations extend beyond the limits of the local community, whether their activity covers “only” the villages in the immediate vicinity of the town or wider areas, a county or region or even extending over the national border must be regarded as one of the most important results. This activity extending beyond the town is also felt by the local authorities as indicated by the feedback (as well as the experiences of other conferences). This results from the attitude that the civil organisations set their sights not on an administrative unit but the person, group or stratum concerned, and the target group and/or question often extends beyond the limits of the town. This is true even if the problem is solved within the limits of the town. It also means that the civil organisations are dealing with problems in a complex way, from the viewpoint of the citizens and clients.

Another important result is that it was not only in crisis situations that the civil organisations appeared in solving the (social) problems of small towns; in many cases a preventive element has also appeared, bringing some form of innovation.

It was also a significant result that in the smaller settlements too the civil organisations are finding their feet and are beginning to build relations as partners not only with the local authorities but also with other civil/nonprofit and market actors. In this way the civil organisations have acquired social capital that has enabled them to a certain extent to counter-balance the lack of sources faced by civil organisations operating in small towns. The establishment of partner relations began between the civil organisations and the local authority, but it became quite obvious in the course of the research that the macro level, the state, does not reach the smaller settlements. The ministries and national authorities played no part at all in the lives of civil organisations operating in the social field in any of the towns studied, while foreign organisations, church and religious organisations, the local authorities and their institutions, and other non-profit organisations all had stronger contacts with the civil organisations in the social field. Even the market actors figured more prominently in the

lives of nonprofit organisations in the social field in the small towns than the ministries and national authorities.

According to the investigation the organisations operating in the social welfare field were the most active where the social tensions appeared most strikingly: in Békés, Sátoraljaújhely and Komló. At the other pole we find Sárvár, the town which appeared the most developed economically of the four towns. The organisations here “only” provided nine kinds of services in contrast with twelve in Sátoraljaújhely and Komló and nine in Békés. In the towns in a less favourable position economically the civil organisations had to weave a net around the residents improving the quality of life but they received very little support from the market sphere for this. This was confirmed by the fact that in Békés, a town in a very poor economic situation, the nonprofit organisations in the social field did not have any contact at all with enterprises and firms. In such cases a strong two-actor model emerges in place of the welfare sector resting on three pillars. An indication of this was found in the fact that in Békés, as though to counterbalance the lack of market actors, there were very strong relations between organisations operating in the social field and the local authority.

At the same time this is not true for the nonprofit organisations as a whole: the market actors are present in the life of a number of nonprofit organisations in the town although even here the proportion of intensive contacts is not very high as it does not reach 10%. Nevertheless, this presence of entrepreneurs indicates that there is a stratum present in the structure of small towns – even one in such a poor situation as Békés – which has contacts with a certain type of nonprofit organisations, mainly in the fields of education, cultivating the town’s external relations, and sport.

Another major finding of the investigation was that there is a very high proportion of organisations mentioning “other” activity (apart from basic and specialised services) in the course of co-operation between the civil organisations and the local authority, whether we consider those operating in the social welfare field or the entire nonprofit structure of the small towns. In the case of the nonprofit organisations in the social welfare field activity of “other” type exceeded 50% in the three towns in the worst situation economically and with serious social problems: Békés, Sátoraljaújhely and Komló. Since the organisations clearly stated that the term “other” applies to beautification of the town, support for the community, identifying needs, and ensuring the town’s future, we must accept that even the civil organisations in the social welfare field willingly co-operate with the local authorities in the interest of shaping a welfare policy in the wider sense and this actually means creating a higher standard residential

environment. The proportion of those mentioning “other” forms of assistance was also high among the “general” nonprofit organisations. Where the town’s social problems are not so great the community is less active in this sense. The proportion of those mentioning the “other” category in Sárvár was around 20% among both the social and the general nonprofit organisations despite the fact that the town has very strong traditions in the field of civil organisation and can boast of a flourishing civil culture in the present too. The low proportion in this case is simply an indication that everything is in order concerning “welfare policy”.

In the following table we attempt to sum up the experiences we gained in this research from a comparison of the social welfare tasks undertaken by the nonprofit organisations and the local authorities. Recognising that this comparison may be a simplification, we nevertheless consider it interesting to show the “traits” of the two actors.

(Social) nonprofit organisations	Local authorities
preventive	(basically) reacting to problems
innovative	user
complex	breaks down into “parts”
oversteps locality	local
client-, user-oriented	service provider-oriented
dynamic	static
has many links	has few links
flexible	less flexible
relies on voluntary work	operated with paid employees
identified needs	minimises/maintains level of needs
guided by strong personalities	guided by organisation

It can be said that the investigation revealed a welfare model based on multiple sectors, a model in which the different actors are in continuous interaction with each other, constantly changing, entering into contracts and co-operation with the other actors. The interaction was the most intensive in those small towns where the economic and social problems weighed most heavily on the town. At the same time it was also found that a very poor economic situation can prevent the emergence and strengthening of a three-sector model; in such settlements a strong two-sided relationship arises. It also became obvious that in settlements where the civil organisations have many links and cultivate good formal or informal relations, these relations can be put to effective use not only in the life of

individuals living in the town but for the whole small town community. These informal contacts play a very important role in the survival of the organisations, in their operation over the long term and when the need arises can also counterbalance their lack of capital. At the same time, they definitely cannot act as a substitute for a role by macro-level state policy which has only a limited presence in the life of Hungarian nonprofit organisations and did not appear at all in the case of small town civil organisations in the social welfare field.

Kedves Olvasó!

A Nonprofit Kutatócsoport ebben az évben lesz tíz esztendő. Szerencsés véletlen, hogy az Ön kezében lévő kötet is ezt a számot viseli magán. Tíz év alatt tíz könyv, melyek, remélem, régebbi olvasóink meglegedésére szolgáltak, ez az új kötet pedig kedvet ad útitársainknak a folytatáshoz.

Ez a kötet közvetlen folytatása a *NONPROFIT KUTATÁSOK* sorozat nyolcadik elemeként megjelent HALAK ÉS HÁLÓK című kötetnek. Ez a kapcsolat két vonatkozásban is fennáll: ugyancsak a szociális területen végzett szolgáltatásokat vettük górcső alá és ugyancsak a települési önkormányzatok és a nonprofit szervezetek alakuló, formálódó kapcsolataira voltunk kíváncsiak.

A Magyarország négy városában – Békésen, Komlón, Sárváron és Sátoraljaújhelyen – végzett empirikus vizsgálatokban nagyon nagy segítséget kaptunk a helyi civil közösségektől és a helyi önkormányzatoktól egyaránt. Mindezekért külön köszönettel tartozunk. Remélem, hogy közülük is sokat olvasóink között üdvözölhetünk ez alkalommal.

Kedves Olvasó!

Remélem, hogy kedvére válik ez a kvartett, amelyben a szólót mindig más játssza, de talán az összhanggal sem lesz nagy baj.

*Harsányi László*  
2000. szeptember