

RESEARCH NETWORK EVENT REPORT

The kick-off seminar of the 'Regional Leadership in European Peripheries Working Group', February 2008, Corvinus University of Budapest (Hungary).

The aim of the seminar was

- to bring together theoretical insights and diverse experiences from various parts of Europe, to explore how 'regional leadership' is perceived, and promoted to make a difference to a region's development trajectory.
- conceptualising "regional leadership", and analyse empirically its relationships to territorial-administrative reform, economic and community development, regional management, and local politics;
- developing our understanding of the current role of human agency and leadership in theory and practice of regional development in Central Europe;
- exploring current power relations and tactics in regional development activity, as observed in various types of Central European periphery;
- attracting both established and young academics from the Visegrad region and beyond, from various disciplines, into a wider collaborative research effort;
- supporting academic networking and internationalisation of regional research.

The participants came from the Czech Republic, Finland, Hungary, Rumania, Slovakia, UK and Ukraine. The session was welcomed by Kristóf Forrai, executive director of the International Visegrad Fund emphasizing the importance of the theme from the aspects of the Visegrad countries, too. The Fund also supports the research activity in the frame of the Regional Leadership in European Peripheries Working Group.

The twelve presentations on the first day were followed by vivid discussion. The second day meeting concentrated to the research programme and co-operation opportunities.

The starting point was initiated by Prof. Markku Sotarauta (SENTE, University of Tampere, Finland), who has contributed to the seminar by outlining conceptual questions and experiences to establish research principles and approaches to research questions. In his definition leaders are people who have the potential to organize and reorganize social action with an ambition to change the institutions in which the factors that affect regional development are embedded. They aim consciously to reach organizations and communities across the boundaries of operation, to reach such spheres in which their actions and words may have influence despite having no authorization, and to free regions from past path through looking for new development paths for the future and new modes of action in an unsettled and open ended situation. Their activity takes place in an interactive frame of policy networks, where the institutions and leaders coevolve.

Regional leadership is operating in multiagent, multiobjective, multivision, etc. environment, where...

- there are only few direct command and control relationships to lead the transformation process,
- power and authority are shared and/or fragmented,

- leaders lead some issues but often they are followers in some other, and some of the followers may in some other occasion or issue be leaders,
- it may be that there are several leaders having different qualities, and at all events leadership is more or less interdependent and interactive process - no one can lead alone the transformation process of an entire region,
- there may be different leaders with different qualities in different stages of transition

The empirical research he reviewed aimed at the power used by regional development officers, and the way regional development officers aim to influence the course of events. The lessons of Finland – like the importance of trust, clear definition of roles for actors, the importance of functional relationships with influential persons, acting as a role model, creating a vision, etc. - seem to be relevant to newly accessed Central-European countries. This is why the working group decided to adapt and use the questionnaire and the interview draft elaborated for this research to the research in the Central-European countries.

Based on these conceptual funding Attila Korompai (Corvinus University of Budapest, Hungary) and Martin Sirak (Comenius University of Bratislava, Slovakia) presented the objectives and the outline of the research programme on regional leadership in the Central European countries. Through comparative country studies the project aims to analyse:

- Various approaches to regional leadership in Central and East European countries;
- The impact of Central and East European legacies in regional leadership;
- The relationships of regional leadership to territorial-administrative reforms, economic and community development, spatial planning, regional management, and local politics from the aspects of peripheries;
- The various aspects of power and tactics in regional development activity, as currently observed in various types of European periphery;
- The European contexts of regional leadership in the above regions;
- The incidence and variety of local and regional development practices being adopted under the same or very similar incentive structures, provided by, for instance, the EU's Structural Funds, or national regional policies;
- How leaders could be prepared for leadership – elements and methods of leadership training

These aspects were discussed in the presentations of the Budapest seminar, too.

Referring also to conceptual aspects Prof. Joyce Liddle (Nottingham University, UK) in her paper examined the important and relevant gaps in knowledge over how to lead the vital change processes in local and regional regeneration to the benefit of all stakeholders, the practice of empowerment, and the politics of empowerment through UK experiences. Both of these last ones were seen as challenges to the improvement of local services and bridging the gap between citizens and the democratic processes. In the lecture underpinning proposals for new and improved mechanisms for neighbourhood renewal were the notions that citizens can influence service delivery by articulating choice, having improved voices, and re-invigorating local democratic processes. The substantive argument is based on five key elements, thus (i) there is a power gap between what people can do and what the

system allows them to do, (ii) decision making should be devolved beyond the town hall to neighbourhoods and individual citizens, (iii) subsidiarity is the primary driver of reform, (iv) empowerment takes many forms, and finally (v) all four, aforementioned elements are dependent on the nature of the relationship between the central and local state.

The lecture took each of the five elements in turn by examining some of the potential difficulties that could arise in the creation of new forms of UK neighbourhood leadership and management. It also drew on findings from recent Government reports and White Papers to examine some of key problems that need addressing if the aspirations of political leaders are to match the potential realities for those communities they seek to engage. It is argued that decision makers will need to fuse local, sub-regional and regional objectives and appreciate the spatial aspects of service delivery and democratic legitimacy of decisions if localities are to be transformed and prosper. This multi-spatial approach to regeneration and economic development also includes the establishment of National and Regional Efficiency and Improvement Partnerships, a new National 'Places Survey', a Sub Regional Review of Economic Development and Regeneration, new Integrated Regional Strategies, the creation of Leaderships Coalitions, Expert Panels, combined Inspectorates, and a new intervention Toolkit, among other changes.

The keywords of her main conclusions were:

- New forms of governance here to stay
- Regional Infrastructure not working
- Need for Collective Leadership
- Ambiguity of concepts in government documentation
- 'Pragmatic Localism within limits' - Coaffee
- Partnership as 'Punctuated Evolution' - Davies
- Still bureaucracy, hierarchical accountability and new forms of governance are having to fit into traditional system of accountability.
- Consultative / deliberative forms of governance within top-down hierarchy of CG

Zoltán Balogh (Corvinus University of Budapest, Hungary) has analysed the role of regional leadership in changing the characteristics of regionalism in Europe from a traditional regionalism towards the features of new regionalism. As a tool for management it promotes the orientation of regions to effectiveness, and to increase regional capabilities to cope with issues of global and European dimension.

Myroslava Lendel from Uzhgorod National University (Ukraine) presented the results of her research to assess the democracy indicator in the regional governance model used in Zakarpattya oblast (Transcarpathian region) which is the Western periphery of Ukraine, part of transborder Carpathian region. She confronted the views of representatives of regional state administration, regional business and civil leaders. She made the conclusion that the functioning of formally "governance style" institutions is declarative one, as they are created for the execution of some national initiative, and are not regarded as important ones.

The crucial documents for the regional development, for example, connected with budget are not discussed in the environment of these institutions. The officials ranked the institutions as follows:

1. civil and wider boards;
2. topical government meetings with stakeholders participation;
3. press conferences;
4. TV alive conferences;
5. "hot phone lines";
6. direct meetings with stakeholders.

The preference list of business leaders is different:

1. preliminary discussion of governments decision drafts with business representatives;
2. meetings with the participation of business;
3. round tables with the obligatory procedure of proceedings formalization, and the following control over the realization over adopted decisions,

Civil leaders also regarded as the most efficient institutional forms of regional governance the following ones:

1. advisory committees, expert groups (boards), round-tables;
2. lobbying of decisions drafts that are prepared by civil society representatives;
3. civil sector coalition that has channel for structured communication with the representatives of regional state administration and regional council.

Finally she presented some positive experiences in participative strategic planning as to strategic documents were developed by regional state administration by using elements of citizens and business engagement. Also it was mentioned that business and civil leaders were partially participating in the development of medium and short-term sectoral development programs, though the sense of this engagement was mostly formal and non-efficient. At the same time the research and the presentation indicated, that even taking into account the willingness of all sectors of regional leaders to influence the process of regional development, there are some obstacles in this process that have to be overcome.

Martin Sirak presented a paper prepared with Ludmila Malikova (Comenius University in Bratislava, Slovakia) on regional politics and institutional leadership in Slovakia. The regional problems of the 'dual transition' concerning transformation from centrally planned economy into a market economy, and modernisation in the mirror of the Lisbon Agenda were discussed. The changes in the institutional system and in the regional division of the country resulted by 2001 to the approval of the Regional Development Support Law and in Regional Assembly elections. The institutionalization was discussed from 'regional deficit' to 'institutional overload' (RDAs, local partnerships, local experts, etc.), and also the 'formal' (EU CoR) and 'informal' (ROs in BXL) ways of Europeanization.

Based on the analysis of development in East-Slovakia from the aspect of leadership the preliminary conclusions are:

- Previous history of TA matters a lot - new group of regional experts, from RDOs, RDAs, academia, etc.

- EU SF – external incentive structure seems crucial
- Planning performs largely legitimacy-seeking functions
- The extensive intra- and inter-regional networking and social capital building is slowly but surely over-taking the deep-seated practice of top-down, technocratic planning
- Private sector engagement remains weak (CSR?)
- Leadership and continuous political backing needed at both sub-national and central level (2001>>2005>>)

Teréz Kovács (Centre for Regional Studies – HAS, Hungary) in her lecture presented three case studies (Kisvejke, Soltvadkert, Mórahalom). The experiences of local development based on different cases have proved: if the participants of a project are not continuously prepared for the occasional problems, and the individuals do not know what their task in the community is, they expect others to make decisions for them – despite the fact that it is the individual that has to get the information, make the decision and act in each situation. Those who recognize the local opportunities connected to external and internal changes may become the new leaders of communities. This process is closely connected to an emerging new local division of labour, and social transformation of the community creating new elements for regional leadership.

Andrea Székely (Corvinus University of Budapest, Hungary) discussed the theoretical and practical questions of transborder regional governance. Based on a comparative analysis of intercity co-operation particularly along the Hungarian borders she concluded:

- By the Western and theoretical example, cities should organize the surrounding space.
- In the cross-border cooperation on the Western Hu-Sk border section, they do not have this leading role.
- The confused circumstances of possible financial support can maintain the rivalism.
- Only a very purposive regional governance is able to build the frames of sustainable cross-border regional development.

Martn Pelucha and Zuzana Bednařikova (University of Economics in Prague, Czech Republic) analysed Czech regional policy, urban, and rural development in the 90s and in context of regional disparities and regional governance, as well as the current situation in cooperation among peripheral regions. Based on the pilot studies of South Moravia and Vysocina regions (both NUTS III) they concluded that a flexible cooperation is required between the different territorial levels in the Czech Republic. Cities and towns have to find forms of governance which respect to the institutional organization of Czech public administration and new forms of EU financing and organizational governance. This issue requires better management of the urban-rural interface which means coordination between urban authorities (both cities and suburban towns and communities) on the one hand and rural and regional authorities on the other.

József Attila Darabos (Ministry of Environment and Sustainable Development, Rumania) discussed the institutional background of regional leadership through the

specific characteristics of regionalisation in the Rumanian water sector. His conclusions were:

- The regionalization process is a key element for meeting the environmental acquis in the water and wastewater sector
- Regionalization helps to create performing water companies capable to implement investments
- Regionalization contributes to the improvement of quality and efficiency of water and wastewater services
- Regionalization is planned to overcome excessive sector fragmentation
- Financing from the Cohesion Fund under SOP Environment can be accessed by small, medium and large municipalities only if they meet the regionalization conditions (association, regional operator, delegation).

Katalin Döbrönte (Corvinus University of Budapest, Hungary) discussed the relationship between urban and regional leadership based on Hungarian experiences. She focussed on the role of strategic planning processes. She emphasised to the efficient leadership at urban level:

- the development of the settlement structure has to be an organic part of regional development;
- each level of government has a responsibility in the future of our cities, therefore the principles of multi-level governance have to be in operation;
- there is a need for holistic strategies and coordinated actions by all stakeholders
- we have to improve the coordination of the sectoral policy areas
- the monitoring have to be embedded into the elaboration and implementation of the strategy on the relevant level to obtain evaluation, and proposals for modification.

Helga Répássy (Ministry of Local Government and Regional Development, Hungary) and Tamás Berky Tamás (IFUA Horváth&Partners Consulting Plc., Hungary) discussed the lessons of leadership training programmes in Hungary. There has been a postgraduate training for “Supervision and Coaching - Organisational Development” at the International Business School in Budapest for several years. In 2006 the course was amplified with a specialisation, which put the emphasis on the institutional aspects / OD of regional development. The course provided a framework for personal projects, offering theoretic background, methodology, and room for the discussion and procession of experience. Leadership was considered as a personal commitment and identification with change coupled with personal competences, it is able to induce change and be a driver throughout the process. This intrinsic motivation is necessary for someone to have a vision of the objective of the process and by this be a guide for other participants of the process when facing difficulties and hardships. Leadership is not an inborn attribute, but it is connected to identification with goals and realisation of the systemic context of the development process.

The most important result of the course was that the participants found their own role in their local context and began to appreciate local actors, their interest and the nature and importance of intra-personal and organisational relations. The abstract knowledge could be translated into active knowledge through experience, and they

mastered an approach towards development, with which they became able to appreciate the time-bound and territorial nature of every development action.

The wide range of topics discussed on first day of the seminar was narrowed on the second day for a more efficient work. The human aspects were accepted to put into the core of the research and co-operation after confronting various approaches to regional leadership. The adaptation and use of the questionnaire developed by Markku Sotarauta to Central European countries offers an opportunity to make wider comparative studies on the basis of results and experiences. These will be important outcomes of the research network, to be reported in the next phases.

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