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Paternalistic Countryside: the Hard Way towards Local Development in the Rural Municipalities of Central Hungary

Abstract

The new political and budgetary standards for Hungarian local governments, introduced as early as 1990 in accordance with the criteria of European integration, aimed at promoting local democracy and reinforced the autonomy of local governments. Furthermore, they were supposed to stimulate development in the short term, so that local societies would show initiative through co-operation and fair territorial competition.

The results of this policy seem nevertheless to remain beyond expectation, at least in the rural areas of the Hungarian Great Plain. Rural poverty, together with an unfavourable settlement structure, are often seen as the main causes of this miscarriage. But a somewhat grudging local budgetary policy and, moreover, the strong stability of local representatives inherited from a conservative social hierarchy make Hungarian local societies incapable of running efficiently endogenous development policies. Thus the legacy of the socialist era does not seem to be the perpetuation of the values of the former system, but rather the reinforcement of a long-lasting paternalistic social structure of the countryside.

Keywords: rural elite, municipal policies, local development, Hungary.

Introduction

Contrasting with the idle state of local governments during the socialist era, since 1990 Hungarian municipalities have been called upon to play an essential part in the management and development of rural areas. According to the Act n° LXV on Local Governments, they have been given considerable political and budgetary autonomy and a wide range of competence, either delegated or exclusively theirs (Horváth, 2000; Pál-Kovács). This

paper aims at evaluating the impact of this new management policy on rural societies through a detailed study of the socio-economic evolution of several municipalities, their budgetary workings and political structure at the dawn of Hungary's integration into the European Union. Has the model of 'endogenous development' advocated by European territorial intervention programs caught on in Hungarian small rural communities? Do the strategies currently developed by rural representative bodies really promote local initiatives and inter-municipal dynamics?

This research is based on a comparative approach concerning the state of rural areas in several Central-European post-socialist countries.[1] Our Hungarian case study is located in the Bács-Kiskun county, around the town of Kecskemét – that is, the Lesser Cumania region (Kiskunság), about 100 km south-east of Budapest. Interviews with mayors and notaries were conducted and coupled with statistical analysis at municipal and small-region (*kistérség*) levels.

The 27 rural municipalities of our focus group are situated in one of the most sparsely populated areas in Hungary. They consist of scattered settlements of isolated farms (*tanya*) and the occupation of 19.8% of the working population is farming, contrasting with the national average, which is 6.6%.[2] Taking into account the density criteria developed by the HAS for the implementation of the SAPARD program in Hungary (Nagy-Kalamász, 2003), around 80% of the population live in settlements with less than 120 inhabitants per square km, which actually makes it one of the most rural areas of the country.

This countryside is not among the most backward rural areas in Hungary, since global data are better than the country average (table 1). Some of the studied small regions even belong to the "winners" of the transitional period, according to multi-criteria classifications (Nemes-Nagy, 1994). This may be explained by the fact that the capital is within easy reach and by the dynamism of Kecskemét, the only growing town with 100,000 inhabitants or more in Hungary. The role of a relatively wealthy primary sector, which

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[2] If not specified, all statistical data refer to the Regional Yearbook 2000 of the Hungarian Central Statistical Office – KSH (2000), *Területi sztatistikai évkönyv*, Budapest.

partially resisted collectivisation by cultivating orchards and vineyards on a family-scale farming, also has to be underlined.

Table 1

Compared statistical indicators of some relevant areas with the Lesser Cumania region

	EU (25 countries)	Hungary	Hungarian rural small regions*	Bács-Kiskun county	Studied small regions
Population change, 1990–2000	+2.9%	–3.0%	–2.4%	–2.3%	–2.6%
Population density, 2000	113 inh./km^2	108 inh./km^2	58 inh./km^2	63 inh./km^2	49 inh./km^2
Primary sector, 2000 (NACE 1)	5.8%	6.6%	11.3%	13.7%	19.8%
Average personal income, 2001**	605,049 HUF	308,575 HUF	213,448 HUF	228,574 HUF	210.795 HUF
Official unemployment rate, 2001	8.6%	10.1%	14.6%	10.8%	11%
LG budget per inhabitant, 2000**	n.a.	167,000 HUF	n.a.	136,000 HUF	122,500 HUF
LG population average size, 2000	5,084 inhab.	1,253 inhab.	2,853 inhab.	2,148 inhab.	2,651 inhab.

* Author's calculations, according to a HAS classification adapted from OECD, with the lower threshold of 50% of the population of a small region living in municipalities below 120 inhabitants per square km ("predominantly rural regions"); see also KSH, 2000.

** According to a parity of purchasing power, Eurostat calculation, 2000 / "LG" stands for "municipal local governments."

Thus the social and economic ability of the Lesser Cumania area to adjust to the new political and administrative system should have been relatively strong. But this is not the case, as is shown below: consequently, the presentation of the whys and wherefores should be a good outline to understand the difficulties that other less favoured Hungarian rural areas have to face.

Towards the European Model of Endogenous Development

Since they chose to give priority to the municipal level in the management of local affairs, the new Hungarian public authorities met the demands

of populations and local representatives on self-government. At the same time, they complied with European requirements for territorial development projects, which consist in stimulating endogenous initiative by allocating decisional power and financial means to local governments.

On the political level, the 1990 Act followed step by step the recommendations of the *European Charter on local self-government* (European Council, 1985) and established the principle of the election for four years of a local council and a professional mayor through direct universal suffrage. Besides, local government offices are led by a notary (*jegyző*), who is accountable for municipal affairs to be legally carried out. A quasi-independent, two-headed and democratic structure has thus become apparent: municipalities can indeed only be prosecuted if legal proceedings are taken to the Constitutional Court, that is the highest jurisdiction of the State.

On the administrative level, the competence of municipalities has been constantly extended. This does not really concern the municipalities' own competence, which is limited to the maintenance of minor roads, cemeteries, sewage networks or basic public services, but it does affect their delegated competence such as town-planning, territorial civil servants' and teachers' remuneration or the payment of unemployment benefit. This decentralisation process has become more and more marked with time, allowing representative bodies to adapt gradually to those new municipal tasks – which appear considerable if compared with the European average.

On the budgetary level, Hungarian municipalities have gone from a high level of dependency on central grants to a tripartite form of financing (Högye, 2002):

— State contributions, which consist of *global grants* calculated in proportion to the number of inhabitants and according to the administrative status of the municipalities, as well as *shared and transferred resources*, such as part of the income tax and the proceeds of the car tax. Those central resources are meant to support mostly delegated competence;

— the municipality's own revenues, that is *local taxes* (mainly tax on residential properties and on commercial activities), the raising and rates of which are left to the local council's choice within a legally defined frame, but also other *own resources* such as the collection of rents, selling of real estate, interest on savings and loan taking;

— thirdly, *targeted subsidies* which are based on multilevel investment programs submitted to application; they are launched either by the county (*megye*), by ministries or by the European union but generally transit through the county budget.

The second point became significant after 1990 since it was supposed to guarantee autonomy in the decision-making process of municipalities by giving them financial independence. It also introduced a "strong budgetary

constraint" (Kornai, 1990) into local public finance as municipalities were endowed with a legal status and must now account for balanced budgeting. Therefore, State contributions have kept decreasing in proportion among municipal budgetary resources so that local governments would be given incentives to rely more on their own revenues. Likewise, the third point has gradually gained weight in every important investment project. Municipalities have to take loans and apply for subsidies if they want to raise enough funds to invest; thus this new procedure stimulates local initiative taking and investment on credit, and makes local governments work together on costly development projects.

It seems that in Hungary – as elsewhere in the European Union – a new dominant policy paradigm is expressing itself through the new municipal budgetary standards. Inspired by neoliberalism, it proclaims the autonomy of local governments but, at the same time, it places them in a position of necessary competition for subsidies, and reinforces territorial co-operation.

The distribution of public financing is therefore not based on the egalitarian socialist ideology any more but follows, rather, the principle of equity: each municipality will receive what it deserves according to its ability to mobilise its actors on a precise common project. Financing is henceforth not completely granted, it has to be won by measuring up the municipalities' response to the requirements of 'local development.'

An Imperfect Adaptation of the Model on Rural Municipalities

The studied municipalities of Lesser Cumania are quite different from this theoretical evolution model. Firstly, the decrease of State-originated grants has *not* resulted in a corresponding increase of the municipalities' own revenues. Many local councils indeed explain that their economic situation remains too unfavourable to raise taxes, since many rural inhabitants are pensioners, unemployed people or subsistence-style farmers. Moreover, the negative demographic balance of the rural, ageing population implies that the amount of actually collected taxes is decreasing.

As a second explanation factor, the now widespread principle of targeted subsidies makes many municipalities feel discriminated. Such an investment project implies that local representatives are capable of collecting a sufficient financial share from the municipality's own resources, a task which the smallest municipalities cannot manage. Moreover, inter-municipal projects will often be concluded between municipalities that have funds at their disposal. Thus the town of Sz. (6300 inhabitants) had planned a sewage network in common with its rural neighbours. It finally managed to collect enough reserves and built, alone, a separate sewer, so that the neighbouring

small municipalities were left aside with nothing but a slender hope of linking up in the future. Indeed a minimal threshold of inhabitants is needed to compete and consequently forces smaller municipalities to work together, whereas larger ones can stand alone for development subsidies.

Lastly, local representatives must also be able to react to the financial opportunities they are offered. Only a quarter of the studied municipalities managed to get European financing through pre-accession programs such as PHARE, SAPARD, ISPA. When explaining this lack of reaction, mayors and notaries argue that setting up an application file is difficult and not worth the financial and human expenses needed for its completion. Behind this material argument there is the role of social capital and the uneven adaptation of rural officials to the new political context.

On the other hand, the few successful municipalities appear to be fairly well integrated into political networks and thus benefit from a premium on information. For instance, the Ág. municipality (1800 inhabitants) recruited young project leaders who were trained in town and rural planning. They work in close cooperation with the county administration and follow the development of ongoing or future investment programs. The municipality consequently managed to increase the share of targeted subsidies to 45% in its 2002–2003 budgetary resources, while the national average is 27%.

It is indeed not surprising that the dependency rate of rural municipalities is rather high in Lesser Cumania: some of them depend (85–90%) on State financing or external targeted subsidies. Nevertheless, the average of the study area amounts to 82.3% whereas the national average is 68.9%.

Table 2

Origin of financial resources in Hungarian municipalities budgets, comparison between the national average and studied rural municipalities of Lesser Cumania

	Hungary			Study area	
	1993	2000		2002–2003	
Targeted subsidies	64.2%	26.9%	53.7%	33.4%	66.9%
State global grants		26.8%		33.5%	
Shared / transferred revenues	8.8%	15.2%		15.4%	
Own municipal resources	27.0%	31.1%		17.7%	

Sources: Soós, 2002; Central statistical Office (KSH), 2000 and own local representatives survey, 2003.

Moreover, the principle of targeted subsidies implies another, hidden dependency on the political and administrative level. Local governments

are somewhat compelled to invest in the directions that are defined by central development programs. This normative frame restricts the political independence of municipalities since rural communities can hardly invest without subsidies. The problem would be less serious if that targeted financial help fitted in with the needs of rural areas, but one can doubt that central authorities take local particularities into account for nationally designed development programs. Such a budgetary constraint, if proved, runs contrary to Article 9 of the *European Charter on local self-government*, which claims that "grants to local authorities shall not be earmarked for the financing of specific projects. The provision of grants shall not remove the basic freedom of local authorities to exercise policy discretion within their own jurisdiction."

An administrative constraint should be evoked along with this strengthened dependency. The increase of delegated competence in the municipal scope should have been accompanied with transferred revenues to compensate the costs of those new tasks. On the contrary, it led local governments to draw on the municipalities' own resources because State transfers had become insufficient. The Hungarian government decided to increase territorial officers' salaries to 50% in 2003, in order to catch up with inflation after a long period of depreciation. This was judged a demagogic measure by most of the local representatives since they stated that it was not followed by sufficient transfers. For instance, in 2003 the Ke. municipality (5900 inhabitants) sold its shares in a Hungarian energy company for HUF 130 million; but half of the proceeds of this sale had to go towards the salaries of teachers working in the municipality. In other words, local councils have to draw on their assets to finance State delegated competence, which could be dangerous in the long term.

The Hungarian State reacted to those growing inequalities between municipalities with a two-sided policy. Firstly, it reinforced inter-municipal working at small-region level (*kistérség*). This statistical and administrative level was created in 1994 to encourage co-operation, know-how exchanges and common planning between municipalities. However, it remained a voluntary and strictly deliberative structure – till the 2004 Act, which should deepen co-operation by creating an official council of representatives and giving to small regions a significant budget and a legal status. Secondly, the State also heightened its support to smaller municipalities according to their financial situation. A development program was launched for 'unwillingly marginalised and underprivileged municipalities,'[3] which allows them

[3] "ÖNHIKI" program, which concerns a third of Hungarian municipalities, mainly located in the two north-eastern counties of Nógrad and Borsod-Abauj-Zemplén (31% of cases and 40% of the total financing).

to get subsidies of up to 90% for their investment projects. In this way the Ku. municipality (644 inhabitants), 92% of whose budget now depends on the State, had its revenues increased by 60% between 2001 and 2002 and again 10% between 2002 and 2003, provided that it took a complementary credit and carried out the most pending investments, such as the asphalting of sandy streets in the village and the renovation of the school.

But neither measure essentially modifies the new global paradigm. The basic principle of equity has not been called into question, it has just been amended with an "assistance policy" (Ferge, 1998) in favour of the neediest municipalities and with an incentive to inter-municipal co-operation. Hence the ability of local representatives to rectify on their own their current, failing path has not been drastically improved.

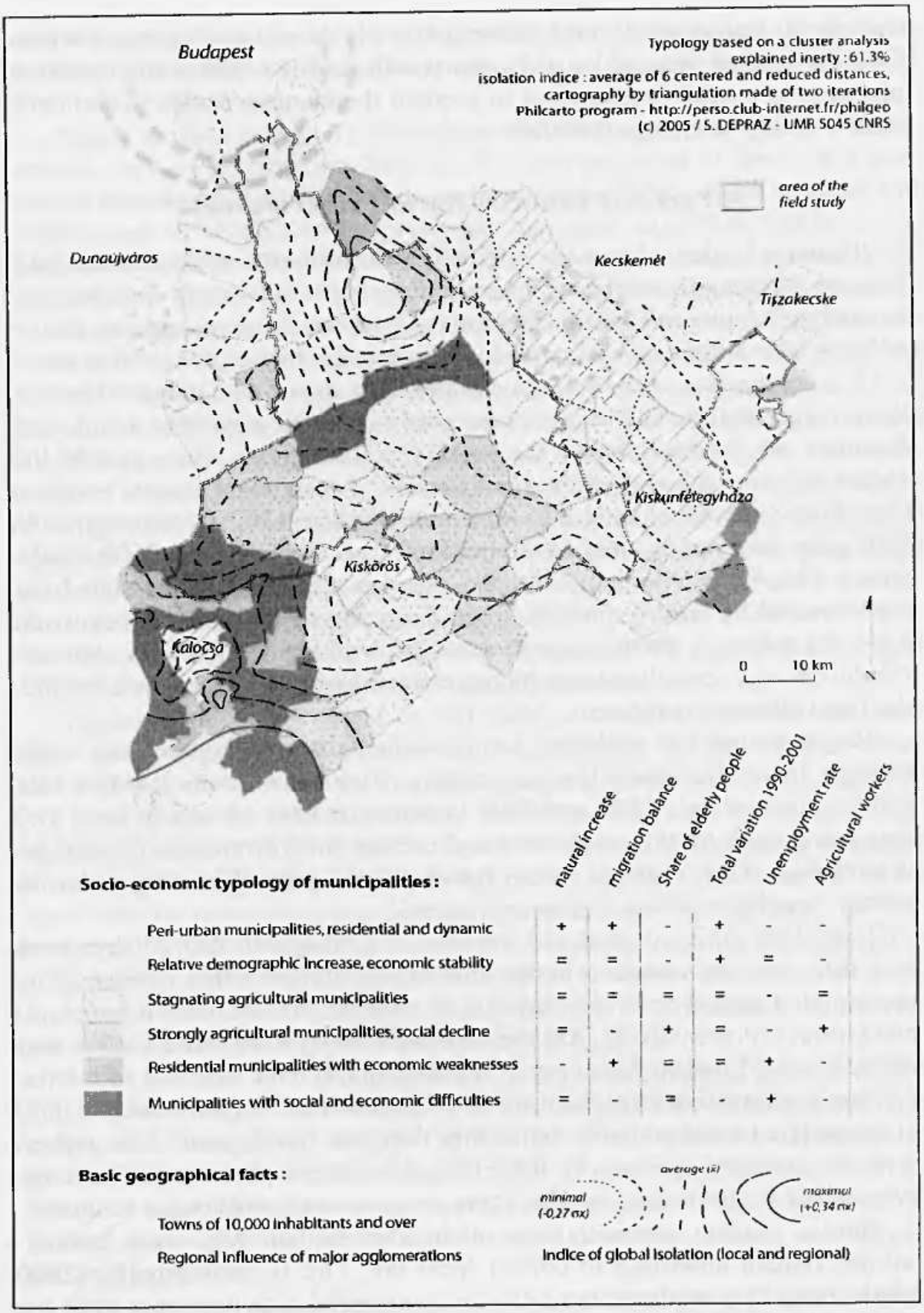
A Spatially Selective Post-socialist Transformation

At this point, one has to understand which factors really intervene in the relatively negative evolution encountered by many municipalities of Lesser Cumania. A number of approaches have emphasised the weight of exogenous factors on the trajectories of rural areas out of socialism (Dövényi, 2001; Csèfalvay, 1994). The hypothesis of the strong spatial selectivity of the market economy has indeed been ventured early to explain the regional re-composition of Hungary. Post-socialist transformation worked in favour of the western part of the country and the most active cities in the tertiary sector, in accordance with the globalisation process.

Such re-composition and spatial selectivity can also be seen at local level. We built a simple geographical model to express the degree of the hemmed-in position of rural municipalities. This "isolation index" is built on the standardised distances by road to several local features, such as the next national road, the next railway station and the next municipality with town status ("local isolation"). Isolation has then been crossed with socio-economic indicators in order to test correlations between factors. This process has been summed up on map 1.

The result is striking. In Hungary, regional isolation is the key-factor expressing the situation of unemployment and, to a lesser extent, of the demographic evolution of municipalities. The "tyranny of the distance" to Budapest therefore seems to determine the fate of places: the nearer a municipality is to Budapest, the wealthier it appears from a socio-economic point of view. No local context really seems to tone down the rule.

But, on the other hand, the resources of municipalities are closely linked with their size and local isolation. In other words, their marginal capacity of investing and reacting to their regional situation is variable and depends on the local context. Thus there is friction among geographical scales: in



Map 1

Socio-economic features of the rural municipalities
in Lesser Cumania (Hungary)

that global frame, small rural municipalities isolated in a depressed region, far from leading metropoles of Hungary, will readily convene the fatality of places or a spatial determinism to explain their unfavourable evolution or their inability to change the rules.

A Partially Induced Rural Precariousness?

It cannot be denied that the difficulties faced by the studied municipalities can be partially explained by an unfavourable settlement structure and worsening socio-economic background. However, those exogenous factors will not hide other explanations which have originated on the local scene.

A common way for local governments to assert the independence of their investment policy is to refuse credit. Investing without loans even becomes an electoral pride for local representatives. They justify this choice by using the tone of the family man: "if there is no money, you have to tighten your belt, that's all" (So. municipality; 1300 inhabitants). "We take great care not to yield to temptation" (Du. municipality; 3600 inhabitants). The Ke. municipality recently voted a resolution which stated that credit would be strictly limited to the financing of investments but would never be taken to secure operating costs. Nothing but the law; but this resolution was actually passed by the elected body as a precaution towards the local citizens' judgement.

To get round the problem, some municipalities only take out credit through their inter-municipal association. Two other municipalities (Ha. and Cs., respectively 3800 and 2300 inhabitants) have chosen to have their loans paid back by the inhabitants and exempt them from paying local tax in exchange. This principle nurses the electorate quite efficiently under the motto: "you know where your money goes."

Thus the banking capital and the idea of getting into debt always work as a foil: one can wonder whether this representation either dates back to the socialist period or simply appears as a thrifty management principle of many rural representatives. Are they not sufficiently experienced in the new mechanisms of public financing or do they simply take care not to contradict the conservative attitude of the local population? Anyhow, only a third of the studied local councils admit that they use credit, mainly the richest or those strongly assisted by the State. The others prefer self-financing, even if that means having to miss some programs and wait longer to invest.

Similar prudent considerations might also explain why some municipalities remain unwilling to collect local tax. The Ja. municipality (2600 inhabitants) first implemented a tax on commercial activities soon after the 2002 poll but still refuses other tax; the Ku. municipality (1700 inhabitants) raised the council tax in 2003. In total, 8% of the studied municipalities

still do not collect *any* local tax and only 25% of them, i.e. the biggest, collect all possible taxes. Anyway, this remains beyond the objectives of the local development policy.

Acting in such a way, local representatives do not necessarily demonstrate a lack of professionnalism: on the contrary, most of them have promoted alternative financing solutions to postpone the prospect of taxes and credits and to be able to keep up their political line. They either try to reduce or share investment costs; they also strive to increase indirectly the municipal revenues. Here are some features of those resourceful practices.

Quite frequently, municipalities take the initiative in promoting associations and foundations. Those NGOs contribute to the cultural development of the village, help to maintain school buildings or raise funds to renovate the church. Through these indirect means, local civil society assumes part of the maintenance costs of municipal assets on a voluntary basis. However, without holding centre stage, elected representatives often manage to play leading roles in those associative structures due to their relatives or loyal local government employees. So rural communities do have associative dynamics, but civic life appears to be under the control of the elected body. This makes some sociologists doubt that NGOs constitute a real democratic counter-power in Hungarian rural areas (Kovách, 1999 and 2002); it might rather be seen as an indirect tool of municipal action.

Municipalities often prefer to sell fields, woods or real-estate to raise their own revenues and finance their investment policy. This solution allows local representatives to criticise central government choices: they can pretend that the State forces them into a headlong rush by "embezzling" municipal assets, which leads in the short term to a budgetary impasse. More occasionally, some municipalities do not hesitate to call for voluntary work, so that investment projects can be carried out. For instance, the Ák. municipality (3500 inhabitants) decided to conduct in-house the renovation and asphalting of its rural ways. The roadside landowners were asked to do the work themselves; municipal offices offered raw materials, equipment and a festive banquet at the completion of the project.

At the extreme of this global logic, three municipalities had no choice but to close their 2002 financial year in deficit. This deficit sometimes means real management difficulties, but it is also sometimes calculated to draw attention to the deteriorating situation of municipal finances. Such an attitude can be deduced from the sayings of the mayor in the biggest of the studied municipalities, whose council belongs to the national and county political opposition.

Such reactions show a local ability to make use of local policies that do not fit in with new local management principles, but prove the 'forced

inventiveness' of local elites that manage to hold on to rural communities in an unfavourable global context.

The Inherited Stability of the Local Elite

Those radical budgetary choices bring out the key role of local representatives. Several strategies have been outlined, all aimed at taking care of the rural population. However, they also consolidate the stability of a local elite. A global discourse based on "localism" (Illner, 2002) seems indeed to be widespread among rural mayors: such a protective tone, leaning on the specific identity and tradition of rural communities and insisting on the unity of the village during difficult times and external constraints, also plays a significant role by upholding a collective cohesive representation. At the same time, such a discourse is sufficient to hide and ensure the perpetuation of the local social hierarchy. It reveals a rather oligarchic position of the local elite and the stability of the social structure of Hungarian rural areas (Kovách, 2002).

Table 3

Profiles of mayors of rural municipalities in Lesser Cumania (study area) and in 4 micro-regions of the northern Bács-Kiskun county

	Studied rural area (27 municipalities)	Studied small regions (67 municipalities)
Mayors elected before 1989	41%	26%
of whom: to the 1987 polls	33%	18%
Former chief-executives of co-operatives or Socialist State-farms	44%	41%
of whom: agronomists	22%	19%
of whom: accountants	7%	3%
of whom: presidents and party leaders	4%	8%
Others (production or personal managers, etc.)	11%	11%
i.e.: Mayors elected before 1989 or/and former executives of the socialist system	59%	54%

Sources: author's local representatives survey (2003); Ministry of the Interior, Elections office (2004); regional press (2004).

Let us examine the individual biographies of local representatives: 41% of the mayors of the studied municipalities can be considered as direct

"heirs" of the socialist period, since they have been leading local affairs for 15 years or more and were originally appointed by the party. One could believe that it would have been a strong handicap to their re-election: this has seldom been the case in Hungary. Indeed, they have been able to appear as reformers, or even opponents, and/or have erased their political origin by promoting their decisive role on the local scene. Moreover, some former executives of collectivist enterprises such as former presidents, agronomists or accountants recently came back to power in the studied municipalities. All in all, about 59% of rural mayors now represent a certain form of continuity with the social hierarchy of the socialist system (table 3).

This analysis can be generalised at the councillors' level: some continuities will also be uncovered since 17% of councillors have kept their office since socialism and because, more generally, about 25% of them partially owe their social position to their situation in the former system. Only a fifth of all the studied municipalities have abruptly broken off with their former elected officials and have elected an entirely new municipal council – especially in the 1990 and 1998 polls (table 4).

Table 4

Profile of elected officials in the Hungarian Lesser Cumania, after a survey on 226 mayors and municipal councillors about whom personal information was collected (20 concerned municipalities, minimal estimates)

Local representatives' survey	Councillors who were members of the council before 1989	38	17%
	or former socialist executives	13	6%
	together, on 226 surveyed councillors	51	23%
Type of evolution of the council in the studied municipalities	Municipalities with a strong continuity (> 30% of councillors were elected before 1989 and/or were former socialist executives)	7	35%
	Gradual break off since 1998 (ageing councillors are replaced)	9	45%
	Total and abrupt break off with the former socialist local elite	4	20%

Source: author's local representatives' survey (2003).

The stability of elected officials in Hungarian rural areas is not really exceptional, that observation can be made elsewhere in Europe. Yet the proportion is rather high here; the system change would have provided expectation for a deeper change. Such is not the case: 94% of mayors and 59% of councillors were re-elected in municipalities of 3000 inhabi-

tants or less in our study, contrasting with 72% and 52% at national level (Soós, 2002).

Inheritance in the Post-socialist Transformation

The case of mayors who were elected between 1985 and 1990 – and more especially in the 1987 local polls, which represent a third of our sample – illustrates this argument quite well. They came out from the first open local elections in Hungary. They stood as free candidates and were allowed to compete next to the official candidate of the party, but their victory was thus absolutely unexpected.

Yet they won; they were lucky enough to arrive at a crucial moment of the local history and could enjoy a triple capital, following Bourdieu (1992), that allowed them to keep their role at the head of rural municipalities: first of all, their higher intellectual training as engineers or accountants, their youth, their professional ability to management bestowed an important *cultural* capital on them with regard to the average skills of their rural fellow citizens. Secondly, they could enjoy an excellent *symbolic* capital: they declared themselves as free candidates and could thus appear as reformists or moderate opponents to the regime, which was for the first time an alternative that the party tolerated and that people dared to wish. But they were not completely breaking off with the system since they were executives in socialist collective enterprises – i.e. in a situation of hierarchical power, they could win on both counts. Thirdly, the decollectivisation process in agriculture allowed them to invest cleverly in the most profitable private enterprises thanks to their good knowledge of the productive processes and their regional professional network. As a consequence, their *financial* capital became none the worse for it.

Those mayors belong to the winning elite of the transformation process (Szelényi and al., 1995; Mink, Szurek, 1998). They can be described as "heirs" of the socialist regime since they knew how to secure their privileged social position to also get a prominent situation in the new system. They constituted a professionnal network and a circle of friends. They could enjoy a premium for outgoing officials after each election because in the transformation context, political matters became unclear and could appear as the private domain of some initiated, established local elite.

Let us, however, briefly specify the term "heirs," so as to avoid misunderstanding: the continuity with the socialist era is here *not at all* a matter of ideology. Mayors and municipal councillors have cut off from the former system; they currently depend less and less on political parties, they proclaim at 96% in the area to be apolitical and aim at defending the inhabitants' interests. Furthermore, their affinities with national parties show that

they are currently inclining mostly towards the Fidész-MDF, the right-wing conservative coalition. Official affiliation to the new Hungarian socialist party (MSZP), though not at all shameful, is thus quite rare and has become a minority case within all political membership of rural areas.

The surviving feature from the past is rather *the way social relationships are working on the local scene*; that is, the social structuring of Hungarian rural areas. Old mayors remained almost unchallenged in a significant number of cases, since 23% of them were re-elected with a score higher than 85% – and 17% of them had no challenger at all. This can lead to several hypotheses: it is either (a) the sign of general disinterest in political matters, in a context of individual socio-economic difficulties, or even (b) the result of the seizure of political power by an established local oligarchy, with no real space for democratic debate – thus revealing a certain continuity with the socialist era – or rather (c) the fact that there is simply no other local elite capable of running local affairs efficiently. The answer is not simple and goes far beyond the sole inheritance of the socialist era. It is questioning the long-lasting historical lack of local democratic initiative in the eastern European countryside, the rural respect towards local notability and the limited building of social capital (Woolcock, 1998; Portes 2000) in rural areas as a whole, so that any of those three explanations might have an explanatory role, depending on time and place.

Conclusion: End of Socialism, Permanency of Paternalism?

However, one important point is that the socialist era seems to have had the effect of maintaining the social structures of rural areas. Personal strategies of local representatives balance between a local discourse and the authoritative tone of unchallenged leaders; their inventive management choices may also be interpreted as a calculated influence on local civil society, or even as a local withdrawal, unfavourable to the 'endogenous development' model. Such an ambiguous frame seems to confirm some inherited patterns, among which the idea of the perpetuation of a *paternalistic* attitude in the management of rural communities.

Understanding the new administration modes of rural municipalities in the Hungarian Great Plain, with the special example of the Lesser Cumania, allows indeed to catch sight of personal management choices which actualise the local scene to such an extent that they put national policies on the spot. Of course, the economic and social context of rural areas appears to be highly unfavourable; but the social leadership of local societies by an established elite and the stability of elected officials might be another reason for lagging behind – considering the criteria of the new national devel-

opment framework. Local representatives still exert a strong influence on local life, the social and political stability is therefore quite high.

This leads us to consider such a countryside, following Laschewski and Siebert (2001), as the result of a remaining *paternalistic* structuration of post-socialist rural areas. Indeed the launching of collective farming in Hungary after 1945 led, to some extent, to the modernisation of the means of production in agriculture, with larger plots, manure, fertilising and mechanisation. However, it did not erase the highly hierarchised social relationships in rural areas. On the contrary, the decline of the peasantry and the suppression of private property helped the directions of cooperatives and State farms to control the whole production process; at the same time, a growing heteronomy of work applied to agricultural employees (Maurel, 1994). Moreover, socialist enterprises took over an even broader control on social life, for instance in such fields as social services and cultural organisations, exactly as did big factory owners at the end of the nineteeth century in Western Europe. In this way, they kept the rural population away from taking part in the management of the countryside and from contributing to local life as well, when such processes were gradually becoming apparent in the western part of the continent.

So after the systemic break, it may be easy to cut off with the political discourse of the former regime; however it is far less easy to establish social conditions that are favourable to individual initiative, since local communities have hardly ever known such a kind of working and have been accustomed to rely on public authority and a local leader. When employment or even daily living conditions remain difficult, rural nostalgia towards socialism is not uncommon and local elites are easily driven to abound in such a protective and authoritarian role, since it is a social and electoral requirement. In such a context, one can doubt that endogenous and shared initiatives of development will arise in the short term.

Is this state of mind a simple question of time, that will be solved by itself with the gradual replacement of the older generation, which could be the more marked by partially inherited political practices? Indeed the arrival of new rural populations in a future counter-urbanisation process, the injection of young blood into the municipal administration and the growing professionalisation of representatives may allow, to some extent, an evolution; but public participation, as such, seems to take longer to re-activate. The paternalistic countryside has subsisted and the inherited authoritarian social structure of rural areas seems, therefore, to have been successfully adapted *within* the new democratic framework of rural policies itself.

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