Abstract

Lingering spatial disparities within the EU have often been explained by macro-level structural trends. However, studies have also spelled out the role of local agency in organising social integration processes through local institutional arrangements. The agency of socially skilled local actors is acquired by recombining various resources and denotes their capacity to (re)negotiate the web of local relations and membership in the community through the distribution of developmental goods and controlling access to services. Informed by theories of development as institutional change and strategic action field theory, our paper analyses the evolution and action of this local project class in organising social order by acting as brokers between the institutional environment and local institutional arrangements. Our research question hinges upon the process through which the project class (re)combines resources in order to maintain local social order based on their own perceptions and visions of the locality. Empirical evidence was gathered through various qualitative research projects over two decades, supplemented by recent follow-up interviews with the same actors in a small peripheral town in northern Hungary. Our extended research indicates that maintaining local social order derives from the local elite’s perceptions of spatial injustice and it means keeping pre-existing social and class positions. This is a highly selective process and reflects degrees of vulnerability within the local community.

Keywords: strategic action field theory; institutional change; project class; local agency; local social order

1 Introduction

Two decades after the accession of eight Central and Eastern European countries to the European Union (EU), the expectations of a ‘catching up’ process have not materialised yet. Despite the billions of euros provided by EU Cohesion Funds based on the EU’s founding principle of social cohesion, spatial disparities between EU regions (Widuto, 2019) and within countries have lingered. In the EU 13 countries, at the eastern peripheries of the EU, cohesion policy tools financed, on average, 40–80 per cent of all public investment be-
between 2015 and 2017 (European Commission, 2017, p. xxii). In Hungary, more than half of all public investment was financed by Cohesion Funds in the programming periods 2007–2013 and 2014–2020 (Boldizsár et al., 2016). However, spatial disparities have lingered and have increased lately (Alpek et al., 2018; Lengyel & Kotosz, 2018). The East-West divide of the country and the settlement slope (Kovács & Bihari, 2006; Köós, 2015) have manifested in increasing socio-spatial polarisation between settlements located near dynamic centres and peripheral villages. Besides declining economic and livelihood perspectives, rural peripheries have been characterised by social polarisation and the complex interplay of spatial, social, and ethnic differentiation (Koós & Virág, 2010; Nagy et al., 2015), scarcities of human, social, and financial capital, and low-quality public service provision or its complete absence (Tagai, 2021).

Some studies have explained lingering polarisation by pointing to macro-level trends, such as conflicting domestic policy processes (Tímár & Nagy, 2019; Szikra, 2014; Ferge, 2017) and the transformation of EU Cohesion Policy goals (Avdikos & Chardas, 2016; Hadjimichalis & Hudson, 2014). Others have blamed particular micro-level features of EU development policies, arguing that less hierarchical policy-making mechanisms in Cohesion Policy have masked inequalities in power relations through the projectification of development (Sjöblom, 2006; Shucksmith, 2000). These studies claim that less formal and hierarchical policy steering led to the evolution of new local elites who have a key role in governing place-specific institutional arrangements (Horlings et al., 2018) through which they can organise local social order. Some authors view these actors as the local project class that uses its intellectual and social capital to legitimise its newly acquired power through projects (Csurgó et al., 2008; Kovách, 2007). These actors have the (local) agency, i.e. the capacity and capability to frame actions, (re)negotiate, and (re)assemble the prevailing web of relations. In this way, they decide about membership in the community through the distribution of developmental goods produced by projects.

Scholarship that conceives development as institutional change (Evans, 2004; Rodrik, 1999; Sen, 1999) has called attention to the interplay between structural trends and local agency through the ‘effective practice’ of institutions (Sen, 1999, p. 159) or ‘institutional arrangements’ (Rodriguez-Pose, 2013, p. 1037). These provide local leaders with room to design strategies, create initiatives, construct coalitions and ultimately shape places through their own meaningful conduct (Pierre, 2014; Horlings et al., 2018). Some authors have also noted that for local agency to flourish, there is a need for a stable, enabling institutional environment designed in a multi-scalar way (Gertler, 2010) and based on ‘true subsidiarity’ (Rodriguez-Pose, 2013, p. 1044) that can empower local agency with the capacity to engage in policy design and implementation (Horlings et al., 2018).

Drawing on this scholarship, our paper discusses the evolution and action associated with local agency – comprised of strategic social actors (Fligstein & McAdam, 2012) who organise local social order by acting as brokers between the institutional environment and local institutional arrangements. Our investigation is informed by strategic action field theory (Fligstein & McAdam, 2012), which views actors as embedded in a complex web of relations within meso-level social orders (fields) possessing various resource endowments. The argument we put forward is that for socially skilled strategic actors within the field of local social development, institutional stability is not a necessary condition for the maintenance of local agency. These actors – in possession of intellectual and
social capital endowments – can transform their capacities and relative discretion to frame narratives about local social cohesion by recognising opportunities in the institutional environment and using them for the benefit of their group despite constraining factors, instability, or changing institutional conditions. This analysis contributes to discussions of social integration by studying how local perceptions, affected by interfaces between macro-level institutional conditions and local experiences, can shape local integration processes through the local elite’s framing of narratives about belonging and differentiation.

The main research question addressed in this article concerns the process through which the local agency of skilled social actors leads to the use and recombination of means, such as policy tools or project resources, to maintain local social order based on their perceptions of a ‘liveable small town’. The article draws on empirical evidence gathered for various research projects in the small town of Encs and its micro-region in northeastern Hungary over the past twenty years. The authors conducted their doctoral research in this small town from different perspectives: one focused on social entrepreneurs and developmental coalitions (Keller, 2010; 2011), the other on the spatial and social exclusion of Roma (Virág, 2006; 2010). Later on, they participated in various research projects related to this locality that revolved around the same research topic (Virág, 2012; Váradi & Virág, 2018; Keller & Virág, 2019; 2022). Further empirical support for our article is provided by follow-up interviews with a specific group of local stakeholders in different decision-making positions in various institutional periods of social development over the past two decades. This and the secondary analysis of the relevant research material enabled us to analyse the transformation of the local decision-making elite and their endeavour to maintain local social order. The specific group of local stakeholders had worked as teachers and emerged from the local education sector to take up positions in the local project class through participation in various social integration projects over the decades. Our analytical focus is the locality that we conceive as intrinsically multi-scalar and as assemblages of social and power relations (Horlings et al., 2018), where bottom-up and top-down policy interventions as well as project-based and welfare redistribution mechanisms intersect and manifest in regularised face-to-face interaction involving social integration processes (cf. Jansen et al., 2006; Giddens, 1979).

Our extended research indicates that despite the multitude of development projects indirectly or directly targeting social integration over the decades, the integration of the most vulnerable and marginalised members of the local Roma population has remained unresolved. Although the means and goals of social development have significantly changed during the three institutional periods discussed in this paper, reflecting different strategies and institutional logics about social integration, local decision-makers have re-

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tained varying degrees and kinds of agency to organise local social order based on their perceptions of the positionality of the town, that of their own within the local community, and opportunities offered by institutional framework conditions.

Three major shifts can be identified in Hungary’s governance and institutional framework of social development that have shaped social integration processes over the past three decades. In the first period (1990–2000), due to an encompassing emphasis on local autonomy and democracy after the fall of socialism, local actors, under the pressure of mounting social crisis, were free to experiment with institutional solutions to organise local social order. In the second period (2000–2010), changes in the institutional logic and framework were directly linked to the Europeanisation of domestic policies that streamlined local developmental coalitions and pushed for institutional desegregation and anti-discrimination in education. The third period (2010–present) has been characterised by ambivalent processes of the radical centralisation of welfare through punitive measures and the abandonment of social integration policy goals.

Local leadership in the small town of Encs has successfully mobilised and (re) combined resources offered by EU and domestic development programs over the three institutional periods and used them for the benefit of their community – selectively. Driven by their perceptions of territorial stigma and relying on their power positions reproduced by project coalitions, local leaders have shaped social order based on social and ethnic differentiation and the selective social integration of ‘deserving’ members of the local community.

In what follows, we first present our conceptual framework, conceiving development as institutional change produced by the interplay between structure and agency by strategic social actors with different power endowments. This is followed by a discussion of local perceptions and narratives about local inequalities and spatial injustices. The third section of our paper analyses the transformation of local agency and its capacities and strategies to frame local social cohesion/order during three institutional periods of territorial development in Hungary. While there have been several types of developmental coalitions with different sectoral interventions in our locality, our analysis focuses on a particular group of social entrepreneurs who have been active in the field of social integration and development since the 1990s. The final section of the study describes some lessons about the latter and concludes.

2 Conceptual framework

The approach we take in this article draws on institutionalist theories of development (Schumpeter, 1961; Hirschman, 1958; Sen, 1999; North, 1990), specifically strategic action field theory (Fligstein & McAdam, 2012). Institutionalist theories view development as institutional change wherein collective action takes place by means of the mobilisation of social capital, understood as social networks. Collective action takes place in meso-level social orders that are ‘socially constructed arenas within which actors with varying resource endowments vie for advantage’ (Fligstein, 2001, p. 3).

Defining social capital in terms of social networks entails that access to social and other forms of capital is restricted to those who are part of the networks. Although net-
works are often considered flexible and discretional and cut across territorial boundaries, localities can provide the space for specific forms of social interactions and collective experiences that shape ‘the specific physiognomy of a local context’ (Piselli, 2007, p. 873). Who can be a member of these social networks evolves in interaction with the institutional framework (Trigilia, 2001; Piselli, 2007) since institutional conditions can regulate the sets of alternatives actors have for action and accessing resources. This ultimately reshapes actors’ distributional interests (Lukes, 1974; Scott, 2001; Knight & Farrell, 2003). The setting of balances of power within networks can happen directly or indirectly: erecting restrictions that hinder certain actors would be a direct way of reshaping power relations while raising the institutional capacities of one actor or action field without constraining the actions of others would be an example of indirect interference with balances of power (Lukes, 1974; Scott, 2001; Knight & Farrell, 2003).

However, the institutional framework provided by political action and policies is always subject to interpretation and contestation by actors (Streeck & Thelen, 2005). While the formal institutional environment defines rules and regulates actors’ sets of alternatives, local actors always retain some capacity to interpret them. The institutional framework can thus endow local actors with capacities ‘from above’ to mobilise resources ‘from below’ (Trigilia, 2001, p. 439). In ideal circumstances, this builds on a ‘virtuous relationship’ between various levels (Trigilia, 2001; p. 439), an institutional framework designed in a multi-scalar way (Gertler, 2010), implemented through ‘true subsidiarity’ (Rodríguez-Pose, 2013, p. 1044), which empowers local communities with capacities to engage in policy design and implementation and facilitates collective agency in vertical and horizontal interactions (Horlings et al., 2018). Local agency thus draws on local actors’ capabilities to associate – to build coalitions, mobilise resources, and politicise; that is, to shape strategies at various levels of governance (Bruszt & Vedres, 2013).

How local actors draw on their capabilities/agency depends on their position in the field. Actors whose institutional capacities are increased by framework conditions will be in the position to shape interpretive frames, which will encapsulate their views, perceptions and interests (Fligstein & McAdam, 2012). Incumbent actors with social skills will create frames for collective action but only integrate selective members to participate in them and receive their distributional assets; i.e. they aim to defend the status quo and reproduce their group’s power in the field (Fligstein, 2001; Fligstein & McAdam, 2012). In this attempt, socially skilled actors’ agency also includes juggling lots of balls in the air at the same time, recognising opportunities for resource mobilisation and using them for the benefit of their groups.

Creating interpretative frames is thus central to the actions of social entrepreneurs who comprise the local project class. Relying on their intellectual capacities as members of the local middle class, these actors use interpretative frames for resource mobilisation in projects to legitimise and reproduce their local position and power (Kováč, 2007). Their social and intellectual capital endowments enable them to be brokers and interpreters between framework conditions and local institutional arrangements as well as between local groups while framing collective identities based on their perceptions (cf. Fligstein, 2001; Fligstein & McAdam, 2012). The most important tactic they rely on in this attempt is bricolage, i.e. grabbing any unexpected opportunity, even if it is not exactly what they ideally want and they are uncertain about its usefulness, and combining it into a new frame
(cf. Kovách, 2007; Fligstein, 2001). These tactics are best used in projects whose organisational features are flexible enough to cut through organisational identities, perforate organisational boundaries and generate ‘trading zones’ of different logics of action and worldviews (Grabher, 2001). This provides space for social entrepreneurs of the local project class to drift between flexible contestation and free interpretation on the one hand and follow rules and hierarchies on the other.

The rules of social development have transformed significantly in Hungary since the system change. At the institutional level, three institutional periods can be distinguished on the basis of the logic of action, i.e. formal rules, requirements and organising principles promoted by regulations and development programs. These have created the framework conditions – opportunities and constraints – for local actors to frame the organisation of local social order. In the first period, institutional logic promoted local democracy, local problem-solving and local service provisions in the face of mounting social problems. Since administrative and public service devolution was not accompanied by financial decentralisation, local actors were free to experiment with institutional solutions to organise social order and development.

In the second period, institutional logics were primarily influenced by the Europeanization of domestic policies linked to Hungary’s preparation for and access to the EU. This period was characterised by explicit policy shifts and institutional changes towards mandatory partnerships and the goals of social integration, institutional desegregation and antidiscrimination in education and welfare policies (Szombati, 2018; 2021). The double effect of the ‘Europeanization’ of domestic policies was the streamlining of developmental coalitions and the erosion of local hegemonies of the rural middle classes (cf. Szombati’s ‘post-peasantry’) and a general feeling of abandonment concerning the loss of privileged access to collective goods and public services. According to Szombati (2018), a growing resentment about these policies and institutional shifts led to the ‘revolt of the provinces’ and the landslide victory of right-wing politics in 2010.

In the third institutional period, linked to political changes in 2010, radically interventionist policy measures were introduced that increased the role of the central state in nearly all policy domains and reversed the redistribution of resources to the well-off while stigmatising and punishing people with low incomes (Szikra, 2014; Ferge, 2017). Institutional changes begot a system of hierarchical-clientelist governance, in which municipal functions were reduced simply to managing the negative consequences of the central state’s withdrawal from social integration policies (Jelinek, 2020). This forced local interventions to align local objectives to the political goals of the national government (Scheiring & Szombati, 2020). The resulting ‘double control’ system meant that after the period of integrationist policy pressures, the local elite regained discretionary powers to organise local social order through its dependence on central state resources associated with extensive public work programmes (Jelinek, 2020; Szombati, 2021).

The three institutional periods entailed different kinds of agency that local leaders relied on when organising local social order based on their perceptions of the positionality of their town and that of their own within the community. Their agency mediated between local perceptions and the different institutional frameworks by framing local narratives about belonging and differentiation. These narratives operated as place-making processes, affecting the definition of the community through public discourses and pro-
viding models of being in a local context (Blokland, 2009). Such narratives delineate the essence and meaningfulness of a place, and through these common understandings of different parts of the town, local actors create social order.

Narratives of stigmatisation are the most important tools for solidifying segregated areas within given localities. Stigmatisation is present in everyday practices and daily social interactions: various social groups not only perceive spatial and social distinctions and boundaries but they are actively affected by these on a daily basis (Wacquant et al., 2014). Usually, the aim of the municipalities and the better-off social groups is to make vulnerable social groups living in segregated neighbourhoods invisible. Accordingly, these social problems and conflicts are kept at a distance, and daily encounters with ‘problematic families’ in different institutions can be avoided by the ‘regular’ families living in other neighbourhoods (Wacquant, 2008; Wacquant et al., 2014). Overall, our analysis views local social order as experienced and negotiated within the social interactions, mundane routines and practices of daily life (Giddens, 1979; Archer, 1995) that constitute social integration.

3 Local narratives about the town and its role in social and spatial distinction

Encs is a small, traditionally disadvantaged town located in Hungary’s northeast periphery. Its disadvantaged position is related to historical processes of economic decline accompanied by a concentration of poverty, very high unemployment rates, low levels of educational attainment, demographic polarisation, a concentration of Roma population and selective outmigration. Due to its favourable geographical location, the previously village-style settlement became the centre of public administration (járási központ) for neighbouring villages after World War II. As a result, the main institutions of public administration and service provision, like the district court, police and fire stations, the health care centre and ambulance service, secondary schools, and commercial and social services, were all settled in this locality, providing a favourable migration destination for more educated people from neighbouring villages for decades. Despite its relatively favourable position vis-à-vis the neighbouring villages, outmigration from Encs to the county seat and the capital has also intensified over past decades (Virág, 2010; G. Fekete, 2014). This is related to the transformation of territorial governance and the marked centralisation of policies, which changed the positionality of settlements through the mechanisms of power, financial resources, access to public services and living conditions. The main narratives concerning the town of Encs and the district are driven by an interplay between attempts to get rid of territorial stigma and a sense of spatial injustice. These narratives, produced by the local elite, operate on different territorial scales and refer to socio-spatial differences between the district of Encs and the rest of Hungary and within the district and the town. Spatial injustice is understood here as the absence of opportunities, manifested in the general scarcity of human and social capital, infrastructure and employment, entrepreneurship and space-blind domestic policies (Keller & Virág, 2019). The interpretation of the low efficacy of local public services as underperformance appears in local narratives as double-bound spatial injustice: in the comparatively deprived socioeconomic local context ridden with scarce resources, it is difficult to live up to objective standards and produce similar institutional results.
Local narratives also give an account of the way Encs, the district centre, defines itself as the institutional and service-providing centre of neighbouring villages and calls itself the ‘centre of Abaúj’. At the same time, it expresses the desire to become a ‘nice, liveable small town’ (interview with the mayor) and the intention to get rid of the territorial stigma that has been connected to the geographical area of Cserehát for decades (Ladányi & Szelényi, 2004; Virág, 2006). The institutional developments of the socialist period divided the town into two parts. The old town centre, a village-style neighbourhood with small peasant houses that have traditionally been the dwelling places for Roma and non-Roma poor, is located on one side of the railway, while a Roma neighbourhood is situated at the edge of this part of the town. On the other side of the railway is the modern part of the town with new institutions and residential areas that were built during the 1970s and 1980s for young families that moved here from the villages of Cserehát. Over the past decades, the desire to create a ‘liveable town’ has been achieved through various development projects targeting infrastructure investments in this neighbourhood.

Local narratives and perceptions about the positionality of the town and its neighbourhoods are strongly connected to the presence and growing number of individuals of Roma ethnicity. Generally, representations of Roma ethnicity are based on external categorisation processes imposed by the majority society and are distinguished by unequal social and power relations. Thus, the concept of Roma is a construct of the majority society, reflecting perceptions rather than actual ethnic community/group belonging (McGarry, 2014). In Encs, the Roma appear in the local narratives as a diverse social group in terms of socioeconomic status, lifestyle and spatial location (Virág & Váradi, 2018) based on the deep local knowledge and embeddedness of local stakeholders. This is also reflected in the segregation map of the town and the narratives of different ‘Roma’ neighbourhoods. Abaújdevecser, one of the small villages that were merged into Encs, is a dwelling place for the ‘well-to-do’ Roma and thus is not designated as a segregated area in the ‘official’ map of segregation. The segregated units of Encs are located on the other side of the railway, far from the centre in the old part of the town, which is traditionally Roma and poor. In terms of ethnic composition and infrastructural developments, these village-style neighbourhoods are further differentiated by socioeconomic status. In the ‘Béke Street’ neighbourhood, the ‘traditional’ Roma street in the town, most families live in moderate poverty with cultivated gardens and domestic animals. In the local narratives, they are ‘our Gypsies’ who have been living with us for decades. Due to its orderly exterior and in spite of its physical distance, this part of the town does not appear segregated in local narratives. As a result of the efforts and willingness of the local municipality, the status of this area has been greatly advanced by infrastructural developments in recent years.

The area beyond this neighbourhood, located at the end of the town, is Fügöd, a stigmatised and criminalised space whose residents appear as enemies in local narratives. Previously a small neighbouring village, Fügöd was annexed by the town in the 1980s. Today, there are only a few elderly non-Roma people residing on Main Street in the middle of the neighbourhood, where houses are relatively orderly. On the rest of the neighbourhood’s three streets, more than 350 Roma live in dilapidated shanty houses. There are no fences or yards; most households use illegally connected electricity and have no bathrooms, plumbing or modern heating. Families usually get water from public wells, which are closed from time to time. This neighbourhood is not only distant from the city centre.
but is also set apart from the town by sharp mental boundaries. From the perspective of local stakeholders who work for the municipality and its institutions, this area is a neighbourhood of exile that hosts the town’s outcasts (Wacquant, 2008). In order to keep social and ethnic problems at a distance from mainstream families in the town centre, stakeholders have tried to keep Roma families living in this segregated neighbourhood invisible. The occasional appearance of Roma families from Fügöd in the town centre always brings up fear in the inhabitants of Encs related to their proximity to the stigmatised place. ‘In the shop, everybody recognises who is from Fügöd and who is from another part of the town. They feel it as danger’ (interview with local stakeholder).

Map 1 Segregated units in Encs


4 The changing role and power position of the local elite

4.1 The birth of the new local elite in emerging bottom-up civil associations

The town of Encs, its micro-region and the wider region called Cserehát has been a laboratory of developmental initiatives since the early 1990s that aimed to promote social integration by mitigating socioeconomic and spatial disparities (G. Fekete, 2001; 2014). In the early 1990s, the central state, facing an unprecedented social crisis, was in need of partners for its development policy. Cross-municipal associations served as potential new partners for the central state to resolve social tensions and developmental bottlenecks caused by economic transformation, hence the former encouraged local institutional ex-

Experiments with financial and institutional incentives. It was in this period that members of the local middle class in Encs, comprised mostly of former teachers, began to organize their first associations to revive former cross-municipal cooperation in public service provision.

Initiatives ranged from special sectoral associations for coordinating education administration and services (Public Education Service District, PESD, Közoktatási Ellátási Körzet) to encompassing cross-settlement developmental alliances (the Cserehát Alliance and Abaúj Alliance for Regional Development), which integrated different kinds of actors across the vertical and horizontal spectrum (government agencies, local governments, firms, civil society, sectoral-professional organisations and academia) (Keller, 2010). This period was characterised by informal decision-making mechanisms and strong bottom-up development activism at the local level. The activities and projects implemented by these associations paved the way for the emergence of a new elite, i.e., the project class, which comprised socially skilled actors with the capability to organise local social order through mobilising various resources. Our discussion focuses on one particular group of this local elite that organised itself within the field of education and thereafter in social service provision for early childhood.

In the early 1990s, the legacy of municipal cooperation in maintaining public schools with small villages in this region was still tangible. Originally set up in the late 1980s at the county level and swept away with the decentralisation reforms connected to the system change, these associations eased the burden of service provision for small municipalities. Following the termination of the centralised system of education provision and supervision, teachers in primary schools were left behind without adequate professional services, small schools were isolated and special services closed down, while small municipalities without former experience had to deal with the management of schools in parallel with the social crisis that came with economic transformation. Prompted by these circumstances, municipality leaders, former teachers and educational professionals decided to continue to operate the previous public education management association and established the PESD in 12 districts at the county level in 1997.

The PESD in the Encs micro-region had three employees who organised the provision of professional services for teachers and special services for pupils with special needs based on funding opportunities. They coordinated the professional training of teachers and organised meetings, creating not only a professional forum but also providing day-to-day contact and consulting. One of the most important tasks of PESD officers was coordinating the management of education. The PESD formed the common institutional background for all stakeholders involved in education locally: municipality leaders, notaries, teachers, heads of schools and nurseries. They regularly visited schools, kindergartens and municipalities within the district, trying to find solutions to their problems and mediating conflicts between them. Through these activities, PESD officers built a strong, trustful, and dialogue-based network in all localities within the district: they connected people from different localities for the same purposes and built ad hoc and long-term coalitions between stakeholders to achieve shared and negotiated goals. In this period, the central objective, shared by all stakeholders, was to mitigate the effects of selective migration and to provide proper education services for middle- and lower-class families who stayed behind but were seeking to provide mobility for their children through ‘proper’ education, i.e. in
schools with a small proportion of disadvantaged Roma pupils. Although almost all stakeholders perceived that ‘white flight’ from schools was moving in the direction of ethnic and social segregation within and between schools, in the absence of incentives connected with domestic education policy, they did not have the skills or motivation to address these matters.

4.2 Surviving streamlining

Since the turn of the millennium, the institutional framework for local development and education policy has changed as a result of the Europeanisation process. In development policy, the diversity of local organisations was streamlined, and by the time of EU accession, spatially fixed and uniform local developmental coalitions had been put in place. In parallel, the principles of a new European education policy framework were laid down in the Lisbon Treaty, which brought about changes in the public education systems of the associated countries, such as Hungary (Varga, 2018). Integration (co-education) policy became desirable, complemented by the concept of inclusion and the complex pedagogical tools needed for implementation. In line with the EU initiative, the Hungarian government has been committed to an inclusive education policy through various measures from 2002 onwards.

In developmental policy, domestic regulations and financial instruments began to restrict local actors’ room for manoeuvre to organise their voluntary associations. Membership came to be defined by the central state, which ordered the establishment of mandatory multi-purpose micro-regional partnerships (MPMP, többcélú kistérségi társulás) based on statistical, administrative micro-regional units to organise social provisions in education, social services, regional development and healthcare (Keller, 2010; 2011). Usually, the mayor of the micro-regional centre became the formal leader of the MPMP – in our case, the mayor of Encs – and its operative staff were recruited from the staff of the former PESD. Due to a decade-long involvement in cross-municipal associations, the operative staff of MPMP were deeply embedded in professional and personal networks in the micro-region. This enabled them to continue relying on more or less informal and bottom-up decision-making procedures in planning and implementing development projects. On the other hand, maintaining a good relationship with the operative staff of the MPMP was in the interest of mayors and stakeholders in the villages to guarantee the representation and involvement of their settlements’ interests in development programs and obtain information about new tenders and other opportunities.

The significance of PESD is demonstrated by the fact that even following the reduction of state funds and subsequent changes in municipal funding in 2003–2004, local authorities in the micro-region insisted on continuing their cooperation in education service provision within the new organisational form of the MPMP. Hence, the operational costs of education management were voluntarily covered by local governments from their own budgets.

Although in the frame of MPMP the former was able to maintain the education services, the institutional environment prescribed on the national level was too rigid and inflexible to allow new initiatives to be implemented. At the same time, the project class involved in the field of education was hardly connected to EU development projects for a
different reason. On the one hand, in EU-funded developmental programs aiming to tackle the social integration of Roma and disadvantageous families, it was mandatory to incorporate a Roma or pro-Roma NGO into consortia. In most cases, due to the weakness of the civil sector and the lack of local NGOs, it was the local Roma Minority Self-Government (RMSG) (the official and elected representative of the local Roma community) that became the official partner to the local government in these projects. Generally, cooperation between local governments and RMSGs is based on informal, personal relationships and involves unequal power relations (Szalai, 2016). However, in Encs, the local elite had no former experience or relationship to the RMSG, which was not previously part of any development coalition. Therefore, it was difficult to build trusting relations through the mandatory cooperation, which was often tainted by misunderstandings and tension.

On the other hand, triggered by EU conditionality, the shift in education and development policy towards integration came at a time in Encs when the decade-long selective migration process reached its peak, leaving schools and individual teachers to face and manage pedagogical problems and tensions related to the mandatory integration of Roma and non-Roma children without supporting services.

The primary schools in Encs have always attracted pupils from the entire micro-region. However, fundamental differences existed between the two elementary schools in Encs. One was situated in the newly built modern part of the town and had always counted as an elite school in the micro-region and the town itself, while the other was closer to the village-style part of the town with a large Roma community. In the centrally located primary school, the leadership always laid great emphasis on the education of talented and gifted children. Thanks to its good reputation, better-off children from the countryside also enrolled there en masse from the early nineties. By the millennium, 40 per cent of the children who studied there were students who commuted from other settlements (Virág, 2006; 2012). The number and proportion of students from the countryside was far smaller in the other elementary schools, which accepted children who could not be accommodated at any other school. Due to its location, the proportion of disadvantaged students was larger in this school, which also had a branch in the segregated neighbourhood of Fügöd, attended only by Roma students living in the neighbourhood. This branch school with primary classes from grades 1 to 4 had been operating in the neighbourhood of Fügöd since the 1980s and, due to selective outmigration processes from the village from the late 1990s onwards, had been attended by Roma children exclusively. The second primary school and its branch in Fügöd had been in need of structural renovation for decades, but local authorities who acted as maintainers at that time did not have enough resources for this. The school building in Fügöd is crowded and rundown; the doorman usually locks the gates of the institution during the daytime to prevent children from running away from school. After completing the fourth grade, pupils from the branch school in Fügöd continued their studies in the main building of the town school. Differences in the behaviour, competence and knowledge of pupils from Fügöd and other parts of the town, even the other Roma settlements, were so large – causing constant tension between pupils and teachers – that the town school was unable to cope. As a result, school leadership and municipal stakeholders, including education professionals from the former PESD, also decided to start classes for students from years five to eight in the Fügöd school. Although this move practically created a segregated primary school from grades one to eight, this was framed by
local leadership, as the local teachers stated, ‘to help the children’ of Fügöd ‘catch up with other children’. Since then, there has been a strong social expectation that the town should keep the ghetto school of Fügöd operational, thus keeping ‘problematic children’ away from the town and from ‘regular’ children. ‘There would be an explosion if those children from Fügöd appeared in the town school’ (interview with school principal). On the other hand, this decision resonated, as ‘Fügöd has always been a stepchild’ (interview with social workers in Fügöd).

This decision came at a time when the central state supported the integrated education of disadvantaged and Roma pupils in several ways: methodological support, mentoring programs, extra fees and special training for teachers, and the development of the infrastructure. That is to say, the new development plan in 2006 provided funding for the renovation and refurbishment of public institutions, especially elementary schools and kindergartens in disadvantaged areas, on the condition that pupils with different social and ethnic backgrounds are co-educated and integrated into these institutions (Varga, 2018). In Encs, this meant that in the case of applying for these funds, the city would have had to close the school in Fügöd and distribute the disadvantaged pupils among the other schools in the town. The decision would have increased the proportion of Roma and disadvantaged pupils in the elite school, which would have discouraged middle-class families and caused further tension within the town. Concerned about the consequences of this, local decision-makers tried to cover up the segregation between primary schools; hence, they merged the local primary schools into a single mammoth school. Although the unequal distribution of disadvantaged children between institutions and maintenance of a segregated school in Fügöd ruled out the town’s application for the tender for school renovation, keeping the ghetto school of Fügöd and expanding it into an eight-year school seemed more advantageous to them than renovating existing school buildings.

4.3 Surviving centralisation

The growing shadow of hierarchy that had started in the early 2000s gained impetus after the landslide victory of the incumbent right-wing government in 2010. Post-2010 processes involved seemingly inconsistent transformations: on the one hand, intensive centralisation pulled away administrative and executive functions from local governments in nearly all policy areas, while selective welfare retrenchment abandoned the principles of social integration in policy-making and introduced punitive measures in social and education policies (Greskovits, 2015; Szikra, 2014; Velkey, 2013) and eroded welfare provisions for low-income families (Keller & Virág, 2022). Increased state involvement in policy administration entailed the drying up of local budgets and local governments losing their mandates to maintain local institutions (Keller & Virág, 2022). Local governments were inserted into a hierarchically controlled system in which they acted as the central state’s extended arm to control local social order through centrally allocated state resources (especially in public works programmes) that they depended on (cf. Jelinek, 2020). Since the new public administration structure terminated the funding of MPMPs, reintroducing centrally administered districts, MPMPs were dissolved in most micro-regions. In the district of Encs, however, local stakeholders find ways to perpetuate their organisational flora
by maintaining the institutional form of the MPMP, recharging its focus on the provision of social care services through EU-funded development programmes. It was the operative staff of the MPMP – former members of the PESD – who set out to plan and implement these programmes based on their experiences and competencies with the management of various projects.

Give Kids a Chance was one of these social development programs, with a focus on social integration through the reduction of child poverty and the provision of services for early childhood capability expansion, such as Sure Start houses, integrated public education services, such as after-school tutorials, second-chance programmes and complex forms of family support (Keller & Virág, 2019). The programme aimed to resolve bottlenecks in child welfare provisions and ‘modernise’ these services to improve accessibility through professional cooperation and the empowerment and integration of the most marginalised groups. However, under the institutional pressure of punitive welfare reforms and centralising public administration measures, the content of Give Kids a Chance went through significant changes, reducing room for manoeuvre for local action and affecting social integration processes. In contrast to its original methodology that targeted social integration by intermingling middle-class and disadvantaged families, the priority component of desegregation disappeared after 2011, and the increasing number of mandatory programme components, defined by the central state, focused exclusively on the most disadvantaged. In other words, the institutional conditions of the policy realm increasingly encouraged the reproduction of segregation by targeting the improvement of services operating within segregated neighbourhoods.

Methods, established practices and pre-existing platforms of collaboration were easily remobilised to meet the new goals of Give Kids a Chance, which guaranteed the embeddedness of the operative staff necessary for the legitimate coordination of the project. Accumulated social capital and synergies associated with pre-existing collaborations enabled these local stakeholders to build a project ecology amidst a volatile institutional environment and project cycles that was more resilient to problems of liquidity and long-term planning than in other localities. On the other hand, hierarchical governance modes of the post-2010 period forced local welfare interventions to align with the political objectives of the national government (Jelinek et al., 2019) and weakened local stakeholders’ capacities for autonomous decisions and action. Their activities were guided by the goal of striking a balance between local needs, mandatory programme components defined by the central state, and the recommendations of mentors assigned to supervise by the central state.

This growing external control of local processes on the one hand, and the absence of institutional incentives for social integration and desegregation (cf. the depoliticisation of poverty in Szombati, 2021) on the other, removed the burden from local stakeholders to promote the integration of the most marginalised Roma and gave them the leverage – within the limits of the national government’s political objectives – to organise local social order based on local socio-ethnic perceptions and the punitive populist political agenda of domestic politics. Without the commitment of both the central and local state, EU-funded social integration programmes hollow out and are easily hijacked to deliver incumbents’ political and social objectives. This can be seen in the ‘caring abandonment’ of marginalised Roma that reflects a relationship between these Roma groups and the
local elite wherein the Roma and their segregated neighbourhoods are the means for the local elite and external developmental actors to generate resources within an institutional framework that withdraws functions and funds from the local level. In Encs, the most marginalised Roma, who were primarily targeted by Give Kids a Chance, were also only passive ‘beneficiaries’ of the programme.

The story of the demise of the Sure Start House in Fügöd is illustrative of the collective marginalisation of the most deprived and marginalised Roma in this institutional period. The house in Fügöd first opened as a community house and was transformed into a Sure Start House towards the end of the first project cycle. The purpose of this transformation was to gain access to state funding, thus enabling the sustainability of services when project resources run out. Per capita state funding, however, involved considerably less financial resources than project funding did, and local governments and the operative staff of the local Give Kids a Chance soon faced problems familiar to them from the pre-project period: the great fluctuation of staff in the house, and difficulties finding competent staff due to the low wages that state funding provided without the local government’s capacity to compensate them with supplementary resources. Local tensions also arose again as a result of the loss of trust and lack of transparency: local Roma families in Fügöd did not understand the transformation of the community house – which anybody could visit – into a Sure Start House that was specifically designed for mothers and children between zero and three years old. Hence, the House, which had been successful in ‘bringing into the house’ large numbers of Roma families to participate in programmes during the project, became less frequent. When the head of the House left, it took the local government a long time to find competent staff again, which further deteriorated local social relations. Subsequently, two social workers took jobs in the Sure Start House and undertook the representation of the interests of the Roma in Fügöd vis-à-vis local stakeholders and decision-makers. The staff began to build networks within the community and managed to mobilise families again to attend programmes. They also tried to build professional networks with local (i.e. Fügöd-based) segregated institutions – kindergarten and school – as well as child welfare services, home visiting nurses and special education professionals in the centre of the town to invite them to continue cooperating and providing services to the Roma in Fügöd in the Sure Start House. Local stakeholders, however, did not react to this call and did not – in some interpretations, could not – provide the two social workers with resources to contribute to the House services. Perceptions of the ‘non-deserving Roma’ living in Fügöd had become aggravated by the end of 2017 when a local conflict broke out, generated by the Red Cross food donation programme based on the premises of the House, and the two social workers were threatened by some local ‘rascals’. At this point, it was easy for the local government to find excuses to shut down the

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2 The Sure Start programme was adapted from the British model in Hungary and financed by the European Social Fund to provide services that support early childhood development by linking it to child well-being, family welfare and the development of parental competencies. In order to avoid stigmatisation and improve accessibility, all families living in deprived neighbourhoods have access to Sure Start Houses, irrespective of their socioeconomic background. Since 2009, Hungarian Sure Start houses could also be established within the Give Kids a Chance programme, first as an optional and later as a mandatory programme element. In 2012, Sure Start houses were incorporated into the domestic institutional system of child welfare services financed by the central state.
Sure Start House as it ‘could not guarantee the security of the two employees’ (interview with the mayor). The collective marginalisation of the ‘unworthy’ and the most vulnerable Roma is well illustrated by the way this segregated community was abandoned by both the local and central state: both local stakeholders and external actors of the central state ceased developmental activity in this neighbourhood in subsequent years. The two public services maintained in the neighbourhood until 2020 – the segregated primary school and kindergarten – served local decision-makers’ continued interests in keeping the Roma of Fügöd away from public services in the town. Although services focusing on children were eventually picked up by InDaHouse, a non-state volunteer organisation, in 2020 within the premises of the Sure Start House, the squalid school building that burnt down in 2021 still has not been renovated by its maintainer, the Szerencs District Education Authority.

5 Discussion and conclusions

Relying on the analytical framework of strategic action field theory (Fligstein & McAdam, 2012), we analysed the ways the local agency of skilled social actors use and recombine means, such as policy tools or project resources, to maintain local social order based on their perceptions of a ‘liveable small town’. Maintaining social order means keeping existing social and class positions and striving to uphold the status quo, which is always selective and covers only specific segments of local societies. Local social integration depends on the existence of a stable and embedded local agency that has the authority to maintain social order based on more or less shared agreement within the local society that it covers everybody who deserves it. In our analysis, we focused on a particular group of skilled social actors who have been active in the field of social integration and development since the 1990s. Thus, we studied the interplay between the institutional environment that provides room for manoeuvre for the local agency of these actors and local institutional arrangements.

The argument we put forward was that for socially skilled strategic actors within the field of local social development, institutional stability is not a necessary condition of maintaining local agency. Local leadership in the small-sized town of Encs, having emerged as the local project class over three different institutional periods, has been successful in recombining resources for the benefit of certain segments of local society. In the absence of competing visions for an integrated local social order and relying on their power (re)produced by the accumulation of social capital through subsequent development projects, this group of local social entrepreneurs framed social order and reorganised urban space based on social – rather than ethnic – differentiation. On the one hand, through producing and reproducing segregated places within the town, they maintained social and symbolic borders between the lower-middle class and marginalised groups. On the other hand, through development programmes targeting social integration, the local government used the discretionary power left for them to privilege those seen as deserving of support by providing access to social services generated by the projects. We studied the actions of the local project class embedded in three periods that provided contrasting institutional visions and conditions for social integration. Overall, in none of the periods
were incentives and institutional support for social integration successfully provided, which, together with the absence of alternative voices and visions for integration, eventually led to the collective abandonment of the most vulnerable parts of local society.

In the first institutional period, decentralisation reforms and an institutional environment favouring bottom-up organisations enabled local social entrepreneurs to continue with previous collaborations and practices they had developed before the system change to address problems in local public education. However, these institutional solutions only addressed problems related to the selective migration of the middle class by aiming to offer better quality education services. Although stakeholders perceived the growing social and ethnic differentiation within and between schools, in the absence of incentives in the institutional environment, they did not have the know-how or skills to address this matter.

The shift in education and development policy towards integration came at a time in Encs when the decade-long selective migration process reached its peak, and the one-size-fits-all nationally defined integration policy could not address the enormous amount of local socio-ethnic problems. These problems were related to social differences between children that led to continuous tension in schools. In order to avoid further tension and maintain local social order within the town, decision-makers established parallel segregated institutions for the Roma who lived in the part of the town conceived as ‘dangerous’. Although local decision-makers who had transformed their social capital network and power accumulated in PESD into the organisational form of the MPMP had a mandatory cooperation agreement with representatives of the local Roma association, this organisation also failed to represent the interests of the most vulnerable Roma community in Fügöd. This indicates the strength of perceptions of social distinction rather than ethnic differentiation.

In the post-2010 institutional period, radical centralisation and the bureaucratic control of policy processes put the local level at the bottom of the scalar hierarchy. The local level lost its authority to define developmental objectives and organise service provisions at its discretion based on local needs. The recalibration of domestic policies also meant a move away from a limited welfare state that encouraged social integration towards a punitive populism that calls for ‘the sanctioning of scroungers by reference to “a conception of fairness that is instilled in the notion of reciprocity”, where responsibilities and obligations counter-balance rights’ (Paz-Fuchs, 2008 cited by Szombati, 2021, p. 1708). The punitive and socially selective welfare regime of this period thus guaranteed protection for ‘deserving’ citizens and created a clientelistic hierarchy of dependencies of local stakeholders on centrally allocated funds in public work programmes and of unemployed, vulnerable social groups on mayors and local stakeholders. These domestic institutional constellations trickled down into locally implemented EU-funded programmes, like Give Kids a Chance, whose original goals and means were hijacked through mandatory components and the promotion of segregated services to deliver the political objectives of the national government. In this governance framework, institutional pressures on the local elite to organise social order based on principles of social integration were removed, and once project indicators did not have to be fulfilled, local stakeholders exercised their remaining discretionary rights to organise local social order based on their perceptions of a ‘liveable small town’ for ‘deserving’ citizens.
The lesson that the case of Encs provides us with is that the lack of domestic institutional incentives for social integration combined with local anti-poor sentiment and a social order based on the status quo build synergies for the hollowing out of EU-funded social integration projects. The concept of a ‘liveable town’ deriving from the local elite’s perceptions of spatial injustice – the absence of opportunities, the scarcity of various forms of capital, hence its own marginal and peripheral position – is highly selective and reflects degrees of vulnerability within the local community. The ‘caring abandonment’ of the even more marginalised Roma shows that without the commitment of both the central and local state, social integration projects serve as the means for the local elite to generate resources to preserve its relatively privileged position within a system that reproduces injustices of various degrees.

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