



Observatory PASCAL

Place Management, Social Capital and Learning Regions

PURE Regional Visit Report (RVR2)

SOUTH TRANSDANUBIA, HUNGARY

10th – 12th February, 2010

Regional Review Report (RVR 2) on the 2nd visit of the Consultative Development Group to South Transdanubia, 10-12 February 2010.

The same CDG that came to this Region in April 2009, comprising Chris Duke, Bob Gleeson, Mireille Pouget and Erik Wallin, arrived in Pécs on Tuesday 9 February for two days of discussion about the Region's development plans and the engagement of the University of Pécs in regional development. They visited relevant sites and projects in the City and nearby rural areas. On 12 February they moved to Kaposvár for similar discussions with that University and City, returning to Budapest in the evening (the Annex to this report lists those whom they met.)

Following the Summary of Findings, this Report is presented in these six sections:

- A. Change and Progress since the first CDG PURE visit in April 2009.
- B. The South Transdanubian Region - the Magyar language and 'the region'.
- C. The City of Pécs.
- D. The University of Pécs.
- E. Kaposvár – University and City, Contribution to Rural Areas.
- F. Summary of Outcomes of RVR 2 – Proposals and Suggestions for the Future.

Summary of Findings

Overall Economic and Social Conditions

1. The South Transdanubian Region, like the rest of Hungary, is suffering from economic deterioration; unemployment in the Region is now running at over 18 percent of the workforce.
2. Although the economic situation is less dire than in Greece, Hungarian public finances are not stable enough to ensure predictable funding levels for higher education institutions. This is exacerbated in 2010 since it is an election year.
3. The Region faces important physical barriers to economic and social integration into the broader European framework. The new highway to Budapest (set to open this Spring) will improve physical connections greatly, and will help improve the region's competitiveness for business location. But the lack of commercial air connections remains a problem, especially for attracting multi-national firms and also tourists.
4. The Region faces important social barriers for integration. One example is the difficulty of expanding the use of languages other than Magyar. Another is the difficulty of integrating the Region's large minority of Roma citizens.
5. The Region is being transformed gradually by its political and economic integration into the European Union. But the process has many contradictions that focus public attention on the negative aspects while understating the benefits. For example, it is ironic that most civic discourse focuses on the negative consequences of the EU, even though most civic initiatives and almost all public improvements in the Region today are financed directly by funds from the EU.
6. On balance, despite the natural frustrations that come with today's very difficult economic context, the CDG find a deeply held optimism about the Region's future. This optimism is shared

widely among the growing network of younger civic leaders, many of whom are building strong working relationships with on another.

Overall Patterns in University–Regional Engagement

1. We learned much more about the full range of regional engagements that exist at the two principal institutions of higher education in the Region: the University of Pécs and Kaposvár University. Each University has achieved an impressive set of first-rate examples of engagement. The process for achieving these results has been very different in each place, highlighting the importance of flexibility in university-regional engagement initiatives more generally.
2. In the case of Pécs, the term *strategic ambiguity* characterises the overall character of university-regional engagement. Although parts of the University of Pécs are very old, the unified institution is very new. As a result its different components have diverse experiences, and different points of view about engagement. Instead of sparking controversy by insisting on one unified policy for the entire University, its leadership has for several years encouraged a decentralised approach. The result has been a portfolio of successful examples discussed in this report. The strength of these successes has recently created a new practice of regular meetings between the University and governmental leaders, and the first generally worded agreement between them to cooperate on several key issues. This model of gradualism may hold promise for other regions.
3. In the case of Kaposvár, the model is different. Kaposvár University is also a relatively new institution comprised components that have existed for many years and new developments. Unlike Pécs, each component has had a tradition of direct engagement with the city. One city official could not imagine not having strong, direct ties to the University. Consequently university-regional engagement in Kaposvár is much more explicit and direct.
4. In both cases, we observed the emergence of a decentralised network of ‘civic entrepreneurs’ including younger leaders from local governments, local higher education, and local non-governmental organisations as well as more experienced individuals who serve in mentoring roles. Individuals in this network share optimism about the Region’s future, despite their common experience of difficulties today. This network however appears to be poorly connected into the private sector.
5. The variety of engagement models and practices is evidence of widespread acceptance that higher education will play a vital role in the Region’s future development. Local and regional leaders are developing creative initiatives that leverage the assets of HEIs to benefit the Region. The principal constraint is a lack of autonomy over their own affairs. These are often limited by the need to obtain approvals from national funding agencies in Budapest and/or European funders in Brussels.

A. Change and Progress since the first CDG PURE visit in April 2009

Hungary has suffered further economic deterioration, with unemployment in the Region now running at over 18%. Hungary does not have the problems of Greece and some other European nations, but the financial situation prevents stable funding of higher education. 2010 being an election year adds to immediate uncertainty. European funding continues to be significant and new results can be seen; it often determines what development plans can be actively pursued. Other investment capital is very scarce.¹

¹ The Head of Department of European Funding in the Hungarian Ministry of Education and Culture was scheduled to meet the team, but on that day, 10 February, was assigned additional responsibilities by the Minister that prevented the meeting from taking place.

Observatory PASCAL

Place Management, Social Capital and Learning Regions

However, on this second visit the CDG gained a far stronger sense of purpose and progress than was evident a year ago. For Pécs and to some extent the whole region, the European Capital of Culture Year (ECCY) has just started. It will prove significant. Not all aspirations for ECCY as a 'development launch-pad' will be satisfied; but the work is running well and prospects for sustainable impact help a mood of guarded optimism. The CDG learned that the practical meanings of university 'third mission' are now better understood, and spelt out in many planning documents. In the judgement of the Region's Project Leader, PURE has opened up *more holistic thinking at the Universities of Kaposvár and Pécs leading to the recognition that regular meetings with external stakeholders are essential*. It is significant that both Universities have established offices designed to assist the transfer of knowledge and the development of partnerships. The CDG saw solid evidence of activity resulting from all this, although more engagement is needed with parts of the private sector.

While the CDG were in Pécs, a formal decision was reached within the City Council to create a university-led Pécs Lifelong Learning Forum (PLLFF), due to start in March 2010. This may prove a good vehicle for carrying out many of the PURE Project purposes, using a new 2010 PURE action plan that supersedes the original 2009 one. In front of the quiet strengthening of a purposeful multi-sector network for social, economic and cultural development, formal actions are calculated to create an environment more supportive of 'engagement' and 'Third Mission'. They include a signed agreement between the City and the University of Pécs. Some SME spin-off aspirations are beginning to yield fruit especially in the biotechnology sector; the re-energised and renewed social and built infrastructures of Pécs promise more. In addition there appears to be a clearer understanding of the potential of the whole South Transdanubia Region, including all three counties and both universities with their cities, to achieve things together that they cannot do acting alone. The wider Region has bodies charged with regional development, with regional innovation, and with employment matters.

The CDG is impressed by a widely shared awareness of the need for *balanced development*. 'Human capital' is strongly valued alongside the financial; the leadership of the City of Kaposvár seems particularly enlightened in this respect. The importance of culture to a sense of identity and social cohesion is recognised alongside its economic potential as enabling the Region to develop confidently and harmoniously despite economic setbacks. The apparent almost myopic neglect of the Roma people, a large and highly deprived minority in this Region, however remains a cause for concern; more generally rural and more remote regions do not receive the attention from the EU, as reflected in EU funding, that is necessary. *Changes to several aspects of both EU and Hungarian State policy-in-action are needed before the Region can innovate and develop to its full potential.*

In terms of the tools and steps visualised for the PURE Project, the original Action Plan has served a start-up purpose and will now be superseded. The Benchmarking tools have not been put to use, and Cluster participation is yet to be effectively exploited. These arrangements are being modified for the whole PURE Project, and are likely to prove more serviceable to the Region as a result. They can be considered and put to work in coming months if appropriate. Meanwhile there is strong consensus that good things *are* happening, and that it is time for the Region to get some of these documented and shared through Pascal as *Examples of Good Practice* on the PURE Website (see Section VI).

B. The South Transdanubian Region

The Magyar language and 'the Region'

Whole-Region Thinking

South Transdanubia is one of the seven regions in Hungary. It was heartening for the CDG to find in the different places visited a stronger tendency to recognise the importance of *South Transdanubia as a Region* within public sector administration and in the universities. The Region comprises the three Counties of Baranya (embracing Pécs), Somogy, with Kaposvár as the seat of county administration and the equivalent of Pécs, and Tolna. These are the taxing and administrative entities, along with the Cities of Kaposvár and Pécs that enjoy county authority-level status. The universities located in these two cities have close relationships with the respective city authorities as well as with 'communities' in a wider sense, but also formally and informally with their respective immediate counties. One important institution is the region-wide RDA.

The CDG was told that for some purposes future success depended on all parties thinking and working together. The Region has a shared problem of relative remoteness: from the capital Budapest and from the more established centres and engines of advanced European development. Various special-interest projects however connect the whole Region with similar interests in other countries and locations. This internationalising influence can benefit the Region more generally.

The most obvious but not the only example has to do with distinctive niche tourism and eco-friendly development which could be developed by combining the Region's special and attractive facilities and traditions. The City of Pécs, with its long, visible and widely significant history is an obvious focus, especially in this European Capital of Culture Year. Much smaller Kaposvár was however a credible competitor for this privileged status. Now an incidental beneficiary of Pécs' success, it also has much to offer, in itself and through its highly connected rural-oriented and entrepreneurial new university. Its surrounding countryside lends itself naturally to rural, outdoor, ecotourism. The different cultural traditions of the whole Region hold significant potential for sustainable eco-friendly economic development that would strengthen healthy local-regional identity and pride.

Sense of Identity

Underpinning this, the CDG discerned a slowly forming stronger sense of identity, future direction and self-confidence. This is despite the legacy of the Soviet years of isolation other than within the Central-East European region, followed by disillusion after early euphoria about where more open European post-1990 neo-liberalism, and political leadership, have led. Gains, including the new project-specific resources flowing from the EU, are easily forgotten. So are the difficulties of earlier decades. Inward-looking nationalist extremism is a worry. Civil society is strengthening through the NGO sector; but an ethnocentrically isolationist mood invites extremist exploitation. Strengthening civil society and attending to matters of equity and inclusion region-wide are important for stable balanced development.

One of the instruments for tackling at least some of these problematic issues is the EU-LEADER programme, newly started its third cycle called LEADER Plus for the period 2007-2013. A more strategic and systematic use of this programme could help in mobilising people in remote areas to engage in co-creation of a shared and common development plan for a micro-village cluster or a rural area with support from EU and national public funding. The CDG experienced some

earlier such LEADER projects and was impressed by what can be achieved by the LEADER model for rural development.

Language

One tension that is being managed only with difficulty, and without the full attention and resources required, concerns the fact of a very 'different' national language. Magyar is important to national identity; but it is so different from the neighbouring Slavic languages and the other languages of Western Europe that it is hard to engage internationally and to be a full, rich, deeply owned partner in the 'European project'. Valiant efforts are being made to address this, notably through publicity literature in other main languages. Until this makes more ground, a peripheral region in a nation of only ten million will have difficulty connecting and promoting itself internationally as much as is desired.

What is 'the region'?

More broadly, in terms of regional studies and administration, the question '*what is a Region?*' looms large in the whole PURE Project and beyond. South Transdanubia can offer value to the Project in terms of its evolving account of how *regionalism* is being defined and handled.

Evidently there is no one answer: definitions of 'region' (and of fitness for purpose and for HE engagement partnership) vary from one arena to another. For some purposes the City (of Pécs or of Kaposvár) is the key 'engaged partner'. For others it is the immediate County – Baranya for Pécs, Somogy for Kaposvár. For others again it is (at least) the larger official three-county Region. In addition the CDG encountered the sub-county level arrangement called 'micro-regions' which include cluster groups of villages (often called micro-villages) together and may work well as a vehicle to widen development. Such arrangements are very much supported by the LEADER programme to make it possible set up specific development goals for a dedicated area, as defined by a Local Action Group (LAG) according to the rules for grassroots-driven Leader projects.

Cross-border Development

Sometimes the partnership will involve key partners and resources from beyond a place-based region. Sub-regions may link across the large-Region boundary. An example is the EU UNIREG Impulse IPA Project to do with the pre-accession status of Croatia. This cross-border development project from November 2009 to February 2011 involves the two Counties of Somogy and Baranya on the southern border, and three Counties across the Drava River in Croatia. It is concerned to build a cross-border knowledge basis and network via shared R&D, an 'experience economy', and environmental protection.

Here we see two more meanings of the local, sub-national, region: *the 'micro-region'* comprising clusters of villages within each county and important for planning and rolling out local development; and *the cross-border concept* of an EU keen to promote 'the region' as resonating with its 'European project' agenda. This means nurturing natural geographical, cultural, and economic synergies older than the nation states and their borders.

C. The City of Pécs

Pécs, more than four times the size of the other university city, Kaposvár, houses one of Hungary's two largest universities as its major employer providing a highly salient 'knowledge capital' presence. Until very recently, the CDG was told, City-University relations were bad; they

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Place Management, Social Capital and Learning Regions

began improving after the creation of the merged University, and with what appears to be wise, low-key and enabling leadership. Today relations are described as close and cordial, formally and especially at individual levels.

Modes of Engagement

Many modes of engagement exist and others are forming. In the active and innovative Biotech area focused in the Biotechnology Innovation Base (BIB) and one of three main development priorities or clusters for the Region – medical/health, cultural, environmental - there appear to be many public-private, spin-off, multiple share-holder and other models whereby individual professors have a continuing main, looser or part-time relationship with the University while pursuing private sector business interests that exploit their scientific and technical expertise. This opens up opportunities for benefit and gain to flow in both directions, supported by an apparently relaxed and tolerant attitude to the range of possible financial and legal models at play.

The CDG was impressed, therefore, by the number of forms and examples of engagement encountered around the City and beyond. A specific non-city example was found in villages with well-established rural development work now supported and extended through the EU LEADER programme. Here community activists like the Mayor of Karasz animate and manage a variety of tradition-restoring and income-generating activities. They serve as visiting faculty to Pécs, and enable student work experience and research project placement in the villages mainly by home-stay. They draw on university expertise, mainly from Pécs but also from Kaposvár (forestry management) and at least two other universities with relevant specialisms, particularly in truffles and fungi. The village fruit-juicing facility even includes Kaposvár University apples along with those from surrounding subsistence and small growers. The fruit is brought in for processing in a cooperative-style multi-supplier activity which spreads the benefit widely; part of the value-added finished product is marketed in places such as Budapest.

European Capital of Culture

The most salient feature of Pécs in 2010 is enactment of its success in bidding to become a European Capital of Culture. Planning anxiety rather haunted 2009; it is evident that big problems remain to be addressed in some parts of the City-University partnership. However, there is also a spirit of can-do: the stakes are too high to allow differences to get in the way of winning all that can be gained from ECCY, to the benefit of all parties. An ambitious and costly *Knowledge Centre* will be the most significant single legacy. It combines University and City libraries with a host of other facilities calculated to give Pécs leverage as a knowledge city for the 'knowledge society' era. Allied to the large-scale redevelopment of the old city and of the old ceramics factory as a cultural quarter, with an eye to a similar development in Turku in Finland, the Centre is seen as '*the living room of the City*'. Its auditorium, bookshop and café, children's facility and exhibition halls constitute what is also described as *an agora*.

Nearby is a fine concert hall, and also the oldest tourist attraction. This is the Unesco World Heritage-listed early Christian burial site for which the City has worked since 2000, so there has been a decade of culture-oriented development planning culminating in ECCY 2010. The educational-cultural orientation drew in the University as a de facto multi-faceted partner throughout the decade.

The listed heritage site yielded an iconic 4th century christogram now used as a City symbol. The site has been imaginatively developed with help from many university experts from archaeologists through economists to engineers and from at least five different Faculties each working 'bilaterally'. An important aspect of this 'third pole of strategic development' (alongside

medicine/biotech and environmental dimensions) is the role of the 3rd, civil society or NGO sector.

Pécs Sopianae-Heritage Ltd is a non-profit body charged with protecting the heritage site and developing it as a tourist venture. The work spills over and connects with many other cultural and tradition-celebrating ventures, not just in Pécs but throughout the Region. These include the Masque Festival of the Danube celebrating 17th century victory over the Turks at Mohacs. Cultural work anchored in the NGO sector illustrates an important aspect of post-1990 Hungary as well as of engagement: the rise, as an active partner, of a more vigorous civil society sector connected to traditional identity, the long heritage, and the multiculturalism of Pécs and surrounding rural areas. The link to modern democratic stability in a country weary of government is important -without good governance, the foundations of engagement are shaky.

Clustering and Development Difficulties

All this is developing as a 'heritage cluster' alongside but separate from the 'creative industries cluster'. The Centre for Cultural Innovation Competence, which seeks cooperative network development among SMEs in the cultural industry sector (and within it what is defined as the smaller creative industry concept) has keen ambitions, but recognises the small size of Pécs' 'creative class'. Sopianae-Heritage finds the cluster too complex and thin-spread to be effective for its purposes. On the other hand the Chamber of Commerce which supports it has given (not loaned) start-up funds for 100 companies in five years. Only three have failed. It may be a matter of patience and 'building towards take-off'. Music and film for example are said to look promising.

These developments could not happen without the University being engaged in multiple stakeholder partnerships. The CDG was told that the University (or more precisely personnel from all quarters of the University) is involved in 800 ECCY events (every years it is involved in a hundred events including exhibitions). Some things are beyond the financial reach of these partners. But the existing efforts should be sufficient to bring in private investors for more high-quality hotels and other tourist facilities once the economy begins to revive.

Barriers to Development – the missing airport

The 'missing airport' was a recurrent complaint during the visit; the short-runway airport opened for only a brief period and needs further costly investment to take larger planes. Linking Pécs to longer-runway Kaposvar airport with a high-speed rail link might be possible but is considered too costly. Here a benevolent spiral is needed to sustain an increase in regional prosperity, bringing in more tourists, more enterprises, and the venture capital required. On the other hand, in a different metaphor, more of the pieces are now in place. The new motorway link to Budapest opening in March 2010 may reduce the distance deficit, and be less eco-hostile in an alternative energy future. Still better might be a more eco-friendly high speed rail link to Budapest city and airport. Today the absence of an airport, and the time distance from a main hub (Budapest), holds back the development of the Region.

D. The University of Pécs

Working through one's History

The CDG was keenly interested in the different development approaches being adopted by the Universities of Kaposvár and Pécs to manage 'third mission' and engagement. Each is unique; some common principles are of wider interest.

The two universities differ hugely. The University of Pécs, one of the largest and strongest in the country, has in one sense a long history. It is also very new as a unitary (perhaps one should say nominally unitary) institution. Different Universities – of Medicine, Law etc – were brought together only in the last few years. Much remains to be done before 'Faculty silos' can be broken down to yield the full benefit of cross-disciplinary collaboration. This is essential for all-embracing effective engagement for development. Real-world problems are complex and multifaceted. They call for multi-disciplinary applied problem-solving. They require new human resource development, and updating the present workforce with new knowledge and skill combinations that the old 'faculties' – ie competences – do not recognise and serve.

To engage effectively with the external world the University must for example be able to develop its curriculum rapidly and effectively – something the present rigid national system down not allow – working across faculty boundaries to come up with new programmes and new research efforts that meet new needs. The CDG still heard common reference to the University of Medicine (Law etc...) *External engagement cannot run far ahead of effective internal open engagement.*

'Third mission' Progress by Diverse Means

Despite this, the University of Pécs already has an impressive, if almost hidden or 'underground', record of engaging with the needs of the City and the Region. One might call this 'organic' engagement: it seems to develop opportunistically according to local needs and initiatives, using personal and professional networks. The CDG found many examples - for instance in the Biotechnology arena of private and partnered SME innovation and development, in rural sustainable development out in the County, as well as in heritage work at the heart of the City and ECCY - where professors from many faculties across the University are heavily engaged.

There is no sign of an explicit, publicly stated, 'university third mission' nested in a mission statement or strategic plan. *Maybe this does not matter.* Practice runs ahead of formal statements. However, the University does now have a formal agreement with the City which took three years to reach. Monthly meetings take place between the University and the City Council. In addition the Rector, the Mayor and the Head of the County of Baranya meet weekly.² Asked whether the agreement was of any value, the CDG was told that it was usefully citable in making bids for R&D projects, and for taking various actions – a kind of legal framework within which individual Departments could go ahead without tediously seeking separate Senate approval.

A faculty economist now chairs the City's key planning committee; there are fortnightly meetings of Rector, Mayor and the head of Country administration. It may not matter that we were told, time and again, that a professor's involvement in a project was at an individual or departmental level, emphatically not representing 'the University'. Last year the University

² Amusingly, the CDG was told of a first round-table meeting of the City Council with faculty representatives drawn from across the University. The professors who arrived were surprised to find so many of their colleagues also involved, each on a one to one basis, with so many different facets of the City's life.

created a Technology Transfer Office to support partnership-building (Kaposvár has done so even more recently). Having worked informally with the Regional Development Agency (RDA) for a decade, the University is now preparing a formal agreement.

Possibly, at least at this stage of development, *quiet facilitation* is more suited to what the University needs, to get on with 'engaging', rather than high-level statements of mission and policy. Meanwhile the newly forming *Learning City Region Forum* led by the University's Faculty of Adult Education and HRD will provide another means of building and sustaining partnerships across the Region. It has great potential also to carry forward the purposes that brought the region into PURE. We turn now to look similarly at Kaposvár.

E. Kaposvár

University and City, Contribution to Rural Areas

The much newer University of Kaposvár³ is very much smaller. Of late, worried about population cohort decline, it has sought to widen its undergraduate intake base to secure a viable student intake (its total size is around 3,000). Despite this broadening of the base, mainly as yet for teaching, it is very much a university for animal husbandry, food science research and the related specialised human resource development and R&D needs of a rural and agrarian-based society.

Kaposvár describes its main goal as *to build a bridge between the economy and science, channel research towards the demands of the industry, and initiate and promote the utilization of new research findings at the University and the academic institutes.*

Deeply Anchored Engagement

The very strong *Health Centre* has an associated Clinic, an internationally high profile *Equestrian Academy*, and a 1,300 hectare entrepreneurial *deer-farming* facility. The Horse Academy supports a major venture in horse therapy for children with learning and behavioural difficulties – a non-profit mission – and receives local school students from the County for a very small fee as part of its connection with the local community. It also acts as a marketing tool to attract undergraduate students across the University, and tourists to the city and region. Each element offers diverse forms of learning and study, accredited and non-accredited, for diverse learners groups.

The Clinic serves both humans and animals. Its MRI scanners and other sophisticated equipment are renewed through its own annual budgetary management. It combines important and wide-reaching medical and vet services with cutting edge developmental research opportunities. In one way or another, the whole complex connects the Region as well as the University to different specialised international communities at high levels.

The applied R&D orientation means that many academic staff are themselves cross- or multi-disciplinary. They bring perspectives from the natural sciences into such fields as health studies, animal husbandry and also regional studies. Or they bring a social science training to bear on practical issues such as take-up of innovations. The CDG found a *'client-responsive' institution* less divided than many into faculty silos, and adept, within national regulatory constraints, at engaging and innovating. Many of these features are discernible at Pécs, but in a tougher, more complex, environment. Strong interdependency with the Region, especially with the City of Kaposvár, is very evident; *the CDG considers Kaposvár an ideal model to present on*

³ Ignoring the special recently merged history of Pécs that makes it also a 'new university'.

the PURE Website for international recognition. Smaller size, lesser complexity, and simpler history all play a part, along with the shared mission and purposefulness of the partners.

The City as Partner

The senior administrator for Kaposvár City has been a force for stability and effectiveness for 16 years (as Director for Asset-Management and Marketing). In describing recent work he showed what good governance means in practice (eg in easing the impact of the world fiscal crisis on struggling small businesses), thus demonstrating the importance of trust, transparency and sometimes courageous leadership, as a foundation for effective collaborative engagement.

This officer cannot conceive of there not being close and intimate partnership. The CDG learned of reciprocal gains from land ceded by the University to the City, enabling the City to expand its Industrial Park for inward investment, and to build a new waste management and sewage system. Conversely, the City makes available house-building plots at just one euro to assist young intellectuals to move to the University. These become not just valued knowledge workers but also active property-owning citizens of the City within a decade. So far, 24 new members of Florida's 'creative class' have been brought to Kaposvár in this way. The City also makes flats available at low cost to enable others to move in, investing in human resources for and with the University as well as in infrastructure.

The University is represented on the City Council. There is daily connection on different projects. The University is involved in planning across the board. A young faculty member is President of the City's Commission for Tourism and City Property Management. Most telling symbolically, Kaposvár's grand 1902 City Hall houses four flags: EU, County, City and University, a most unusual sign of interdependency. The Co-President of the University is also Mayor of the City.

Kaposvár exhibits a maturely non-competitive attitude to its larger neighbour – both City and University. The University is strong in areas little represented in Pécs, having identified new areas that avoid fruitless competition and wasteful duplication: film, animation and theatre (connecting to the strong and widely respected city theatre) in the creative arts field, along with industrial design. The City, defeated in its own Culture Capital bid, cooperates with Pécs and expects spin-off benefit from side tourism. It supports a Kaposvár Tourist Office in Pécs (an inspired initiative), and includes City and County activities in the Pécs publicity material.

F. Summary of RVR 2 Outcomes

Proposals and Suggestions for the Future

The Policy Environment of Hungary and the EU

The Region through its different channels should seek to *influence the national policy environment in the following directions:*

- to support greater *flexibility in university curriculum development;*
- to ease *pathways to accrediting new programmes and elements* in response to demonstrated needs, for example by relaxing the course-coding system;



Observatory PASCAL

Place Management, Social Capital and Learning Regions

- for effective *transparent credit transfer and progression from technical (VET or further) into higher education*, also enabling more continuing education and lifelong learning of adults as well as young people.
- to review universities' governance allowing *greater flexibility to create spin-off companies* from research into commercial activities, allowing part of the surplus to be returned to the University and to support non-profit making endeavours
- Through the national government, the Region should seek to *influence EU funding*
- *to raise the quantum of EU funding flowing to rural and remote areas via the Leader Programme*, for balanced social and economic development that builds on traditional knowledge and skills
- and *to ensure that programmes respond to needs and priorities best known locally.*

The Possible Use of PURE Benchmarking and Clusters

During 2010 *the two universities*, on a Faculty by Faculty basis, *and the Region* through its region-wide bodies and networks (specifically the Development and Innovation agencies and the Chambers), should *use the PURE benchmarking tools* to take stock of what they are already doing well, less well and not effectively at all, as a basis for further regional development planning, partnership and the monitoring of progress. The PURE central office is making means available whereby HEIs and Regions can use the benchmarking tools with more ease and confidence.

The Regional Coordinating Group (RCG) should *consider in what ways all of the PURE Clusters can be useful to the Region* in comparing approaches, successful practices and successful problem-solving in each arena. *The Cultural and Creative Industries and the Rural and Remote Clusters* appear highly relevant, but others can also offer benefit, such as the *Social Inclusion and Active Citizenship* cluster. The *Tertiary* cluster relates to evident Hungarian and regional needs for more effective higher education and human resource development.

The newly formed *Pécs Lifelong Learning Forum (PLL)* should ensure a wide remit and membership across all parts of the Region and all sectors, as a means of nurturing balanced sustainable development, strengthening partnership, and carrying forward the purposes of PURE.

In light of this development, the Region's Project leader could explore with the PURE central leadership whether it may now be possible to *activate a PURE-wide cluster dialogue on the dormant Lifelong Learning Cluster*, using the new PLL as a focus

The Pascal Conference and the PURE Workshop in Sweden, June 2010

In light of the Year of Culture (ECCY) the RCG should endeavour to have *strong South Transdanubia representation* at the June 2010 Pascal Ostersund Conference and related PURE meetings, where culture and lifelong learning will be a central theme.



Observatory PASCAL

Place Management, Social Capital and Learning Regions

Good Practice Exemplars and the PURE Website

The CDG consider the following to be serious candidates for immediate inclusion; the *Region RCG may wish to revise and add to this list*:

- The Pécs Biotechnology Cluster and BIB
- The integrated Pécs City-University-Region and Management Centre partnership approach to the European Year of Culture, centred on heritage for sustained post-2010 development and involving a growing NGO civil society sector
- The strong ties between the UNESCO Heritage site in Pécs and the university's research and education program in archaeology.
- the City and University of Kaposvár as a strong working study in city-region-university development partnership
- the Kaposvár Health Centre with its different specialised components (Horse Academy, Clinic, Game-farming) as a model of transdisciplinary scholarly and academic development applied to developing the rural region, society and economy
- Karazs including the LEADER programme - a leading exemplar of integrative micro-regional rural development based on traditional knowledge and skills linked to the global economy

As a matter priority, the RCG should *ensure that brief Good Practice Exemplars*, as proposed in this Report and facilitated by Pascal GP guidelines, are drafted and *placed on the PURE Website*. A Good Practice template is being finalised, with guidelines on how to bring completed cases onto the PURE Website.



Observatory PASCAL

Place Management, Social Capital and Learning Regions

ANNEX: those whom the CDG met during the visit to the Region

10. 02. 2010

- Prof. György Szekeres, Managing Director, BIB, histopat@histopat.hu
- Prof. Péter Németh, Dean of the Medical School of the University of Pécs, Member of the Regional Innovation Committee (RIGIB), peter.nemeth@aok.pte.hu
- Mr. József Hoffbauer, general manager, Pécs Health Innovation Centre, hoffbauer@dravanet.hu
- Dr. György Kota, PEIK – Pécs Health Innovation Centre, gykota@dravanet.hu
- Ms. Anita Bozóky, Pécs Sopianae Heritage Ltd., managing director, bozoky@Pecs.orokseg.hu
- Mrs. Lenke Rónaszegi Pécs- Baranya Chamber of Commerce and Industry, Head of Dept. of Regional Innovation (RIC) ronaszegi@pbkik.hu Mr. Szabolcs Rabb, Cluster Manager, Cultural Innovation Competence Centre, Pécs-Baranya Chamber of Commerce and Industry, szrabb@pbkik.hu
- Dr. Márta Kunszt, City Council of Pécs, Vice-major, kunsztm@ph.Pecs.hu
- Mr. József Póla, Head of Department of Human Development, City Council of Pécs, polaj@ph.Pecs.hu
- Dr. Katalin Kovács, ISPA-group leading project manager
- Representative of the Pécs-Baranya Learning Region, strategia@ph.Pecs.hu
- Mr. Gábor Sztanics, Engineering Manager/Development Project Manager of the Zsolnay Cultural Quarter, Pécs2010 Management Centre PBC, sztanics@Pecs.2010.hu
- Prof. Colin Foster, Dean of Faculty of Visual Arts, Univ. of Pécs, dekan@art.pte.hu
- István Komor, managing director, Zsolnay Heritage PLC, zsolkht@t-online.hu

11. 02. 2010

- Mr. Attila Mezei, major of Kárász, szaszjegyzo@szaszvar.tvnet.hu
- Dr. István Finta, leading expert (example for knowledge transfer, partnerships with HE and academic research institute), finta@rkk.hu
- Dr. Zoltán Gál, Senior Research Fellow, Associate Professor, Hungarian Academy of Sciences Centre for Regional Studies, RCG-member, galz@rkk.hu
- Eszter Fazekas, Hauni Hungária Ltd, leading manager for econ. and fiscal affairs, eszter.fazekas@hauni.com
- István Madura, Engineering Centre, Head of Engineering Dept., Hauni, istvan.madura@hauni.com
- István Fehér, Head of Informatics Group, Hauni istvan.feher@hauni.com
- Dr. Teréz Kleisz, associate professor, UP, Faculty of Adult Education and HRD, kleisz@feek.pte.hu
- Dr. Magdolna Tratnyek, lecturer, Faculty of Adult Education and HRD, magdola.tratnyek@gmail.com
- Dr. Zoltán Gál, Senior Research Fellow, Associate Professor, Hungarian Academy of Sciences Centre for Regional Studies, RCG-member, galz@rkk.hu
- Dr. Balázs Németh, Associate Professor, Faculty of AE and HRD, RCG leader, nemethb@feek.pte.hu
- Ms. Kata Dobay, Head, Technology Transfer Office, RCG-member, dobayk@rektori.pte.hu 12. 02. 2010.
- Local co-ordinator for the Kaposvár programme: Dr. Viktória Czuppon, PhD, Kaposvár University, Faculty of Economics, czuppon.viktoria@ke.hu



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- Dr. Csaba Szabó – Associate Professor, Vice-dean for scientific affairs, Faculty of Animal Sciences, szabo.csaba@ke.hu
- Dr. habil. Sarudi Csaba – full professor, Department of Regional and Rural Policy (Former president National Office for Spatial Development), szekeres.eva@ke.hu
- Dr. Tamás Donkó, Phd, Institute of Diagnostic Imaging and Radiation Oncology, Agricultural Engineer, donko.tamas@sic.hu
- Dr. Janaki Hadijev, MD, Institute of Diagnostic Imaging and Radiation Oncology, medical director, hadzsi@medscape.com
- Dr. János Seregi, EC Pannon Equestrian Academy, general director, seregij@lovasakademia.hu
- Péter Sárdi, Director for Asset-management and marketing, City of Kaposvár with County rank, vagyongazd@Kaposvár.hu
- János Nagy, Rural Centre for Game-farming, Bőszénfa unit manager, szarvas.boszenfa@sic.hu