Éva G. Fekete

Innovations in Micro-regional and Local Development

1. The interpretation of innovation in small regional/local development

In the original sense of the innovation concept, the introduction of any new phenomenon or the new phenomenon itself can be regarded as innovation. (JOHNSTON, (ed) 1986) New phenomena can be activities, products, organisations or new human and community ways of behaviour. (RECHNITZER, 1994. p. 119) Like all conscious human activities, regional development offers a large scope of new and original phenomena. In this way innovations can be examined from the following two aspects in the development on local levels: 1. as *the appearance and diffusion of technical and technological innovations* promoting local development, 2. as *the innovation of development activities*, including new, locally realised intervention that facilitate technical innovations.

The interpretation of the content and scope of the innovation concept is in close connection with the interpretation of development. Most interpretations of micro-regional and local development focus on "human being"-oriented development theories. The development strategies that are rooted in the model based on the participation of local people, the utilisation of local resources and the local control of development processes are completely different from top-down development models that focus on economic growth. By extending the development concept new elements appear in the interpretation of innovation, too. As long as regional development is interpreted as a top-down phenomenon materialising in economic growth, innovation is also related mainly to the modernisation of production and the appearance and diffusion of the new products, technologies, and work-organisational, controlling and marketing procedures that are necessary to it. If, however, by regional development we mean the ever increasing satisfaction of the needs of a more complex and wider group of people and as a result of subsidiarity, bottom-up processes may be gaining ground, the concept of innovation will expand, too. In this case, the new needs of the given community, the ways of recognising and satisfying them, the new groups of the population involved and the techniques increasing social expansion and ensuring sustainability are to be interpreted as innovations in the development process, too.

2. Birth of innovations in local or micro-regional development

In the traditional interpretation of regional development the core areas of development could emerge where the driving force typical of a certain period could appear first or to the largest extent. Also the other way round: as long as such driving forces kept working, the core area was the hotbed of the innovations that made the perfection of any branch possible, since it is in very few places that the significant demands for means and intellectual as well as financial capital of research and development make their introduction possible. Besides, in the centre, invention is stronger, economic climate is more stimulating, the terms of settlement are more favourable, there is more comprehensive information available, i.e. the innovative milieu is much more favourable. (CAMAGNI, 1992) According to the growth pole theory, development spreads from such centres to more distant areas. (PERROUX, 1964)

The above-mentioned model of the appearance and diffusion of innovations is based on some fundamental presuppositions affecting the essence of development. They were summed up by Walter STÖHR as follows:

- development can only be initiated by some selected (white, urban, intellectual) actors
- the rest of the population is considered incapable of initiating development and it is the responsibility of just few people to do their best for them
- the few selected actors want, and within certain frame of time and rules, make it possible for others to take part in the development process
- this other group wants and is capable of accepting the development that has been initiated in their interest
- the development initiated by the few is the most suitable for everybody else
- the socially and culturally new things are better at the same time and other layers of society also need them. (STÖHR, 1981)

It needs not be specially proven that the above presuppositions are less and less tenable. Humanistic development and especially its local-development version are closer to people in space, too. Innovations appear not only in centres but also close to the place of the action.

Considering the results of more than 2000 local development projects, and reading their summarizing evaluations, some characteristic features of the innovations related to local and micro-regional development could be recognised.[1] These are as follows:

One of the most important motivating factors is awareness of *regional backwardness or the crisis situation*, recognition of the necessity to act when this necessity is forced by the challenges of globalisation. Communities that are in a relatively good and satisfactory situation and that do not wish anything more do not really intend to make any changes, or to carry out such changes there is no real need for the community forms of intervention, because the enterprises are able to meet the new needs with their usual procedures automatically.

The recognition of the lack of balance and the intention to prevent it induce regional innovation ambitions. Most case studies come from crisis regions. It seemingly contradicts to this that richer regions in the US provide better opportunities for initiatives and innovations of self-funded development, because the local purchasing power there offers a safer background for innovating activities targeting on the internal market. On the basis of case studies, however, only a part of the local development initiatives can be regarded as self-funded development focusing on the internal market, and experience proves that, due to the stronger effects of globalisation, there is a relatively lower demand for local products in richer regions.

[1] Local development projects launched in the developing countries in the 60ies, in the US in the 70ies, in Western Europe in the 80ies and in Hungary in the 90ies have resulted in thousands of case studies. Unfortunately, a characteristic feature of local development is that documentation is insufficient, only a fraction of the implemented development can be monitored in the form of case studies and there are even fewer writings trying to give a synthesis of their general features. We have examined about 2200 local development projects on the basis of the sources listed in the bibliography below to back up the statements of the present paper. 700 of them have detailed (at least 1-2 pages long) descriptions, but we know only few parameters of the rest from other analyses. Hungary belongs to the latter type, too, where we can only find out the 'genre', supporter and the expenses of the 834 projects of 110 small regional organisations.
About 2/3 of the projects in the database are micro-regional, the rest remains within one settlement. In spite of the high variety of the examined projects, they have a lot in common, too. Their most important common feature is local participation and initiative. As far as the aim and the object of the development and innovations are concerned, we cannot make a clear-cut distinction between micro-regional and settlement projects, so we use the concepts micro-regional and local development together since they can be regarded as local in regional development.

The *size of the region* also plays an important part in innovations aiming at local development. The region cannot be too small, because, on the one hand, there may be lack of skills and expertise which would be necessary for innovations, on the other hand there may be some too close connections, family relations, which may hinder initiatives. The region cannot be too big, either, because big communities lack human relations which would also be necessary for local development.

The creative human actor, an indispensable factor in launching innovations, may come from both *inside* and *outside* the region. It is a requirement for her or him to be familiar with the professional terminology and have a strong sense of locality and commitment. Consequently, innovators of local development are mainly intellectuals filled with local patriotism. However, local development is always a community process. Besides creative individuals, the target group also takes part in developing the idea, which requires special abilities from the developer. Team work makes it possible to incorporate and reproduce traditional culture adjusting it to the demands of the age as well as reforming it if necessary.

Besides the planner, people with appropriate competencies and implementers also have to be involved in implementing the idea,. The successful local development depends on *the concerted cooperation of the innovator, the politician and the implementer*. The most obvious way to achieve it, i.e. to concentrate the three roles in one person, is very difficult to apply because of the different personality needs of the three roles.

Experience in this field and the documentation of previous innovations promote the realization of the innovation. It is easier to invent and launch a new product or technology where people already have experience and the necessary expertise. Where innovative projects have already been carried out, further new projects can be found in which elements of previous innovations can be recognized.

The experience gained from other people's initiatives and similar technical innovations and the *general information background* play a key-role in developing an idea to solve a local problem. The library, a collection of documents and the equipment for logging on the Internet and making modern data processing possible are indispensable parts of R+D infrastructure in case of local development, too.

In the model regions of local development *the development resources* are typically tight, which requires less capital-intensive solutions and a high degree of commitment from the innovator, who can only count on moderate payment for his innovation. The competition for external resources increases the requirement of new and original ideas and urges the competitors to overbid.

Appreciation, reputation and the success of previous innovations have strong motivation to develop further innovations.

R+D activities are carried out in close cooperation with local development organisations and *not in traditional research institutions*. Such organisations ensure the information background, provide a framework for the community development of ideas, have competencies to implement them and inspire individuals with trainings and recognition to carry out innovating work.

The issues of innovative solutions of local development and the applied technological innovations diverge, but at the same time, they strengthen each other. It can also be an innovation when a technology that is already being applied somewhere else is adapted to the given regional and local conditions.

An *intensive connection with the traditional R+D institution*, rather than its actual presence is necessary.

3. The diffusion of innovations of local and micro- regional development

The diffusion of innovations can be traced back to information transmission. (HÄGERSTRAND, 1952) The route of innovation diffusion follows information networks. In the information society, such networks make up an ever thicker net, in which the interactive character is getting stronger rather than the previously typical hierarchical and one-way flow.
In the top-down model, which focuses on economic growth, information flows through hierarchical connections, whereas in the man-oriented model it mostly happens through neighbourly relations. (RECHNITZER, 1994)

Hierarchical diffusion assumes highly developed information and communication systems. The innovations initiated in the centres spread in a hierarchical order towards the peripheries. The innovation achieves its purpose in a guided way. The number of appliers and the dynamism of application depend on the end points and permeability of the technical systems.

In case of diffusion based on the influence of the neighbourhood personal relations play a decisive role. Spreading takes place in a similar way to that of certain epidemics, i.e. the people living close to each other take over knowledge, objects, equipment from each other depending on the frequency of communication between individuals. The numbers of people that get to know and apply the innovation as well as the size of the regions that receive it are increasing steadily. It may also occur that innovations disappear from their original place and randomly appear somewhere else again.

The two effects are in close connection with each other, in reality they mostly appear in some kind of combination.

The diffusion of local development innovations is largely dependent on the various *support systems*. The fact that local development depends on external resources encourages the application of the innovations that are preferred by the supporters. Such programmes having far-reaching effects on local development are OECD, USAID and the programmes of the European Union. Access to the support offered by them is very often subject to the adaptation of some tested development technique, and the procedural rules of the support system mediate new procedures for the management. These big systems also play a decisive role in the hierarchical diffusion of the innovations emerged from the programme through monitoring and the publication of project results.

Another way of propagating new ideas and experience widely is *direct communication between local developers*. Meetings, trainings and establishment of information systems that promote communication are often encouraged by external organisations. At the same time the voluntary organisation of local developers has also begun. Both in the USA and in Western Europe associations of local developers have been set up and are working to ensure a methodological basis and communication opportunities for their members. Besides worldwide organisations such as the European ECOVAST, VIRGIL, (French, Spanish, German, Belgian, Dutch), EDEN, (Spanish, French, Italian, Portuguese, Greek), 'Hela Sverige Ska Leva', (Swedish, Danish, Norwegian) and PREPARE, (with large Central European participation), global organisation has been started, as well. With newsletters, homepages and meetings, these organisations help propagate innovations beyond the borders. A common feature of their methods is that they give priority to personal relations and neighbourhood-type diffusion. They develop their channels in a way that they should strengthen these aspects.

The hierarchical diffusion of the innovations of local development can be promoted by *special research and technological centres*. Although there are research institutes that deal with rural development, small-size enterprise development or local governments, they and traditional R+D institutions can only find their way to local development through mediators. Such mediators can be the so-called resource centres. *Resource centres* are regional innovation institutions that provide the actors of development with both information of the external market,

technology, methodology and finance, and the regional database, which characterizes the internal situation of the region and is suitable for following the changes. They provide their services through the diffusion of information materials, access to the database, professional counselling, training and by ensuring opportunities for exchange of experience.

The key to the *innovations spreading inside the region* is the existence of strong networks and receiving stations. The main conditions of the innovation becoming an everyday issue, coming out from the traditional R+D workshops and spreading in an ever bigger segment of society are the high level of development of the regional innovation potential, the widespread diffusion of innovative and network abilities and the wide availability of the technical equipment of the information flow.

4. Components of the small regional innovation potential

Hägerstrand's innovation-diffusion model takes the diverse innovation capacity of potential users into consideration. (HÄGERSTRAND, 1952) The further you move away from the starter, the smaller the chance of gaining the information. The chance of receiving the information, however, is influenced by several further factors. These factors together make up the innovation potential of the region.

The innovation potential is determined by innovation and network qualities. (COOKE, 1995) Its components are as follows:

A. Innovation abilities:	B. Network abilities:
• openness to novelties • creativity • enthusiasm • learning ability • organizing ability • persuasive ability • initiative • national and international relations	• reciprocity • reliance on others • partnership cooperation • the ability of confirmation (also confirming other people's self-esteem)

The usually available data, such as the expertise of the population, their level of education, employment experience and social characteristic features, i.e. age, ethnicity and composition according to sex and migration, do not usually give a comprehensive picture of the above abilities concerning the human resources of the region. *The available demographical data* admit of innovative ability, however in a highly indirect and uncertain way. This information is not enough to judge the regional innovation potential and does not make a clear-cut interpretation possible, either.

The direct measurement of the above abilities at a micro-regional level is very difficult and is only possible by a *survey with a large sample*. It is much simpler to *focus on* organisations that play a key-role in small regional development, particularly on the analysis of the survey concerning *managers that determine organisational behaviour*.

Further indirect information can be obtained by accepting the fact that besides demographical composition and the attitude of developing organisations, abilities are also influenced by *the institutional system of culture*, which forms the innovative abilities and attitude of individuals. The development degree of the conditions and level of training inside and outside the school system and self-education, and transmitted values basically determine the innovative ability of the population. The examination of the individual training institutions and their relations with each other gives us insight into the accordance between known and expected skills and the ones to be developed.

So that the innovative ability of individuals can manifest itself, a further element of social infrastructure, i.e. highly developed *social networks* is also necessary. The social networks combining the innovative abilities of individuals make the local community capable of mobilizing local resources and combining them with external expertise and information.

In another approach, according to Antal BŐHM, the main elements of the adaptation ability are the *degree of integration of the population, internal identity, regional location and the composition of the population*. From this aspect, small villages are in the most backward position, since they have aging population, the quality composition of their local societies have deteriorated and replacement has decreased tremendously. Even among settlements with unfavourable potentials and regional location, there are also some that have managed to break out of their blighted situation. In such cases inventiveness, situation recognition and adaptation to the new conditions have played a decisive role. (BŐHM, 1998)

The structures serving innovations, their diffusion and reception are based on the above-mentioned innovative abilities. (RECHNITZER, 1994) They are as follows:

- academic and technological bases
- technological centres
- expert system
- network information services
- highly developed telecommunication equipment
- 'gate services' necessary to appear on the international scene

The innovation structures of local and micro-regional development are different from traditional technical innovation structures, both in their form and in their content. There are differences in the goal, subject, object, financing and geographical frame of the innovation, as well as in the above issues.

The academic and technological bases of micro-regional development can be found outside and, to a smaller extent, inside the region. The existence of these bases depends on the size and development level of the region. Instead of institutionalized research organisations, individuals or small research groups, which otherwise work in an institute with a different function, appear on micro-regional level. Agencies employing experts of micro-regional development may develop new technologies themselves, so they can also work as technological bases.

The initiators and implementers of researches in the region may also come from both outside and inside the region. Research promoting local development – in accordance with the aim and subject of the development – affects the whole of life. Depending on the strategic development of the region and on the chosen methods, anything may occur, from ecological through anthropological, pedagogical and local historical to chemical researches.

The presence of academic and technological bases on micro-regional level can mostly be discovered in publications on the region. Of course, it is not easy to find them in library files, because they are usually not published in independent book-form but rather as case studies or background studies, or as parts of some more comprehensive work.

The other possibility is the attempt to discover potential authors, which, by asking certain key-persons, may be a simple solution, but in case of bigger or several settlements, it may be rather difficult.

Micro-regional technological centres can be micro-regional resource centres, where developers can work with databases that meet the information requirements based on the strategic trends of local/small regional development. The role of a technological centre can be played by a school of the region, as long as its infrastructure is used besides school education for mediating innovations, too. The office of the small regional development organisation can also carry out such tasks. In any case, the resource centre has intensive relations with academic and technological bases.

In order to get an insight into the institutions working as resource centres, we have to examine the activities of the basis institutions of small regional development, i.e. those of small regional associations and societies, local offices of job centres and chambers, enterprise development offices, civil offices, information centres and schools.

The small regional expert system includes both external and internal experts. Its professional composition is also adjusted to the strategic ways of development and the character of local development community. Owing to the specific features of local development, besides economic and technical experts, experts of local societies, communities and psychology also play an important part. Apart from excellent expertise, thorough local knowledge and permanent dialogues to make the individual regions aware of the interaction between them are needed to achieve success. An expert system can only be set up by the concerted activities of individual experts. Further important aspects are permanence and continuity. Due to the nature of micro-regional activity, results can only be achieved by a series of actions based on each other, and the knowledge of precedents and other intervention are also important factors. The finance system focusing on projects, however, does not allow the continuous employment of experts, so long-term, continuous expertise can only be available if the expert is firmly committed.

Setting up and operating a local expert system is the task of local development organisations. Expert lists and indicators of intensity, extension and efficiency of the activity can be collected from the organisations simultaneously with the examination of resource centres.

The existence and the level of operation of micro-regional information network is, to a lesser extent, a question of technical equipment and to a larger extent, that of social background. The systems determined by network infrastructure are the easiest to describe, these, however, do not explore actual information relations within the region. They can only be explored by the methods of the network research of sociology. Sooner or later all micro-regional organisations try to establish their own information systems. The reason why, as it can be shown by Hungarian examples, they are only rarely successful is the fact that they only focus on ensuring technical conditions and do not bother with the social incorporation of the system. Only units that have common interests and priorities and speak the same language can be organized into networks. The content and form of the information system have to be formed in accordance with them. Owing to the nature of micro-regional work, interactivity, the common enlargement of the database and dialogue based on horizontal partner relations are necessary. The information system is qualified not only by its mere existence but also by its extension and the frequency of application by individual users.

The *telecommunication equipment of the micro-region* affects both the operation of the internal information system and its connection to other external information systems. Heading for the information society, the wired and mobile phone, the satellite and cable television, the possibility, speed, quality and price of access to the Internet are highly important factors. Besides available services, the innovative power of the region is also qualified by the size and composition of customers using the services.

The gate services of the micro-region not only involve border stations but also informing foreigners and providing services to forward and distribute information in the target area. For international appearance, a high level of foreign language communication skills is also needed.

The qualification of gate services is possible by examining the quality and the quantity of regional PR-publications, the presence of the media, electronic homepages, and the information system for those arriving in the region.

Consequently, the regional innovation potential can be evaluated by the indicators of innovative abilities and innovation structures. The comparison of micro-regions according to innovation potential can be done by narrowing down István Kiss' system of the comparison of settlement units (KISS, 1996) to innovative power and thinking it on. The general survey of the

innovation situation of micro-regions can be drawn up with the basic indicators of the micro-regional innovation potential calculated on the basis of the above-mentioned system and with the combined indicators calculated from them. The general survey is suitable for comparing individual regions and the situations of the same region in different points of time. The latter makes it possible to indicate the changes resulting from the development, which gains special importance in monitoring regional innovation strategies.

5. Working out micro-regional innovation strategies

The *main aim* of mapping out micro-regional innovation strategies is to strengthen the innovation ability of the micro-region. A highly developed innovation ability may mean the only guarantee of adjustment to globalization processes and the only way of meeting the challenges of global processes at a local level.

The issues mentioned in the previous paragraph underline the fact that the innovative power of small regions can not only be strengthened by encouraging the establishment of a well-balanced demographical structure and forming organisational behaviour but also by developing cultural institutions, social networks and structures of innovation.

Steps of working out the strategy:

A. Preparation of the strategy

- *Reaching regional consensus*
  At meetings where consensus should be reached, the representatives of the institutions that play a key-role in the development of the region should agree on how they interpret innovation, what they think its central issues, most important characteristics and components are.
- *Needs analysis*
  In the active phase of the consultation, conditions necessary for the expansion of the innovative activity of enterprises in the region, as well as the factors that hinder them, are to be discovered. Meanwhile, suggestions are put forward to reduce obstacles, e.g. by brainstorming.
- *Trend analysis*
  The analysis of the regional, national and international innovation environment and the examination of the most important technological and industrial trends can be carried out by experts (possibly those of the region) in sectoral horizontal committees in charge of the individual issues. Team work is also the frame of developing relations between educational and other public institutions of the region and the private sector. The outlined trends can serve as a basis for further suggestions.
- *Supply analysis*
  Among activities promoting innovation, the conditions and strong and weak points of financing, research, education and vocational training, infrastructure, information provision and counselling have to be subject to thorough analysis.

B. Working out the strategy

Working out the strategy and implementing it are the most difficult parts of the programme. Working out the strategy can be preceded by several practices. The person in charge may participate in brainstorming meetings. The organisations involved in the programme may hold forums where they can react to the programme activities that affect them or are carried out by them. The representatives of the organisations involved in the programme may discuss its most important intervention areas.

- Image of the future and priorities

The team in charge of working out the strategy outlines the aims which serve as a basis for the strategy and the guidelines for the strategy that crystallized in the preparation phase in a short and concise form.

- Definition of the strategic fields
  The most important suggestions concerning intervention are selected from those turned up in the preparation stage in accordance with the set guidelines. They affect some fields listed in the paragraph about supply analysis.
  The targeted measures may include the following (depending on local conditions):
  - encouraging population settlement to stop aging and improve the level of education
  - comprehensive reformation of the school system
  - ensuring and improving the institutional conditions of life-long learning
  - launching attitude-forming trainings
  - setting up academic and technological bases in charge of the strategic issues of the small region either inside or outside the region to maintain continuous relations with local actors
  - setting up resource centres (technological centres) to develop small regions
  - setting up and operating the small regional expert system
  - developing and operating an information network
  - encouraging the diffusion of highly-developed telecommunication equipment in the small region
  - developing 'gate services' (information, PR) necessary for entering the international scene.

6. The most important conditions of working out and implementing bottom-up innovation strategies

- *Accepting bottom-up development and the determining the order of value*

Even if an ever increasing number of theoretical experts of regional development think it desirable to follow bottom-up development strategies, people involved in the day-to-day routine of regional development may give priority to the development theory that focuses on economic growth. Several local actors of development follow the order of values typical of previous eras and prefer big projects conducted externally which can be implemented by state redistribution and introduce high technology, although, in words, they would like local decision-making to gain more ground and emphasize the importance of taking local special features into consideration. It is especially true to backward regions, where they would not like to change the special features of development but they would 'only' like to become its beneficiaries.

- *Common motivation to make changes and carry out common action*

The spontaneous development of small regional development organisations show that the communities of the poorest regions were the first to recognize the necessity of making changes. More developed regions, however, where there were better opportunities for individuals to get on in life, had less motivation to common action.

The inhabitants of poor regions often choose passive resistance or resignation or they leave the region and choose to escape. In spite of bigger motivation, it is hard work in underdeveloped regions to find the proper people who are willing to be involved and organize their activities. After all, as it happens in several regions, a part of the citizens are willing to participate in the development process actively, what is more, they are ready to conduct it, as well. This active core can be enlarged like a snowball with community development techniques. There are huge human reserves even in the most backward regions inflicted with mass migration of the population.

- *Knowledge: to know what to do and how to do it*

The biggest problem of the communities that have already started the development process is the lack of information and knowledge. A fundamental characteristic feature of bottom-up development is that it takes different forms in the individual communities. Communities always have to find out the solutions that are the most suitable for their own situation. In this way, all local initiatives can be regarded as independent innovations. The innovative ability of the community can be developed with training, familiarizing its members with the examples and experience of other regions and involving external experts.

- *Solidarity*

In the poorest regions where people have nothing to lose, nothing to envy, there is a comparatively high degree of solidarity. Quarrels and jealousy between neighbours hinder the day-to-day work of a lot of development organisations and endanger the success of development.

- *General features of the government control system*

It is difficult to break through the control frames of a traditionally centralized state. The place and role of civil organisations in clearing up Hungarian development processes are still ambiguous. However, relatively independent local governments have appeared in the regional control system. No doubt, the municipality principle is favourable for bottom-up development but because money is tight and the budget is rather redistributive and because its distribution system focuses on performing basic functions, the freedom of municipality development and the possibility of implementing strategies based on local resources are rather limited. It is only more developed settlements that could achieve such goals. Others may obtain complementary sources by tenders. The tender system, however, assumes a certain degree of readiness, local financial and mental resources. Without these, the role of personal relationships will be stronger, which may distract attention from other local resources.

- *Inspiring and consistent regional policy of the government*

The act on regional development of 1996 allows bottom-up development and regional development based on local initiatives. In practice, however, during the application of the act, several trends seem to prevent desirable processes from getting stronger. Among other things, the central governmental spur to establish development associations of local governments by statistically determined micro-regions blocked the emergence of spontaneous micro-regional organisations built on organic regional and multi-sector basis, as well as the fact that the organisation of multi-purpose micro-regional associations is controlled from above. If the associations are regarded as an element of the institutional system of regional policy, the fact that the establishment of associations is controlled from above, would not mean a problem in itself. A problem arises, when such organisations are considered to be the only way and exclusive forms for initiatives to be carried out, making in this way the bottom-up organisation of development communities impossible.

There are further problems concerning regional planning, partly because this activity broke up during the change of regime, and partly because reorganisation cannot take place according to the previous models. Recognition of the planning freedom of local communities means a severe methodological challenge for planners. Besides, the checking mechanism of the plans of different levels and the appearance of bottom-up initiatives in them has not been worked out, either.

- *Acceptance of the interest of companies*

As the key-actor of former development strategies, the sector of large companies plays an important role. One of the most important characteristic features of underdeveloped regions is

however, that large-size enterprises are not present, so no direct conflict situation emerges. If it is not possible to have the interests in the identification and sustainable utilization of local attractive forces accepted at a regional level, problems arise from conflicts of interests and the different interest enforcement abilities.

- *Chances of setting up national networks*

Local development cannot be isolated. Strengthening the above-mentioned interest enforcement ability, ensuring competence, the chances of spreading innovations and realizing larger regional programmes require the establishment of the networks of local and micro-regional development organisations on regional, national and international levels.
A fundamental condition of the operation of the national network is solidarity between organisations and regions. Dependence of development organisations on central resources and the strengthening competition for development resources between them hinders their partnerships.

- *Changes in the attitude of external facilitators*

The competence and accessibility of external facilitators are very important in the process. This way of development, however, requires a different kind of knowledge and a different kind of task interpretation from them. In their work, team building, community development, communication and the ability of identification with the region gain importance.

As a summary, we may emphasize that after complex strategies of rural development or micro-regional strategies of economy development that were worked out before, closer attention should be devoted to working out local and micro-regional innovation strategies that focus on human factors much more than ever before. This requires a new attitude from experts that have previously dealt with innovation and taken mainly its technical aspects into consideration, from planners that focus mostly on sector problems rather than on the continuously reviving ability, and from those in charge of providing governmental support that has been narrowed down on the mere development of the assets of micro-regional development. The fundamental elements of the new approach extend the innovation concept, widen the circle of innovators and, because the process has become an 'everyday' one, bring the places of emergence and the application of the innovation as close to each other as possible.

References

BŐHM A. (1998) *A helyi társadalomfejlődés dilemmái.* (Dilemmas of the Development of Local Society) - A Falu XIII.évf. 3.sz. pp39-44.

CAMAGNI, P. R. (1992) *The Concept of Innovative Milieu and Its Relevance for Public Policies in European Lagging Regions.* Paper presented at the 4th Word Congress of RSA, Palma de Mallorca

COOKE, P. (1995) Planet Europe: Network Approaches to Regional Innovation and Technology Management. - *Technology Management* 2. 18-30.

HÄGERSTRAND (1952) *The Propagation of Innovation Waves.* Lund Studies in Geography, Gleerup.

JOHNSTON, R.J. (ed) (1986) *The Dictionary of Human Geography* 2nd ed. Blackwell, Oxford

KISS I. (1996) *Település(együttesek) vizsgálata és egybevetési módszertana*. *(Examination of Settlements and Methodology of their Comparison)* Polgári Tanácsadó Szolgálat, Budapest 215 p.

PERROUX, F. (1964, 1972) *Nemzeti függetlenség és a kölcsönös gazdasági függés*. *(National Independence and Mutual Economic Dependence)* Közgazdasági és Jogi Könyvkiadó, Budapest.

RECHNITZER J. (1994) *Fejezetek a regionális gazdaságtan tanulmányozásához (Chapters to Studying Regional Economics)* MTA RKK Győr-Pécs

STÖHR, W. - TAYLOR, D.R. (eds.) (1981*) Development from Above or Below? The Dialectics of Regional Planning in Developing Countries.* Chichester-New York- Brisbane - Toronto: John Wiley and Sons

STÖHR, W.B. (1987) A területfejlesztési stratégiák változó külső feltételei és új koncepciói. *(Changing External Conditions and New Conceptions of the Strategies of Regional Development.) - Tér és Társadalom*, 1. sz. 1987. pp.96-113.

Sources of the case studies

CAMPBELL, M. at all. (1995) LEDA Circuit on Local Labor Market Management

Employment in Europe. Comission of the European Communities

ESMAN, M.I. - UPHOFF, N.T. (1984) Local Organisations - Intermediaries in Rural Development. Cornell University Press, Ithaca-London

FLORA, J.L. – GALE, E. – SCHMIDT, F.E. – GREEN, G.P. – FLORA, C.B. (1995): From the Grassroots: Case Studies of Eight Rural Self-Development Efforts. Agriculture and Rural Economy Division, Economic Reseaech Service, U.S. Department of Agriculture. Staff Report No. AGE9313 Washington DC p.29.

INFO LEADER (1997/98/99) www.rural-europe.aeidl.be/infolead/intro-en.htm

Innovative Actions/ www.rural-europe.aeidl.be/rural-en/action/

JOEGER, H. (1994) Rural Development Initiatives in England and Wales, Q 307.720941 JAE

LEADER Magazine Spring 19999 No. 20

MACFARLANE, R. – LAVILLE, J.L. (1992) Developing Community Partnerships in Europe, New ways of meeting social needs in Europe. The Directory of Social Change and The Calouste Gulbenkian Foundation, London

MATOLCSY GY. (szerk.) (1998) A hagyományos iparágak innovációja vidéken. (The Innovation of Traditional Industries in the Country). Növekedéskutató Intézet, Budapest

OECD (1990). Local Initiatives for Employment Creation.

OECD (1993) Partnerships: The Key to Job Creation Experiences from OECD Countries

SHRAGGE, E. (1997) Community Economic Development In Search of Empowerment. Black Rose Books No. AA254

Synthesis of “defining the Challenges” (1998) Index and analysis of 245 community economic development and local development initiatives. The 1998 Global Meetings on Community Economic Development Sherbrooke (Quebec, Canada) October 22-24 1998

www.inforegio.org