

University of Sopron
István Széchenyi Economics and Management Doctoral School

**The role of national minorities
in cross-border economic cooperation**

**An analysis of the Hungarian-Romanian border area
in the period 2007–2020**

Theses of the Doctoral Theses

Melinda Istenes-Benczi

Sopron
2023

Doctoral School: István Széchenyi Economics and Management

Head of the Doctoral School: Prof. Dr. Csilla Obádovics PhD

Programme: International Economy and Management

Supervisor: Dr. habil. Balázs István Tóth PhD

.....

Signature of the supervisor

1 Introduction and aims of research

Borders have long been a focal point in the study of European history due to their role in shaping the continent's past and present. These boundaries have had profound social and economic implications, frequently acting as barriers to trade and movement, restricting the hinterlands of nearby settlements, fostering disparities and tensions between regions. In response to these challenges, the concept of a "borderless Europe" emerged in the 1950s, initially focusing on creating a common market for coal and steel to encourage economic collaboration and prevent future conflicts among European nations. Over time, this vision expanded to encompass a common market for all goods and services, along with the free movement of people and capital.

However, the feasibility and validity of a "borderless Europe" continue to be subjects of vigorous debate within academic and practitioner circles. Existing literature has adeptly captured this discourse through the lenses of debordering and re-bordering tendencies. Nevertheless, there is a consensus that the negative effects of borders can be mitigated on a regional scale through effective cross-border cooperation (CBC) practices.

Cross-border cooperation serves to facilitate joint actions, projects, and programs among territories sharing a border to address common challenges, spanning economic development, infrastructure, environment, culture, and security. Beyond addressing specific issues, it fosters understanding, collaboration between communities, and regional integration. Border regions, encompassing 40% of the EU's territory and housing 30% of its population hold significant potential as the "laboratory of the European Union" not only because these regions should offer opportunities and a high standard of living for their 150 million inhabitants but also because integration is first tested in these territories.

While substantial research has been conducted on various facets of cross-border cooperation, the complexity of the topic necessitates the creation of additional theoretical frameworks and a more comprehensive understanding of the factors shaping cross-border relationships. This understanding should encompass the historical, economic, and spatial contexts unique to these regions and their impact on CBC dynamics. Also, some scholars have already noted that cross-border cooperation can be driven by cultural identity, economic practices, and social ties, particularly among national minorities. However, this aspect remains not thoroughly explored. Recognizing this research gap, this doctoral thesis focuses on the role of national minorities, specifically the Romanian minority living in Hungarian border counties and the Hungarian minority living in Romanian border counties, in cross-border economic cooperation at the Romanian-Hungarian border between 2007 and 2020, covering the two closed EU programming cycles for Hungary and Romania as EU Member States. Employing a mixed-method approach, including literature review, document analysis, interviews, focus groups, and statistical analysis, this research aims to provide a deeper understanding of this uncharted terrain and contribute to more effective cross-border initiatives.

Research on the role of national minorities in cross-border economic cooperation is pivotal for several reasons. Firstly, it can illuminate the historical, economic, and social factors shaping cross-border cooperation. Secondly, it can shed light on how to inclusively involve these groups in cross-border initiatives. Lastly, it can promote peace, stability, and cooperation between neighboring countries, especially within the context of EU integration. Building on the problem statement, this research addresses the role of national minorities in cross-border economic cooperation on the Hungarian-Romanian border between 2007 and 2020. Four research questions and corresponding hypotheses have been formulated:

Question #1: What changes characterized the Hungarian-Romanian borderscape between 2007 and 2020?

Hypothesis #1: The Hungarian-Romanian borderscape significantly changed in several ways, however, these changes are mostly the result of independent processes happening on both sides of the border and not the outcome of a coordinated and planned cooperation.

Question #2: What role did national minorities play in the INTERREG cross-border economic projects between 2007 and 2020?

Hypothesis #2: The national minorities played a small albeit positive role in the INTERREG cross-border economic projects, and they were especially active in those economy-related projects that are preparatory in their nature and their primary goal was to create the necessary conditions on which further initiatives could be built.

Question #3: How were national minorities represented in the border counties' development strategies between 2007 and 2020?

Hypothesis #3: The national minorities were more often and in detail mentioned in those counties where their population was more significant, and these documents were analysing the role of the national minorities from several aspects; however, it was rare to mark those objective and specific tools with which these groups could realise the set aims.

Question #4: What is the current perception of national minorities regarding the border, their neighbors, and their role in cross-border economic cooperation?

Hypothesis #4: The national minorities on both sides of the border perceive cross-border economic cooperation as a tool for improving the standard of living at the borderland; they are open towards their neighbours, but frustration is perceived regarding the border itself and their own role is perceived critically.

2 Methodology

In this research, a constructivist research paradigm was chosen to best address the research questions. This philosophical approach emphasizes collaborative meaning-making between researchers and participants throughout the research process. It was deemed suitable for this study as it allowed for an exploration of the perceptions and roles of national minorities in the Hungarian-Romanian borderland without imposing the researcher's preconceptions. However, it was acknowledged that constructivism could have potential drawbacks, including researcher bias, selection bias, or language bias. To mitigate these risks, the researcher maintained a critical, transparent, and reflective approach to their own thought process and prioritized ethical considerations such as informed consent and participant anonymity.

To ensure the quality and depth of the research, a mixed-method methodology was designed, incorporating various data collection techniques. These included a literature review employing both semi-systematic and integrative approaches to critically analyze existing knowledge on the topic and identify gaps or methodological issues in the literature.

In the empirical part of the research, two types of document analysis methods were used to examine the development strategies of Romanian-Hungarian border counties. Qualitative and quantitative content analyses were employed to categorize words and concepts relevant to the research, with a focus on those related to national minorities. Software tools like NVivo were used to generate reports from the analyzed data. Additionally, European Groupings of Territorial Cooperation (EGTC) projects were subjected to document analysis.

The research also involved two types of qualitative methods: semi-structured in-depth interviews and a focus group. Semi-structured interviews were chosen for their effectiveness in gathering detailed knowledge from participants about their perceptions, with a focus on specific items related to the research question. A total of 14 interviews were conducted in both Romanian and Hungarian. The results of a focus group discussion, accompanied by a mental mapping exercise, complemented the interview findings.

Quantitative methods played a significant role in the research. Statistical data analysis was crucial for assessing the socio-economic characteristics of national minorities in the Hungarian-Romanian border region. Key indicators included territory size, population, minority ratios, GDP per capita, net migration, unemployment rates, cross-border traffic volume, and data related to the borderscape concept. Additionally, numerical analysis was performed on the cross-border projects implemented in the region between 2007 and 2020 within the INTERREG Hungary-Romania Cross-Border Cooperation Programmes. This involved analyzing 564 project data from the official EU database.

The structure of the thesis followed the internal logic of the research questions, with sections dedicated to the introduction, literature review, methodology, empirical research, discussion, new contributions, limitations, and potential avenues for future research.

3 Research results and findings

This section comprises four distinct segments, each dedicated to addressing a specific research question. To begin, a concise summary paragraph highlights the primary findings. Subsequently, within the accompanying tables, the research questions are further dissected into sub-questions and findings, each of which the study addresses comprehensively.

Between 2007 and 2020, the Hungarian-Romanian borderscape underwent notable transformations, encompassing a range of economic, social, and political dimensions. This period witnessed increased cross-border projects fostering economic cooperation, evolving perceptions of distance and trust among border-region inhabitants, and the persistence of ethnic tensions and historical complexities that influenced cross-border relations. Additionally, infrastructure developments aimed at enhancing connectivity and trade played a pivotal role in shaping the region during this timeframe. Further findings relating to the first research question are summarised in the Table 1.

Between 2007 and 2020, national minorities in the Hungarian-Romanian border section played a moderate role in INTERREG cross-border economic projects. They actively participated in initiatives aimed at preserving and promoting their cultural identity, including cultural events, traditional workshops, and educational programs. These activities facilitated cooperation and collaboration among minority groups in neighboring regions. Moreover, these cross-border projects had a positive impact on the economic development of the border area, creating opportunities for cultural tourism, skill development, and fostering cross-border relationships. While not direct economic drivers, these initiatives contributed to trust and cooperation among communities, with the potential for long-term economic benefits. To ensure cooperation, these projects balanced the involvement of national minorities, emphasizing inclusive cultural activities that brought people from both sides of the border together, strengthening cooperation and contributing to economic development in an inclusive manner. Further findings relating to the second research question are summarised in Table 2.

The representation of national minorities in the border counties' development strategies between 2007 and 2020 varied significantly. These strategies served as a valuable source for understanding the role and representation of national minorities in cross-border economic development. The frequency of mentions of national minorities differed widely among counties, with some documents containing only a few references and others including numerous mentions. However, the mere frequency of mentions did not always indicate the importance or significance attributed to national minorities within the overall development strategy. To gain a deeper understanding, it was crucial to consider the context and roles ascribed to national minorities in these mentions.

Additionally, there were notable differences between Romanian and Hungarian county strategies in their approach to national minorities and cross-border cooperation. Romanian county strategies often connected the Hungarian minority to cross-border cooperation and

viewed them positively. In contrast, Hungarian county strategies typically did not mention the Romanian minority in this context, focusing more on territorial identity and cross-border relations. These distinctions shed light on the varying approaches to national minority representation and cross-border cooperation in the two regions. Further findings relating to the third research question are summarised in Table 3.

The current perception of national minorities in the Romanian-Hungarian cross-border region regarding the border, their neighbors, and their role in cross-border economic cooperation is multifaceted. Factors influencing border perception include historical events, the permeability of borders, and political discourse and institutions. Citizens' views of the border vary, with some seeing it as a barrier to cooperation and trade, while others view it as an opportunity for cross-border collaboration. Bilingual residents and those with cross-border networks often act as bridges between the two countries, promoting cooperation. However, there is a level of frustration due to the delayed accession of Romania to the Schengen area, which hampers the development of good neighborly relations and cross-border cooperation.

Residents in the border region perceive their neighbors in two main ways: as cooperative partners and as competitors. Some see neighbors as collaborative partners in various initiatives, including cross-border projects and economic activities. However, competition exists, particularly in business relations, where differences in thinking, systems, and business culture can create challenges. Overall, there is a good level of trust between people on both sides of the border, including among national minorities, but trust may not be universal in business relations, where cautiousness can hinder cross-border economic cooperation. Further findings relating to the fourth research question are summarised in Table 4.

Question #1: What changes characterised the Hungarian-Romanian borderscape between 2007 and 2020?	
Sub-questions	Main findings
What changes in economic cooperation and cross-border projects were observed in the Hungarian-Romanian borderscape between 2007 and 2020?	Between 2007 and 2020, the borderscape saw an increase in cross-border projects and initiatives aimed at fostering economic cooperation. These included projects funded by EU programs like INTERREG and the participation of Euroregions and European Grouping of Territorial Cooperation (EGTC) in various initiatives. However, these activities often focused on preparatory groundwork rather than direct economic cooperation, and their impact remained limited.
How did the perceptions of distance, mutual trust, and otherness change among people in the Hungarian-Romanian border region between 2007 and 2020?	The analysed period witnessed changes in the perceptions of distance and mutual trust. While there was a lack of systematically collected data, studies showed that factors like mental distance, mutual trust, and perceptions of otherness continued to influence cross-border interactions. The mental mapping exercise conducted in 2022 revealed that individuals had varying definitions of the border region, indicating evolving perceptions.
What were the key challenges and successes in the Hungarian-Romanian border region's development during the period from 2007 to 2020?	The analysed period brought both challenges and successes to the Hungarian-Romanian border region. Challenges included economic disparities, brain drain, infrastructure limitations, and governance weaknesses. However, successes were also observed in economic development through EU programs, cultural exchange, and infrastructure projects. These achievements demonstrated the potential of cross-border cooperation and investments in addressing common challenges.
What infrastructure changes and developments occurred in the Hungarian-Romanian border region between 2007 and 2020?	Infrastructure changes and developments in the border region included projects like the modernization of railway border crossings, improvements in transportation links, and efforts to reduce transit times and transportation costs. These infrastructure projects aimed to enhance connectivity, stimulate cross-border trade, and facilitate economic cooperation during the period from 2007 to 2020.

Table 1: Research question #1, Sub-questions, Main findings

Question #2: What role did national minorities play in the INTERREG cross-border economic projects between 2007 and 2020?	
Sub-questions	Main findings
How are national minorities in the Hungarian-Romanian border section involved in cross-border projects?	National minorities are involved in cross-border projects through initiatives that aim to preserve and promote their cultural identity. These projects often include organizing cultural events, traditional workshops, and educational programs that facilitate cooperation and collaboration between minority groups in neighbouring regions.
What impact do cross-border projects involving national minorities in the Hungarian-Romanian border section have on economic development in the border area?	Cross-border projects involving national minorities can positively impact economic development by creating opportunities for cultural tourism, skill development, and fostering cross-border relationships. While these projects may not always directly contribute to economic growth, they play a crucial role in building trust and cooperation among communities, which can lead to long-term economic benefits.
How do cross-border projects balance the involvement of national minorities to ensure cooperation between neighboring regions?	Cross-border projects aim to balance the involvement of national minorities by promoting cultural exchange and collaboration while avoiding dominance by one group. They often emphasize cultural activities that bring people from both sides of the border together, thus strengthening cooperation and contributing to economic development in a balanced and inclusive manner.

Table 2: Research question #2, Sub-questions, Main findings

Question #3: How were the national minorities represented in the border counties' development strategies between 2007-2020?	
Sub-questions	Main findings
Why are the counties' strategic development documents a rational choice in understanding the national minorities representation in cross-border economic development?	The counties' development strategies offer a localized, policy-focused, and contextually relevant source of information for understanding the role and representation of national minorities in cross-border economic development.
How often were the national minorities mentioned in the counties' strategic documents?	The specific number of mentions and the density of references varied widely among counties, with some documents mentioning national minorities only a few times, while others included numerous references. However, the mere frequency of mentions does not necessarily indicate the importance or significance of national minorities within the overall development strategy. To gain a more nuanced understanding, it is essential to consider the context and roles attributed to national minorities in these mentions.
How are national minorities mentioned in these county strategy documents?	The importance of national minorities in some cases has increased over time in these documents.
How do Romanian and Hungarian counties differ in their approach to national minorities and cross-border cooperation according to the development strategies?	Romanian county strategies often connect the Hungarian minority to cross-border cooperation and view them positively. In contrast, Hungarian county strategies do not usually mention the Romanian minority in this context, focusing more on territorial identity and cross-border relations.

Table 3: *Research question #3, Sub-questions, Main findings*

Question #4: What is the current perception of the national minorities regarding the border, their neighbours and their own role in cross-border economic cooperation?	
Sub-questions	Main findings
What are the main factors influencing border perception in the Romanian-Hungarian cross-border region?	Three key factors influence border perception: history, permeability of borders, and political discourse and institutions. Historical events, including conflicts and treaties, shape people's collective identities and perceptions of the border. The permeability of the border, whether it is seen as a hard line or an open passage, significantly impacts how individuals perceive it. Political discourse and institutions also play a role in shaping border perception, as they can influence whether borders are open or closed.
How do citizens in the Hungarian-Romanian cross-border region perceive the border?	Citizens' perceptions of the border vary widely. Some view the border as barrier to cooperation and trade, while others see it as an opportunity for cross-border collaboration. Bilingual residents and those with cross-border networks can act as real bridges between the two countries and promote cooperation. The perception of borders as bridges is often associated with non-state actors promoting cooperation.
How does the delayed accession of Romania to the Schengen area affect perceptions of neighbours and cross-border cooperation?	The delayed accession of Romania to the Schengen area does cause frustration among residents of the Hungarian-Romanian border region. While it may not directly influence perceptions of neighbours, it slows down the development of good neighbourly relations and cross-border cooperation.
How do residents in the border region perceive their neighbours?	Residents in the border region perceive their neighbours in two main ways: as cooperative partners and as competitors. Some view their neighbours as partners with whom they can collaborate on various initiatives, including cross-border projects and economic activities. However, there is also a sense of competition, particularly in business relations, where differences in thinking, systems, and business culture can create challenges.
Is there a level of trust between people on both sides of the border, particularly among national minorities?	There is generally a good level of trust between people on both sides of the border, including among national minorities. Residents are willing to engage in various forms of cooperation and exchanges, such as buying used cars from the other side. However, when it comes to business relations, trust may not be universal, and cautiousness can hinder cross-border economic cooperation.

Table 4: Research question #4, Sub-questions, Main findings

4 Novelty and theses of the research

This doctoral thesis is expected to make a multifaceted scientific contribution. Firstly, it adds a theoretical dimension by incorporating experience and representation into borderscape research, thereby expanding the theoretical knowledge in this field. By moving beyond historical-descriptive analyses of the Romanian-Hungarian border region and applying van Houtum's typology as well as adapting CESCO's Territorial Impact Assessment tool to this specific case, the thesis provides fresh and synthesized insights into the role of the Romanian minority in Hungary and the Hungarian community in Romanian border counties in cross-border economic cooperation on the Romanian-Hungarian border region between 2007 and 2020.

The doctoral research addresses crucial gaps in the literature by answering the key research questions. Notably, significant changes occurred in the Hungarian-Romanian borderscape between 2007 and 2020, particularly in certain socio-economic indicators. These changes primarily resulted from independent processes occurring on both sides of the border, rather than coordinated and planned cooperation. Nevertheless, national minorities have played a modest yet positive role in INTERREG cross-border economic projects. They were particularly active in preparatory economy-related projects aimed at creating the necessary conditions for subsequent initiatives.

In county development strategies, national minorities received more detailed mentions in counties where their population was more substantial. In these documents, national minorities were generally portrayed positively, perceived as assets that could be leveraged if their strengths were emphasized. While some documents did highlight them as threats or weaknesses, this was not the prevailing representation. However, specific tools enabling these groups to achieve set objectives for the benefit of the entire cross-border region were rarely found in county development strategies.

The thesis reveals that national minorities on both sides of the border view cross-border economic cooperation as a means to improve the standard of living in borderland areas. They appeared open to their neighbors, though conflicting perceptions coexisted, with some considering neighbors as competitors and others as cooperative partners. Perceptions of the border itself were more uniform and marked by frustration exacerbated by Romania's delayed accession to the Schengen Area. Regarding the national minorities' self-perception, apart from being seen as bridges between the two countries, the research sheds light on a more critical view suggesting that their role has not been fully realized.

Another scientific contribution emerging from the research is the recognition of the potential danger in strengthening Hungarian-Hungarian or Romanian-Romanian relations disproportionately. Such imbalances could lead to tension and conflict in the borderland. However, it appears that in this case the involvement of national minorities was relatively balanced and did not result in excessively dominant or thematised Hungarian-Hungarian or

Romanian-Romanian activities, implying that they likely bolstered cross-border cooperation and economic development in the border area.

Lastly, the thesis contributes methodologically by introducing a unique mixed methodology. While not entirely novel, this mixed methodology combines interviews, focus groups, document analysis, statistical methods, and numerical project analysis with a literature review, allowing for data triangulation. Moreover, the specific benchmarks designed for the research can be further tested and refined by the scientific community.

The proven theses of this work are the following:

Question #1: What changes characterized the Hungarian-Romanian borderscape between 2007 and 2020?

Thesis #1: The borderscape of the Hungarian-Romanian border region underwent substantial transformations, yet these alterations primarily stemmed from distinct developments occurring independently on either side of the border, rather than being the product of a deliberate and coordinated collaborative effort.

Question #2: What role did national minorities play in the INTERREG cross-border economic projects between 2007 and 2020?

Thesis #2: National minorities had a modest yet beneficial impact on INTERREG cross-border economic initiatives, with their notable involvement mainly concentrated in preliminary economy-focused projects aimed at establishing essential foundations for subsequent initiatives.

Question #3: How were national minorities represented in the border counties' development strategies between 2007 and 2020?

Thesis #3: In counties with a larger presence of national minorities, these groups received more frequent and comprehensive mentions in the documents. While these documents analyzed the roles of national minorities from various perspectives, it was uncommon to identify the specific and practical tools through which these groups could achieve their defined objectives.

Question #4: What is the current perception of national minorities regarding the border, their neighbors, and their role in cross-border economic cooperation?

Thesis #4: National minorities on both sides of the border view cross-border economic cooperation as a means to enhance the borderland's living standards, displaying openness toward their neighbors while experiencing frustration regarding the border itself and critically evaluating their own roles.

5 Conclusion, proposals

The doctoral research has several professional implications in addition to its scientific contributions, particularly in the fields of territorial development and policymaking. The research suggests that economic development can be promoted through cross-border cooperation involving national minorities. This understanding can guide policymakers to develop strategies that leverage the strengths of Romanian communities in Hungary and Hungarian communities in Romanian border regions for mutual benefit, ultimately promoting inclusive and equitable societies.

The study also identifies obstacles and deficiencies in involving national minorities in cross-border economic development. Policymakers can use these findings to address these issues, emphasizing the need for border county development strategies to include specific objectives related to national minorities' interests. The research highlights the importance of creating frameworks that enable national minorities to act as bridges between the two countries.

Additionally, the research underscores the political implications, emphasizing that politics significantly impact the perception of national minorities and cross-border economic cooperation. Elected leaders in borderland areas should encourage aspirations that promote partnership and collaboration for mutually beneficial cooperation. On the local level, various organizations and entities, including Chambers of Commerce, Euroregions, municipalities, schools, universities, companies, NGOs, and churches, have a responsibility in knowledge acquisition and capacity building. Closer people-to-people relations between communities from both sides of the border can lead to different types of cross-border economic cooperation. Education and tailored courses can raise awareness of effective cross-border cooperation project design and implementation.

In summary, this doctoral research explores the role of national minorities in cross-border economic cooperation at the Hungarian-Romanian border from 2007 to 2020. The research methodology incorporates a mixed-method approach, combining literature review, document analysis, interviews, focus groups, statistical analysis, and numerical project analysis. It addresses four research questions, highlighting changes in the border region, the role of national minorities in cross-border projects, their representation in development strategies, and their current perceptions. The research's professional implications include the potential for economic development through cross-border cooperation involving national minorities in a deeper manner and the importance of understanding their unique perspectives and capabilities for policymaking.

6 Publications

1. Benczi, M. (2023). Outlining the main perception strands on the Hungarian-Romanian border. *Frontières en mouvement (FRONTEM): Which Models of Cross-Border Cooperation for the EU?* (publication in progress)
2. Benczi, M., Tóth, B. (2023). A nemzeti kisebbségek szerepe a magyar-román határon átnyúló gazdasági együttműködésben a 2007-2020 közötti időszak megyei fejlesztési dokumentumaiban. *Pro Publico Bono: Magyar Közigazgatás* (2). (publication in progress)
3. Benczi, M. (2023). The Role of EGTCs and Euroregions in Economic Cooperation Across the Hungarian-Romanian Border Between the Period 2007-2020. In *Társadalom – Gazdaság – Természet: Szinergiák A Fenntartható Fejlődésben (Nemzetközi tudományos konferencia a Magyar Tudomány Ünnepe alkalmából)* (pp. 531–539). http://doi.org/10.35511/978-963-334-450-7_s10_Benczi
4. Benczi, M. (2022). Mikhailova, E., Garrard, J. (eds.) (2021): Twin Cities across Five Continents. Interactions and Tensions on Urban Borders (Routledge, New York, p. 350). *Tér És Társadalom*, 36(2), 150–153. <http://doi.org/10.17649/TET.36.2.3433>
5. Benczi, M. (2022). The role of national minorities in economic cooperation across the Hungarian-Romanian border in the main development documents of the period 2007-2020 = (A nemzeti kisebbségek szerepe a magyar-román határon átnyúló gazdasági együttműködésben a 2007–2020 közötti időszak fő fejlesztési dokumentumaiban). In *Társadalom – Gazdaság – Természet: Szinergiák A Fenntartható Fejlődésben (Nemzetközi tudományos konferencia a Magyar Tudomány Ünnepe alkalmából) - Programfüzet és előadáskivonatok* (p. 146).
6. Benczi, M. (2021). Achievement (un)locked: how did the COVID-19 global pandemic change the narrative of cross-border cooperation? In *Challenges in the Carpathian Basin: global challenges - local answers: interdependencies or globalisation?: 15th International Conference on Economics and Business* (pp. 1111–1139).
7. Benczi, M., Ocskay, Gy. (2021). The evolution of cross-border cooperation in Hungary. *Észak-Magyarországi Stratégiai Füzetek*, 18(2), 54–67. <http://doi.org/10.32976/stratfuz.2021.35>