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Abstract

Since the regime change Hungary is undoubtedly one of the most active kin-states in Europe which from time to time led to conflicts with the neighbouring countries. An important – and slightly less confictual – component of Hungary's kin-state policy is the cross-border financial support system which had and still has an important role in the forming and upholding of the Hungarian minority nonprofit sector in the neighbouring contries. In my presentation I would like to address the case of the Hungarian minority in Slovakia and seek the answer to the following questions:

1. What demands did the organizations have towards Hungary’s support system?
2. How did the supply side meet and/or shape those demands?
3. Which nonprofit organizations did profit the most from the fiancial support system?
4. How did the changes in the financial support system possibly affect the Hungarian nonprofit sector in Slovakia?

I. Introduction

There is a general consensus, that nonprofit organizations play an important role in modern economy as service providers, employers, and in societies in general, especially in democratization and generation of social capital and trust. Lester Salamon and others distinguished five functions, nonprofit organizations serve: service provision, innovation, advocacy, expressive and leadership development role, community building and democratization (Salamon et al. 2000). Nonprofit organizations probably play an even more important role in minority societies unable to use public institutions to promote their specific interests and protect their rights. Despite this, the study of minority organizations seems to be in comparison with other fields somewhat peripheral. Although there has been some social

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science research on minority institutional systems in general, and its cultural segment in particular, these studies have been descriptive for the most part, and concentrated on the size and composition of the non-profit sector, and its main sources of income. In our study we would like to contribute to this discussion by exploring Hungary’s cross-border financial support system from both the decision makers’ and the beneficiaries’ viewpoint. First based on the available literature we’ll present the recent history of the voluntary sector in Slovakia and of Hungary’s kin-state politics. After that we’ll examine the organizations’ demands towards the support system and how the supply side did meet or shape those demands. We also identify those organizations that profited the most from the support system. Finally we try to evaluate the importance of the support system for Hungarian minority organizations in Slovakia and the effects of the changes made to it.

II. The third sector in Slovakia


1. Increase in numbers and differentiation (1989–1992): the most important laws regulating the nonprofit organizations were passed in this period


3. Self-awareness (1994–1997): The newly formed government was suspicious of the activities of the voluntary organizations and tried to impose stricter regulations. The preparations for the new Law on Foundations triggered the opposition of the third sector and led to the campaign „Third Sector SOS” (Tretí sektor SOS). The third sector proposed their own version of the law. Although the campaign was unsuccessful – the law had been passed – it contributed to the better organization of the third sector.

4. Mobilization (1997–1998): In this period the main event were the preparations for the national elections in 1998 and the elections themselves. In order to inform the voters, increase voter turnout, and supervise the elections the nonprofit organizations launched the „Civic
Campaign ’98” (Občianska kampaň ’98). The mobilization was a success, voter turnout was above 80% and there were no signs of electoral fraud.

5. Partnership (1998–2006): After the elections the newly formed government acknowledged the importance of the voluntary organizations, perceived them as partners. Several new laws had been passed that were more favorable for the third sector – e.g. the law on donation of 1% of personal income tax to organizations – and the EU accession opened new possibilities for nonprofit organizations. However, the international foundations that supported the third sector in the previous decade have left the country. The number of organizations further increased: in 1998 there were 12,599 organizations, in 2005 their number reached 27,100. Most of them were associations, the number of foundations, charitable funds, and others was much lower (Tóth 2006: 228.).

6. Protection of the independence (2006–): After the elections in 2006 there was another change in the relationship of the third sector and the government. The latter tried to strengthen the state and weaken the influence of the voluntary organizations. This triggered the reaction of the third sector, that started the campaign People for People („Ľudia ľuďom”) to prevent the government from constricting the possibilities for the donation of personal income tax and a petition against the planned amendment of the law on associations, both of those actions were successful. In 2010 the number of nonprofit organizations was 37,409, 34,000 of them being associations (Bútora et al. 2012: 52).

II. 1. The ethnic Hungarian organizations in Slovakia

The history of the Hungarian nonprofit organizations is understandably closely intertwined with the history of the whole sector (Tóth 2006). The first period was characterized by increase in number and adaptation to the changed circumstances. The ethnic Hungarian nonprofit sector was strongly connected to the forming Hungarian minority political parties, which tried to establish their own organizations and influence the existing ones. After the 1994 elections the relationship with the national government became conflictual. The Ministry of Education planned to reform the minority education by introducing some subjects in Slovak language, replaced school directors in Hungarian schools and banned bilingual report cards and permitted only Slovak monolingual report cards. This led to protests, the Hungarian Teacher’s Association in Slovakia took the lead and the cultural
organization Csemadok was also active (Pék 2006, Simon 2006). After the 1998 elections the Party of the Hungarian Coalition became part of the government and the relationship of the Hungarian organizations and the government improved significantly. As in the case of the sector as a whole, after the 2006 elections the relationship with the government became once again conflictual. However, the reasons are different: the amendment of the language law in 2009 that constricted the usage of minority languages and the language rights in general and the still unresolved Hedviga Malinová case.

The most information about the Hungarian organizations in Slovakia come from the studies of Károly Tóth and the Forum Minority Research Institute (Tóth 2005, Tóth 2006, Nagy–Tóth 2006). Based on these in 2001 the majority – two thirds of the total 651 voluntary organizations that appeared in their database – haven’t been officially registered. In 2004 – based on a database containing 1115 nonprofit organizations – the primary activity of the clear majority was culture (68,5%). Beside these 22,4% of the organizations were engaged in culture as a secondary activity, which makes a total 90% active in this area. Other important activities were education (6,8% as primary and 14,5% as secondary), media (6,5 plus 6,4%) and youth organizations represented 4,3 plus 19,1% of all nonprofit organizations. The cultural organizations were the main focus of another research conducted in 2003, which found that three out of four cultural organizations were nonprofits, the public sector institutions and businesses added up to 25%.

Beyond the history and scope of the ethnic Hungarian institutional system in Slovakia, the studies focused on the organizations’ main sources of income. The Slovak organizations constituted the basis for comparison. In case of the latter, the studies found that until 1998 foundations like the Open Society Foundation, Fund for Civil Society, Charles Stewart Mott Foundation or the German Marshall Fund were the main sources of income for the third sector in Slovakia. After the 1998 elections domestic sources of income came into foreground, fees for services in first place, that constituted about 60% of their total income, another 20% came from individual or corporate donations and the rest from the state. Part of the latter were the donations of 1% of personal income tax. On the other hand, studies on the Hungarian institutions show that their income is substantially lower and only a small part of their income comes from the aforementioned sources, the main financial sources being the Hungarian foundations and governmental grants, the local self-governments and – after 1998 – the funds of the Ministry of Culture of the Slovak Republic reserved for the support of minority cultures (Nagy 2005, Nagy 2009, Nagy-Tóth 2006, Szarka 2005). Beside these volunteering, membership and other fees plays a substantial role in case of the Hungarian organizations in
Slovakia. Although Hungarian voluntary organizations as a result of their special position on the boundary between the Slovak and Hungarian institutional system are often entitled to apply for funding both in Slovakia and from Hungary, studies show that they are unable to turn this special position to their advantage.

In order to better understand the structure of the Hungarian minority institutional system and its relationship with Hungary’s financial support system we have to mention a specific organization, the Csemadok. The Csemadok has been established in 1949 by the Communist Party of Slovakia under the name Cultural Association of Hungarian Workers in Czechoslovakia to mediate the Party’s decisions to the Hungarian population. However soon „another Csemadok”\footnote{The term was coined by Rezső Szabó, former secretary of Csemadok.} formed within the original organization, that served as a unique ground for self-organization, reproduction of the minority elite and the discussion of people coming from different regions.

From the 60s the organization became active in advocacy of the minority interests. After the regime change several options emerged concerning the future of Csemadok: becoming a party was one, dissolution another, but the final decision was to continue as a nonprofit organization. The Csemadok maintained its cultural as well as advocacy role. Although formally equal to the other newly-formed organizations, thanks to its special positions, as well as strong ties to Hungarian minority parties in Slovakia Csemadok managed to maintain its advantageous position in the Hungarian minority institutional system in Slovakia. Until 1994 Csemadok received regular funding from the state, but after that its sources of income are the same as those of the other Hungarian minority organizations (Gál 2006, Székely 2009, Tóth 1998, Varga 2006). The structure of Csemadok is hierarchical, its basis are the local organizations, which on the second level form regional boards, one in each district and the National Council constitutes the third level (until 2000 the National Board).

III. Kin-state politics of Hungary

After the regime change the responsibility of Hungary towards its kin-minorities living outside its borders became part of the new constitution: „The Republic of Hungary feels responsible for the fate of Hungarians living outside its borders and facilitates their
relationship with Hungary.”

After the adoption of the new Fundamental Law Article D states, that „Hungary, guided by the notion of a single Hungarian nation, shall bear responsibility for the fate of Hungarians living outside its borders, shall foster the survival and development of their communities, shall support their endeavours to preserve their Hungarian identity, and shall promote their cooperation with each other and with Hungary.” These formulations however give place to different interpretations. Nándor Bárdi in his studies presents the changes in Hungary’s kin-state politics after the regime change and shows that there are significant differences in the views, approach and institutional solutions of the different governments (Bárd 2004). There is however a limited consensus regarding the basic principles, which Bárdi summarizes in five points:

1. One has to change the quality and meaning of borders and not their location.

2. The kin-minorities are entitled to have their separate institutional systems. Cultural authonomy should provide its framework. However, there is no consensus on the way such authonomy should be achieved.

3. The elites of the ethnic Hungarian communities are to be treated as equal partners.

4. It is the responsibility of the Hungarian government to advocate the interests of the Hungarian minorities on international forums.

5. The financial support of kin-minorities is a constant part of Hungary’s budget and role of the public foundations.

From the perspective of our study the second and fifth principles are of key importance. In order to illustrate the role and effect of the Hungarian cross-border support system we analyse the institutions that had the most important role in funding the cultural organizations of Hungary’s kin-minorities: the Illyés Foundation, the Szülőföld (Homeland) Fund and the Bethlen Gábor Fund. As the Illyés Foundation covered the longest period, operating from 1990 until its dissolution in 2006 we will present this in greater detail and then compare the periods of the other two institutions to point out the main differences.

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2 Constitution of Hungary 1949 (amend. 1989), Article 6. (3)
3 The Fundamental Law of Hungary, Article D
III. 1. The Illyés Foundation

The Foundation had been established in 1990 as Illyés Gyula Foundation to help preserve the national identity, the mother tongue, to support worship in the mother tongue, cultural events and scientific research. In the first years Csemadok was the main partner of the foundation in Slovakia that played an advisory role and as a result of this had strong influence on the decision-making. However, the support system had not yet been well-established, the decisions were not sufficiently transparent. From 1994 the foundation took on the newly established legal form of a public foundation and in 1995 its structure had been changed. As an attempt to give place in the decision-making to the Hungarian elites in the neighbouring countries and as a result strengthen the legitimacy of the decisions five lower level advisory boards had been established (in Romania, Slovakia, Yugoslavia, Ukraine and Slovenia). In the case of Romania, Slovakia and Yugoslavia professional councils constituted the lowest level of decision-making. In Slovakia there have been seven professional councils: for education, culture, Csemadok, local and regional projects, publishing, research and for churches and religion. The members of these councils represented the most important and influential regional organizations in the respective fields. This lowest level was the most influential. The decisions made on this level were mainly accepted by the higher levels, first by the regional advisory boards and then the central advisory board in Budapest, sometimes with slight changes.

Since 1996 the cultural organizations and institutions, which constitute the vast majority of the Hungarian institutional system in Slovakia had been represented by two professional councils: one for the Csemadok organizations and one for all the other organizations. The members of the Csemadok council were the delegates of the regional boards and National Council. The cultural organizations were represented by the biggest cultural organizations from every region of Slovakia. Only the Csemadok organizations and joint unregistered associations (e.g. choirs, dance groups, etc.) were entitled to apply for funding by the former. All the other applications had to be sent to the cultural council. As Figure 1 shows the budgets of the two councils had changed but since 2000 the budget of the Csemadok council was bigger than the budget of the other council in every year.

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4 Article of association of the Illyés Foundation.
The calls for application were published every year between January and May in the Hungarian language newspapers Új Szó, Vasárnap and Szabad Újság. Organizations had 13 to 39 days to apply. Minimal criteria had been set for the applications: official registration and a small registration fee. The organizations had to fill out forms that got even simpler as time progressed. The organizations might apply for funding of cultural events and operating costs. Until 2004 the events had to be regional or statewide, since 2004 smaller, local events and the funding of smaller organizations appeared in the calls for applications.

IV. Analysis of the submitted applications

The primary basis of our study are the applications submitted to the Council of Culture and Council of Csemadok Organizations of the Slovakian Advisory Board of the Illyés Foundation. Beside these we conducted several interviews with the members of the Slovakian Advisory Board, the Csemadok professional council and the presidents of Csemadok organizations.

The aim of the study is to analyze the activity and demands made by the organizations that applied for funding, and how these demands changed in time, the factors taken into

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5 The exchange rate varied from approximately 250 to 270 HUF for 1 EUR.
6 I would like to thank the Forum Minority Research Institute and Bibliotheca Hungarica and especially, the latter intitutions director, László Végh, for making these applications and records available for research.
7 The list of the interviews can be found in the Appendix.
consideration during the decision making, and to identify the most successful organizations, that profited the most from the financial support system.

Unfortunately no data on the period until 1995 was available to us. In the period between 1996 and 2006 a total number of 663 organizations and private persons applied to the Professional Council of Culture and submitted 1700 applications. The Professional Council of Csemadok Organizations received 1256 applications from 264 applicants. As we see in Figure 2, in most years there were more applications from cultural organizations in general, than from Csemadok organizations. In 2004 there was a significant increase in the number of applicants and submitted applications, the reason being the changes made in the call for applications, that is the inclusion of smaller projects and local events discussed above. One another proof of this – beside the interviews – is the increase of local self-governments amongst the applicants and the increase of the proportion of cultural events. Although the calls for applications were left unchanged after this, the number of applicants decreased, probably on account of the relative failure to receive funding, due to the limited budget.

Figure 2: The number of applicants and applications submitted to the Council of Culture and the Council of Csemadok Organizations (1996–2006)
IV. 1. The distribution of applicants and applications

The Illyés Foundation attracted a wide variety of applicants, mostly associations, local organizations of the Csemadok or other nonprofit organizations, but local self-governments, private persons, schools, other public insitutions or bussinesses can also be found among the applicants. Table 1 and 2 show the distributions of applicants and applications for the two discussed professional councils. As we see, the differences in the activity are especially evident in the case of the Csemadok organizations: the local organizations constitute the vast majority of the applicants, however the proportion of the applications submitted by them is smaller, the higher level organizations gaining importance. The reason is yet again to be found in the call for papers, as the foundation attracted regional and statewide organizations and events in the first place. Although one of the conditions for submitting an application – in the case of organizations – was to be officially registered, many unregistered associations applied, and moreover, were successful.

Table 1: The distribution of applicants and applications submitted to the Professional Council of Csemadok Associations based on legal form of applicants

<table>
<thead>
<tr>
<th>Type</th>
<th>Applicants (N=264)</th>
<th>Applications (N=1254)</th>
<th>Application per applicant (mean: 4.75)</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Council</td>
<td>0.38%</td>
<td>4.70%</td>
<td>59</td>
</tr>
<tr>
<td>Regional Board</td>
<td>6.82%</td>
<td>35.33%</td>
<td>24.6</td>
</tr>
<tr>
<td>Local organization</td>
<td>73.86%</td>
<td>53.51%</td>
<td>3.4</td>
</tr>
<tr>
<td>Secretariat of the National Board</td>
<td>0.76%</td>
<td>0.16%</td>
<td>1</td>
</tr>
<tr>
<td>Unregistered organization</td>
<td>16.67%</td>
<td>5.42%</td>
<td>1.6</td>
</tr>
<tr>
<td>Cultural Insitute</td>
<td>0.38%</td>
<td>0.56%</td>
<td>7</td>
</tr>
<tr>
<td>Other</td>
<td>1.14%</td>
<td>0.32%</td>
<td>1.3</td>
</tr>
</tbody>
</table>
Table 2: The distribution of applicants and applications submitted to the Professional Council of Culture based on legal form of applicants

<table>
<thead>
<tr>
<th>Type</th>
<th>Applicants (N=663)</th>
<th>Applications (N=1700)</th>
<th>Application per applicant (mean: 2.56)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Association</td>
<td>41.18%</td>
<td>53.76%</td>
<td>3.4</td>
</tr>
<tr>
<td>Unregistered</td>
<td>16.59%</td>
<td>9.53%</td>
<td>1.5</td>
</tr>
<tr>
<td>Self-government</td>
<td>11.01%</td>
<td>7.12%</td>
<td>1.7</td>
</tr>
<tr>
<td>Private person</td>
<td>10.56%</td>
<td>5.24%</td>
<td>1.3</td>
</tr>
<tr>
<td>Foundation</td>
<td>5.73%</td>
<td>7.82%</td>
<td>3.5</td>
</tr>
<tr>
<td>Municipal institutions</td>
<td>4.98%</td>
<td>7.06%</td>
<td>3.6</td>
</tr>
<tr>
<td>Charitable fund</td>
<td>2.71%</td>
<td>3.71%</td>
<td>3.5</td>
</tr>
<tr>
<td>School</td>
<td>1.96%</td>
<td>1.00%</td>
<td>1.3</td>
</tr>
<tr>
<td>Business</td>
<td>1.81%</td>
<td>1.06%</td>
<td>1.5</td>
</tr>
<tr>
<td>Nonprofit company</td>
<td>1.51%</td>
<td>1.24%</td>
<td>2.1</td>
</tr>
<tr>
<td>State institution</td>
<td>0.90%</td>
<td>1.76%</td>
<td>5</td>
</tr>
<tr>
<td>Microregional association</td>
<td>0.60%</td>
<td>0.47%</td>
<td>2</td>
</tr>
<tr>
<td>Church institution</td>
<td>0.30%</td>
<td>0.12%</td>
<td>1</td>
</tr>
<tr>
<td>Unknown</td>
<td>0.15%</td>
<td>0.12%</td>
<td>2</td>
</tr>
</tbody>
</table>

The majority of the applications had been submitted for the purposes indicated in the calls for applications, i.e. events and operating costs, however there were some submitted to other purposes, e.g., support of a third party, purchase of appliances, purchase or innovation of property, placement of memorial tables, etc. The proportion of applications submitted for these not explicitly supported purposes had decreased in time, the reason being their relative failure, as a result the demand and supply side gradually converged. In the case of the Csemadok, there was a strong relationship between the legal form of the organization and the purpose of the application. The National Council and regional boards primarily applied for the funding of operating costs, 80% of these applications had been submitted by these two types of organizations. Strong relationship can be observed in the case of applying on the behalf of a third organization, in 97% of the cases, the local Csemadok organizations have been the applicants. Every fifth application by local organizations applied for the funding of a third – unregistered – organization. The other purposes were also typical for the local organizations, the regional boards and the National Council applied mostly for operating costs or events,
these two purposes constitute more than 90% of their applications. In the case of the other cultural organizations, the relationship was not so strong.

Figure 3: The distribution of applications based on their purpose

IV. 2. Alternative sources of funding

As the Illyés Foundation was only one – although one of the most important – source of funding, it is important, what other institutions have funded the cultural organization in the observed period. The organizations applying for funding from the Illyés Foundation had to indicate the other sources of funding for the given project. Although many applicants didn’t disclose these alternative sources, the data allows to make some basic inferences, that the interviews conducted with the leaders of the organizations confirmed.

Until 1998 the alternative sources were limited. Many organizations tried to acquire funding from Hungarian governmental sources (Ministry of Culture, Ministry of Education, Ministry of National Heritage, National Cultural Fund, etc.) or from the local self-governments. The latter were an important partner especially for the local organizations and
small associations. After 1998 the Ministry of Culture of Slovakia was the most important alternative source of income for the Hungarian minority organizations. The interviews show, that in the case of the local organizations these sources were often sufficient, the failure at the Illyés Foundation didn’t necessarily hinder the event or endanger the operation of an organization. However, in the case of the regional boards and the National Council of Csemadok, as a result of the high operating costs and the relative inability to acquire sufficient funding from local-governments and governmental sources, these organizations were dependent on the Illyés Foundation.

IV. 3. Factors for success

The success of the applications can be analyzed from two aspects: if an application had been accepted for funding and if so, how much funding did the applicant get compared to the desired amount. The available data made it possible to analyze the decisions relating to two factors: the legal form of the organization and the purpose of the application.

The composition of the council had important consequences on the decision-making, especially in the case of the Professional Council of Csemadok Organizations, where the delegates of the regional boards decided about their own applications and the applications of the organizations from their region among others. The advantages of this system were, that the members of the professional council were familiar with the applicants and could judge if the proposed project is relevant and well-founded. On the other side, results show that as a result of this system, these regional boards and the National Council profited the most, that can be partly justified by their higher level of dependency on these financial sources. Besides, the data show the regional boards’ self-restraint, too. For example, there were many cases, when they had to decline funding from several of their own events in favour of the financing of operating costs and events proposed by other organizations.

Altogether both councils sought to support as many applications as possible, while keeping the granted funds as high as possible. Usually, more than half of the applications have been accepted, but the ratio and absolute amount of the acquired funds was often too low, especially if the number of applications and the amount of requested funding was high or the ratio of declined applications or the budget of the council was low. There have been cases, when the granted amount was only 10–15 000 Forints, and only 1–2% of the requested amount.
As we have seen, the budgets of the two professional councils compared to the number of applications per year indicated a relative advantageous position of the Csemadok organizations, that the analysis of the councils’ decisions confirms. The establishment of a separate professional council was definitely profitable for the Csemadok organizations, which were more successful from both aspects, the ratio of declined applications was lower in all years but one, and the acquired higher proportion of the requested funding than the other cultural organizations.

Figure 4: The ratio of the accepted applications (1996–2006)

Figure 5: Ratio of the granted funds compared to the requested amount (1996–2006)
However, the proportion of declined applications differed based both on the legal form of the applicant and the purpose of the application. The differences are especially evident in the case of the Csemadok organizations. The ratio of declined applications was considerably lower for the regional boards and the National Council. More than 75% of the applications received at least minimal funding compared to the approximately 50% of the local organizations’ and 34% of the unregistered associations’ applications. In the case of the other cultural council, civil society institutions were more successful compared to the municipal and state institutions and private persons.

Figure 6: The proportion of declined and accepted applications based on legal form of applicant (Professional Council of Csemadok Organizations)

Figure 7: The proportion of declined and accepted applications based on legal form of applicant (Professional Council of Culture)
These ratios are not independent from the other aspect, the purpose of the project. The proportion of declined applications is the lowest in the case of operating subsidies, 29% in the cultural council, only 11% in the Csemadok council and only 3 applications (2%) in case the applicant was a regional board or the National Council of Csemadok. Events-tenders were also more succesful than the average and in the Council of Culture the applications submitted on behalf of a third party. Property purchase and renovation and memorials were the least supported purposes, there is however a significant difference between the two councils.

Figure 9: The proportion of declined and accepted applications based on purpose (Professional Council of Csemadok Organizations)

Figure 8: The proportion of declined and accepted applications based on purpose (Professional Council of Culture)
Results are slightly different if we analyze the acquired/requested funds ratio. There is no clear difference between the civil society and public institutions, the municipal institutions were relatively successful, associations and charitable funds on the other hand less successful. In the case of the Csemadok council only the National Council is significantly more successful, the difference between the other legal forms is moderate.

![Figure 10: The ratio of acquired funds compared to requested based on legal form (Professional Council of Csemadok Organizations)](image1)

![Figure 11: The ratio of acquired funds compared to requested based on legal form (Professional Council of Culture)](image2)
Based on the purpose of the application, in the case of both councils purchase and renovation of property and memorials were the least supported. Operating subsidies were relatively successful in the Council of Csemadok Organizations, but less successful in the Council of Culture.

Figure 12: The ratio of acquired funds compared to requested based on purpose (Professional Council of Csemadok Organizations)

Figure 13: The ratio of acquired funds compared to requested based on purpose (Professional Council of Culture)
Altogether, in the period from 1996 to 2006 the funds spent by the Hungarian government through the Illyés Foundation have been moderately concentrated to the Csemadok organizations, that clearly profited from the establishment of a separate professional council within the Slovakian Advisory Board. Beside this a considerable share of the granted funds has been spent on operating costs, and an approximately equal share on different cultural events, more than 80% of the total funds have been allocated to these purposes. One of the main advantages of the Illyés Foundation compared to other institutions was that it allowed the organizations to apply for operating subsidies.

V. After the dissolution of the Illyés Foundation

In the last years of its existence, the Illyés Foundation was strongly criticized because the funding was too fragmented, many organizations received only a small fraction of the requested amount. In 2006 the Hungarian government dissolved the Illyés Foundation and the Szülőföld Fund, established in 2005 took over its role. In the new decision-making process the formal influence of the minority elites decreased, representatives of the ethnic Hungarian communities received place in the Regional Conciliation Forum, that formulated recommendations on the goals and priorities of the Fund. The members have been delegated by the minority political parties. Decision-making happened on two levels. Bigger funding requests could have been submitted to the central budget, the supported applications received at least 500,000 Forints. Organizations could also apply for the role of intermediaries, so called operating structures that decided about smaller funding requests from 100,000 to 500,000 Forints that totaled up to 10% of the total budget. In 2007 there were two organizations from Slovakia, that applied for this position, one being the Csemadok, which obtained this position and in the subsequent years there have been no more challengers for the role. Within the Szülőföld Fund, the Cultural and Church College, later the Cultural, Media and Church College was responsible for the funding of cultural organizations. The Hungarian communities from abroad had their representatives in the Colleges. Beside the call for intermediaries, the supported purposes were operating costs and statewide or regional events, renovation of cultural heritage and ecclesiastical buildings, publishing and other media. The most important improvement was the increase of the granted funds in the case of the central budget. However, only a few organizations were able to propose projects, most of the organizations was used to smaller events. In our opinion the National Council of the Csemadok profited the most from the new decision-making system. On one hand it didn’t
have to compete with the smaller funding requests and could acquire higher amount of funding for operating costs. On the other hand, being an intermediary meant remarkable influence. Luckily data bear evidence of its self-restraint. The Csemadok organizations received only slightly more than half of the total budget for small projects. Similarly to the Illyés Foundation, the Szülőföld Fund and the cross-border support system as a whole attracted a considerable amount of attention and received criticism, most importantly because the support system had become intransparent, with many parallel funding organizations and lack of coordination. Others criticized the Szülőföld Fund for being biased towards organizations, that had good relationship with the government in power.\(^8\)

The new government in 2010 dissolved the Szülőföld Fund and the other funding institutions and integrated them into the Bethlen Gábor Fund. This led to an even higher level of concentration than before. The Hungarian Permanent Conference (MÁÉRT) is responsible to set the goals and priorities. The College consisting of „experts of the national administration living on the territory of Hungary that have experience and expertise in the respective field and dispose of the necessary informations to make decisions”\(^9\) prepares a recommendation to the Committee, which prepares the final decision. The Committee consists of the minister and assistant secretary responsible for kin-state politics, state secretary for state administration, and state secretary responsible for the state budget. The Hungarian minority elites from the neighbouring countries didn’t obtain seats in these bodies and have lost their formal influence on the decisions on the central level. The system continued to operate on two levels, the central budget and the budget of the intermediaries. Csemadok continued to occupy the position of the intermediary for Slovakia. The range of funding was from 600 000 to 5 million Forints in the case of the former and 100–600 000 Forints in the latter case. From the viewpoint of the organizations the most influential change was, that the Fund no longer provides operating subsidies. Operating costs have to be included in a project proposal and shouldn’t exceed 25% of the total costs of the project. Purchase of equipment should also be included in another project and is limited to 10% of the total costs. On the other side property investments are a supported purpose again, except for purchase. The National Council of Csemadok disappeared from this tender system, the local organizations and regional boards have come into foreground. The National Council has become an

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\(^8\) [http://vilag.transindex.ro/?hir=13954&nyomtat=1](http://vilag.transindex.ro/?hir=13954&nyomtat=1)

http://ujszo.com/naplap/cimlapcikk/2010/12/07/megszunik-a-szulofold-alap


„institution of national importance” and as such is entitled to normative funding from the Hungarian government.

VI. Conclusion

Based on the available data we sought to analyze the functioning of the Hungarian cross-border support system and how the Hungarian organizations in Slovakia were able to use this source of funding to their advantage. Two of the principles of kin-state politics on which there is a general, although limited consensus, are that Hungarian communities abroad are entitled to their own institutional system and that the financial support of these institutions is a permanent responsibility of the Hungarian government and is therefore a constant part of the Hungarian budget.

We can conclude that based on the analyzed data this system was able to reach a remarkable number of organizations, institutions and private persons and as the respondents stressed out was essential in providing the necessary funding for the organizations to continue their work. It is especially true for the biggest cultural association of the Hungarian community in Slovakia, the Csemadok, which was arguably the organization that profited the most from the tender system. Csemadok has a rich history, however the changes after the fall of communism have left it without its former normative support in a completely different environment than that before the regime change. The data show that the Csemadok, thanks to its good relationship with the minority political elite was able to adapt to the new environment and to a certain degree maintain its advantageous position within the institutional system. Until 1995 Csemadok was the most important partner of the Illyés Foundation in the decision-making and had a significant influence on the funding of cultural organizations. After 1995 with the loss of the normative funding from the Slovak government, Csemadok had to turn to the Illyés Foundation, too. However it was able to get a separate professional council and as a result didn’t have to compete with the other cultural organizations directly. The situation somewhat changed after the dissolution of the Illyés Foundation. Within the framework of the Szülőföld Fund and later the Bethlen Gábor Fund, all cultural organizations had to compete for the central budget, but Csemadok was able to secure the position of the intermediary. Data show that fortunately the organization didn’t try to abuse this position and the other cultural organizations still receive approximately the same proportion of the subsidies as in the time of the Illyés Foundation.
Probably the most important advantages of the Hungarian support system were, that the organizations were able to apply for operating subsidies, in Hungarian language and didn’t have to provide own funds except the small registration fee. Beside this the Illyés Foundation was exceptionally flexible, the employees were in constant contact with the applicants and allowed them to remedy the deficiencies by telephone call, the Foundation often supported organizations that shouldn’t have been able to apply and purposes that were not explicitly indicated in the calls for applications and allowed to use the remainder funds on other events. However the system was and still is far from being perfect. In the case of the Illyés Foundation one of the biggest problems was the fragmentation of the funding. This problem has been partly solved, by introducing minimum amounts, however other problems still remain. The funding is somewhat concentrated and strongly politicized, especially in the case of the Szülőföld Fund and Bethlen Gábor Fund, and the Hungarian minority elites from abroad have lost their formal influence on the decisions made on the highest level. In the case of the Illyés Foundation, the professional councils were able to ensure, that decisions have been mostly made by the minority elites on a professional basis. The concentration of the funding has its advantages by preventing the aforementioned fragmentation, however smaller organizations on a lower level of professionalization are sometimes unable to access these sources. Another problem is, that this system doesn’t support long-term planning, as organizations have to apply each year. The normative funding of the Csemadok has solved this problem for one organization, however the functioning of the others is still unstable and depends on the acquired funds. The current Hungarian cross-border system still doesn’t encourage or promote the development of the organizations, and only maintans the status quo.

Bibliography


**Interviews**

Members of the Slovakian Advisory Board of the Illyés Foundation (2 interviews)
Secretaries of regional boards and members of the Professional Council of Csemadok Organizations (2 interview)
Leaders of Csemadok local organizations (7 interjú)