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## Regional and structural characteristics of the labour market in the Dráva region<sup>1</sup>

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Napjaink modern világgazdasági válsága és annak következményei csak megerősítették a tényt, miszerint korunk egyik legsúlyosabb társadalmi-gazdasági feszültségforrása az egyre drasztikusabb méreteket öltő és számos területen egyre növekvő arányú munkanélküliség. Az állások elvesztése, a munkalehetőségek számának csökkenése éppen azokban a térségekben hat a legerőteljesebben, ahol egyébként is magas a szegénységben élők, a társadalom periferiájára szorult emberek aránya.

Jelen tanulmány célja Magyarország egyik hátrányos helyzetű, igen súlyos foglalkoztatási zavarokkal küzdő térségének, a Dráva-mentének átfogó munkaerőpiaci vizsgálata, abból a célból, hogy feltárja a foglalkoztatásban végbement változásokat, illetve a jelenleg fennálló viszonyokat, azok ok-okozati összefüggéseit. Ezen információk felhasználásával részletes, a területiséget, a térbeliséget fokozottan figyelembe vevő képet ad a jelenlegi problémák – elsősorban strukturális – jellegéről, a háttérben meghúzódó folyamatokról és összefüggésekről. Kiemelten kezeli azokat a csoportokat, amelyek a munkahelyekért folyó versenyben bizonyos tényezőkből kifolyólag eleve hátránnyal vesznek részt (nők, pályakezdők, idősek, alacsony képzettségűek stb.), fokozott figyelmet fordítva a térség földrajzi adottságaiból adódó lokális jellegzetességekre és azok esetenként egyedi hatásaira. A foglalkoztatási szerkezet sajátosságainak elemzésével rámutat egyes szezonalitással kapcsolatos problémákra, a frikciós, a súrlódásos és a strukturális munkanélküliség mértékére térbeli és időbeli vetületben.

Jelen tanulmány eredményei egyaránt támaszkodnak primer, illetve szekunder forrásokra. Utóbbiak közül kiemelten kerültek felhasználásra a Nemzeti Foglalkoztatási Szolgálat ([www.nfsz.hu](http://www.nfsz.hu)), adatai, amelyek elsősorban a strukturális paraméterek feltárásában, a differenciák mértékének számszerűsítésében játszottak meghatározó szerepet. A foglalkoztatási kérdések kapcsán esetenként a Központi Statisztikai Hivatal ([www.ksh.hu](http://www.ksh.hu)) egy-egy adata is segített a helyzet pontosabb feltárásában. A horvát terület foglalkoztatási viszonyainak értékelésében a Horvát Foglalkoztatási Szolgálat (Hrvatski zavod za zapošljavanje) adatbázisai adtak némi támpontot. Bizonyos kérdésekben

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a probléma árnyalásában a munkaügyi kirendeltségek és központok adatai nyújtottak segítséget. A primer források között elsősorban kérdőívek szerepelnek, amelyeket a kistérségi központok, illetve a munkaügyi kirendeltségek vezetői által kerültek kitöltésre. A túlnyomórészt nyitott kérdéseket tartalmazó lapok elsősorban a helyi foglalkoztatási specifikumokra, a fő foglalkoztatók foglalkoztatási volumenére, profiljára és térbeli megoszlására vonatkozó információk gyűjtésére voltak hivatottak. Ugyanezen kérdőívek – esetenként mélyinterjúkkal kiegészítve – segítettek abban, hogy a térség magas munkanélküliségi rátája mögött meghúzódó ok-okozati összefüggésekről a szubszidiaritás elvének megfelelően a lehető legkompetensebb személyektől sikerüljön információt nyerni.

A Dráva-mente sok szempontból hasonló depressziókkal és adottságokkal, ebből kifolyólag pedig azonos megoldási lehetőségekkel, illetve veszélyekkel bír. Kétségtelen azonban, hogy a folyó két oldala bizonyos szempontból mégis eltér egymástól, amely szempontok ezúton kerülnek feltárára. Az egyik markáns különbség a horvát területek háborús múltja, amely a térségben még ma is érezteti hatását. Ennek egyik sajátos megnyilvánulása – amellet, hogy következményei a települési és településközi infrastruktúrában világosan láthatók – a hagyományos gazdasági szerkezetek leromlása, illetve esetenként olyan mérvű pusztulása, amely az újrakezdést is drámaian megnehezíti (pl. ez a jelenség figyelhető meg a térségben mára már szinte jelentéktelenné váló faiparban). Nem elhanyagolható tény, hogy a határ két oldalán található területek mérete markánsan eltér. Míg Magyarország esetében kistérségekről beszélünk, addig a horvát oldal županijai inkább a magyar megyékhez hasonlíthatók. Ebből kifolyólag a központok mérete és természetesen a problémák volumene is eltér.

Horvátországban a központok jelentős foglalkoztatási volumennel bírnak, míg Magyarországon a kistérségen kívüli nagyobb városok (pl. Pécs, Nagykanizsa) a meghatározóak. Az adott térség periférijellege is mást jelent a županija és a kistérségek esetében. A csurgói, barcsi, sellyei és siklósi kistérség Magyarország valódi és markáns perifériája, egyik leghátrányosabb helyzetű térsége, amely a fővárostól olyan távolságra foglal helyet, hogy az a foglalkoztatás kérdésében érdemben már nem jelenik meg. Ezzel szemben a horvát terület csak részben periféria, inkább félperiféria (különösen Koprivničko-Križevačka Županija), amelyek esetében a főváros közelségének kérdése már összefonódik a térség foglalkoztatási viszonyainak problematikájával. A beruházások kérdésében is kirajzolódnak eltérések. A horvát területen a válság hatására érezhetően csökkent a beruházási kedv/volumen, amely egyértelmű hatást gyakorolt a munkanélküliek életére. Ez persze Magyarországon is megfigyelhető volt, azonban tekintettel arra, hogy a vizsgált térség itt korábban sem vonzotta a beruházásokat, a volumen csökkenése helyett inkább a térségen kívüli foglalkoztatók leépítései érintették érzékenyen a területet.

Jelentős különbség, hogy Horvátország, mint leendő EU-tag, némiképp eltérő támogatásokban részesül, mint a magyar térség, amely szintén módosítja, behatárolja a területi kooperáció egyes kérdésekben vett mozgásterét. A horvát terület nagysága következtében nincsenek olyan homogén depressziók, mint a magyar oldalon, azaz nagyobb arányban áll rendelkezésre példának okáért a kvalifikáltabb munkaerő, amely jobb lehetőségeket biztosít a fejlettebb iparágak megtelepülésére. Makroregionális kitekintésben Horvátország adott területén húzódik az 5c európai uniós tranzitfolyosó, amely stratégiai jelentőségű, és gazdasági potenciált hordoz, míg közlekedési értelemben a magyar oldal perifériának tekinthető. Az oktatási rendszer tekintetében kiemelendő, hogy a horvát

oldalán – szintén a méretből kifolyólag – jóval differenciáltabb a képzési struktúra, sőt Eszéken egyetem is található. Amellett tehát, hogy a terület problémái, adottságai erőteljes homogenitást mutatnak, nem szabad megfeledkezni a belső differenciák meglétéről sem, hisz célzott és kellő hatékonyságú fejlesztési programok csak ezek figyelembevételével képzelhetők el.

## 1. INTRODUCTION

Nowadays the modern world crises and its consequences confirm the fact that in these days the most damaged social-economic tension sources are the drastic unemployment rate which is growing in some fields. Losing jobs, less opportunity to work, cumulative backsliding affect those regions where the poverty line is very high and lots of people live in the periphery of society.

The aim of this study is to examine one disadvantageous cross-border region, the Dráva region which struggles with employment problems because it discovers the changes in the employment and the momentary relationships and correspondences of causes. This study gives information mainly about the structural characteristics, the underlying processes and causes of the problems with the help of regional data. It gives priority to social groups with less chance because of different reasons (women work, beginners, elderly, and people with less qualification), paying more attention to the local features of the region and their unique effects. This study shows the problems with seasonality to analyze the employment processes in the regional and temporal sections of structural, frictional and temporary unemployment. The results of this research give useful material to people, who are interested in solving similar problems and who support locals, local politicians, people who represent the workforce, the researchers working in this topic and of course for readers who are interested in this subject.

## 2. RESEARCH METHODS

This study is based on primary and secondary resources as well. Secondary resources base data from National Employment Service ([www.nfsz.hu](http://www.nfsz.hu)) which plays determinative role in the topic of structural parameters and counting differences. The Central Statistical Office ([www.ksh.hu](http://www.ksh.hu)) helped in the questions of employment with one or two data which helped to recover the exact situation. The Croatian Employment Service (Hrvatski zavod za zapošljavanje) gave data to help understanding and estimating the Croatian employment relationships. In certain questions the sub-offices and employment centers gave help to clarify the problems. The questionnaires play important role among the primary sources and they were filled out in the centers of the regions and by leaders of employment offices. These questionnaires including mostly open questions collected information about local employment specifics, the measure, profile and regional distribution of main employers. The same questionnaires – in some case with in-depth interviews – helped us to get information from the most competent persons about the causes behind the high unemployment rate in the region.

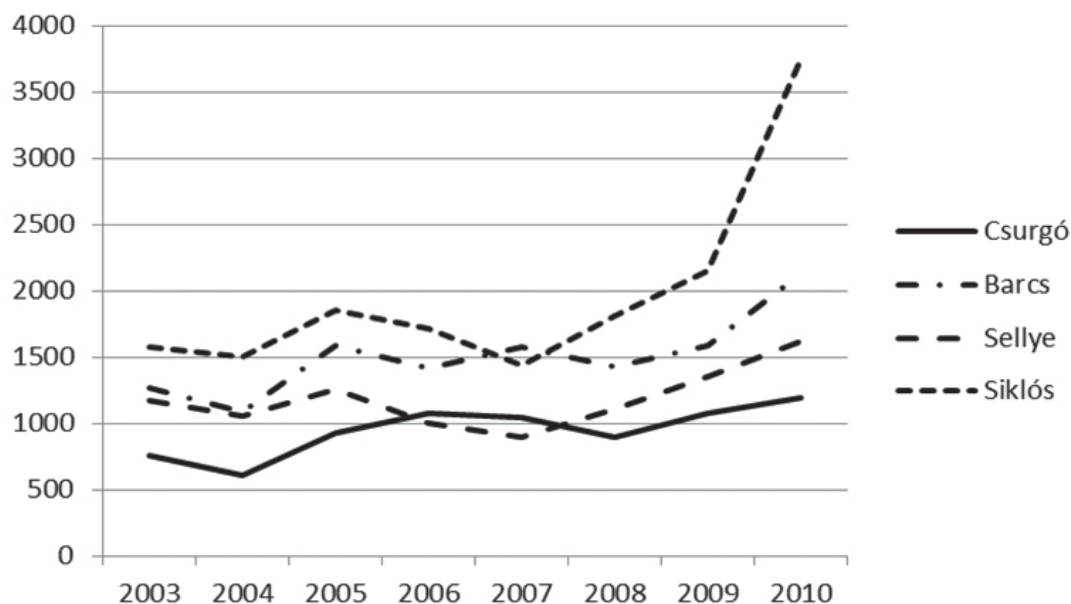
### 3. RESULTS

#### 3.1. The structural characteristics of unemployment in the region along the River Dráva

*The number of unemployed and its change in time*

In december 2010 the hungarian parts of the examined region, nearly 9 thousand people (8,681 persons) were registered in the labor market statistics as unemployed. Over the past few years their numbers – thanks to the implemented restrictions in production and factory closures largely due to the cash crisis – have significantly increased. (Figure 1.)

Figure 1. The change in the number of unemployed people in the examined area between 2003-2010



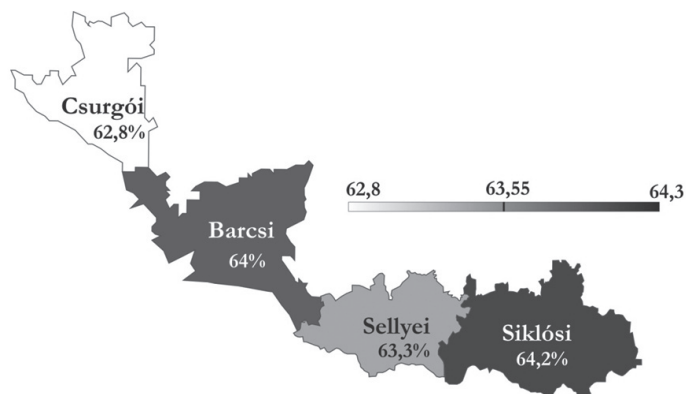
Source of data: [www.nfsz.hu](http://www.nfsz.hu)

In 2009 and 2010, in each of the four subregion, while in the Sellye and Siklós subregions starting from 2007 onwards the decrease in employment is uniformly detectable. The increasing number of unemployed in the Siklós subregion showed the highest intensity, where in average during the period between 2007 and 2010, in a year 39.5% more people become job seekers than in previous years. The situation is not much better in the subregion of Sellye either, an area which, as we shall see in the followings that it is the unit of the region which is loaded with the most problems. During the period between 2007 and 2010 the number of job seekers on average exceeded the previous year increased by 21.7%, which again is an intensive increase. Merely in respect of this indicator it can be outlined later many times and supported by the North West, South East duality of this data in the Csurgói micro region - local level – is high and the Barcs subregion is not hallmarked much worse. In Csurgó and Barcs in 2007 the number of unemployed people decreased (former 13.7 and 8.9% in the latter), and in subsequent years (not counting the 34.4% of Barcs in 2010) for the increase in the number of unemployed was small-scale. On average, from 2007 to 2010 during the period of growth in the sub-region of Csurgó was 5.7%, in the subregion of Barcs was 12.1%.

### *Economic activity*

The region is traditionally a problem area in the economic activity of the population and its low level, which, in each of the sub-regions—in some cases excesses 20-30%—is below the national average figure. Until then, though, as long as the economic activity (employed and registered unemployed total working-age population ratio) at the national level in 2008 stood at 76.3% for the previous years was around 70-75% typically, the region’s Hungarian side of the 2010 figures according to the unemployment rates the most disadvantaged microregion Sellye showed 63.3%. The same indicator in the Siklós region in 2010 at 64.2%, 62.8% at the Curgó region and the subregion of Barcs at 64% (Figure 2).

Figure 2. Economic activity



Source of data: [www.nfsz.hu](http://www.nfsz.hu)

The value of economic activity in the post-millennium showed the lowest point in 2004 to reach. This year there were some areas (the Sellye subregion with 47.3%, the Siklós region with 50.1%), where the economic activity can not top, or barely topped 50%. This means that in a given year with the regional average (behind which in the municipal level there lie serious extremes) is less than 50% of the population attempted to participate in the labor market, as workers, as job seekers as unemployed. The other half of the population are made up of those, who for some reason (student, child care, GYET, retired) did not want to offer their labor force for sale on the labor market.

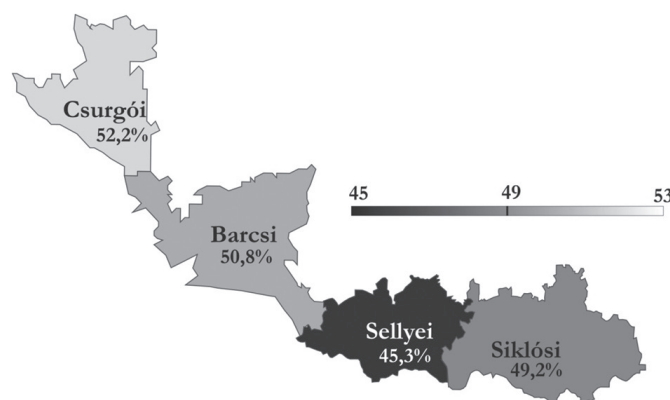
### *Employment rate*

The employment rates express that in a given small region the working-age of the population is the percentage of official announced job application. In this respect, a similar picture emerges, as in relation to the participation rate, however, the situation of the area’s major depression is better visibility due to their size. The employment rate in 2010 was 45.3% in the small region of Sellye at the time, Siklós at 49.2%, Curgó with 52.2% while the small region of Barcs stood at 50.8%, thus clearly showing the Hungarian side has the most disadvantaged microregion with Sellye’s weak position and the difficult situation in the region (Figure 3).

The employment rate for a number of municipalities, revealed that the value is to stabilize around 15-30%, which draws particular attention to the population of these settlements, nearly 80% of the employed or unemployed, or inactive (those who officially isolate themselves from job seeking). These include a number of locations from which the unemployment rate in the bottom 25% falls into,

for example. The high inactive (30-40% per night) ratio is the most serious problem in the region. The isolation from job seeking because of a wide range of different, specific reasons are many cases, however, some aspects that appear in the light mass groups where you can store it. It is very common for someone to refrain from employment because, by of his or her own admission because other sources of income allow for an acceptable living standard, such as work, just extra time, money ... etc.. burden, which could obviously below a certain wage (the minimum wage in many cases are classified here) is not conducive to the abandonment of the earlier forms of life and employment. Of course, the other wage work often comes from a mix of black labor in most cases some form of employment qualifying as a profession, as appropriate, vocational or technical school graduates to live an alternative. The ratio between 30-55% of their inactive to be estimated.

Figure 3. Employment rate



Source of data: [www.nfsz.hu](http://www.nfsz.hu)

This inactive status can stem from moral difficulties, due missing motivation, or because a part of the people who succeeded from the labour market, are used to live from different type of grants, and after a while do not feel the need to work in a full time job.

Cause of the problem is the lack of qualification. As we later mentioned several times in the region they are characterized by low skills, and in a significant proportion of cases (6-9%) of the general lack of education. Unfortunately, a significant number of skilled workers is similar to the minimum administrative requirements can not be meet, so the employment-related paperwork for completion is of concern for them. They are, even if they were able to resolve their difficulties resulting from the outset could hardly find any employers who would employ people with similar needs therefore labor market integration of these conditions is unresolved, and the decrease of willingness comes crashing down on inactivity in the years to follow.

The phenomenon of inactive inflexibility, under realistic conditions, in some of them it is almost impossible to find an appropriate job. They are the ones who, despite their training this precludes any claims that arise against them employing scientists while their competencies are appropriate for the task, but do not meet the expectations of their qualification, nor the marketability of their skills.

The inactive group, a significant proportion of the long-term unemployed women who have been away from the labor market are relatively young and active as homemakers. In their case, and a high number of their significant role that the region's communities in a significant proportion of high Roma

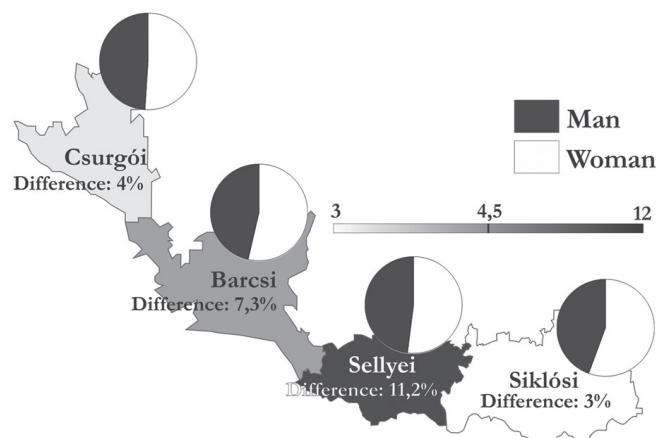
population of ethnic groups within the role of women in traditionally limited to finances, raising children, so you can not appear to rise up in the labor market. The majority of Roma women aged 30-35 consider themselves too old to engage in work, so they instead adopt a less financially secure family living, important positions as the work burden.

### *Distribution by gender*

The Hungarian side of the Drava region studied micro-regions uniformly the whole range of typical male unemployment rate is higher, which is not only a striking in the local level, but high differences can be observed nationally as well. The biggest difference is in the sub-region of Sellye where the proportion of men among the unemployed is 55.6% which was about 11.2% higher than in the female unemployment rate. In the background, including the area's traditional social structure, which amplified the Roma minority of the traditional family division of labor more vigorously alive and reproduce, which is shown by the fact that while the boys mostly for his own economic activity encouraged, while the girls upbringing the housework, child-rearing is in the preparation for the benchmark. The latter is the previously described phenomenon of women leads to inactivity, which of course reduces the job seeking, but I can not find the share of unemployed among them. Although the sub-region of Sellye with the difference in numbers is also strongly reflected in the rest of the study area there is a small area to substantiate these findings. As the fourth Figure also shows the difference even in the most balanced Siklós region at 3% and in the region of Barcs it crossed 7%.

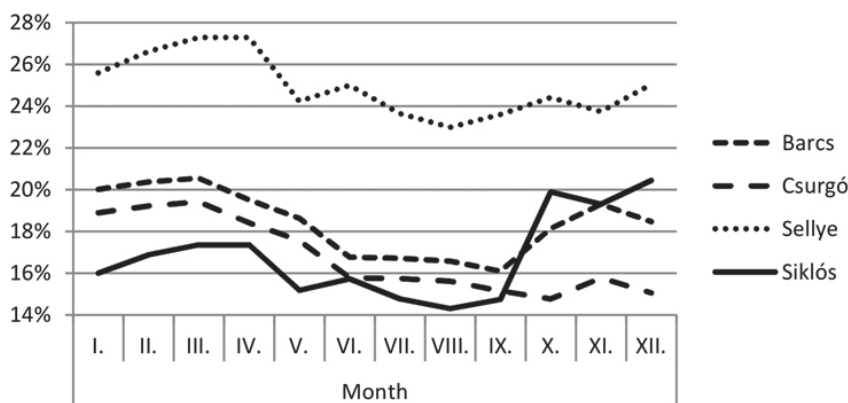
The annual average has not manifested, but the distribution of unemployment by gender issue is closely linked to the problem of seasonal unemployment. During the summer months, primarily due significantly to agriculture from April to the male unemployment rate (2-3%) is reduced, which contributes to the construction and public works seasonal demand for labor as well. Of course, this phenomenon also affects women, but among men, primarily due to a higher proportion of physical labor, are offering more opportunities for seasonal and casual employment. The employers in agriculture and construction almost always prefer the male labor force, which is complemented by the strength of women's traditional roles (especially in the areas of Ormánság), which in many cases appear to work in these sectors, women applying to these occasions do not occur in large numbers.

Figure 4. Distribution by gender of the unemployed in each micro-region



Source of data: [www.nfsz.hu](http://www.nfsz.hu)

Figure 5. Employment rates in the examined hungarian areas, 2010



Source of data: [www.nfsz.hu](http://www.nfsz.hu)

In Figure 5 it clearly shows that the unemployment rates of the annual run, which is clearly discernible in the summer season from April to the end of the seasonal decrease in unemployment. In absolute terms the average annual change of employed a workforce of about 600 to 700 affects the entire region, calculated annually. This phenomenon is more affected in the more disadvantaged areas of the region, as these traditional economic structure of the higher share of agriculture than the traditionally industrialized Nagykanizsa close to the small area of Barcs.

It is striking that young unemployed people, and mainly the graduates class of low-rate, which is the highest value index Ormánság small areas (Sellye and Siklós region) is just over 5% (former the exact value was 5.58%, latter 5.48%). Their share is higher in municipalities with a higher proportion of the Roma population, which is explained by a higher willingness to have children and therefore a higher proportion of young people occurs in the presence of settlements. The age structure of the region is aging, migration of young people and the region experienced a higher rate of relocation is intended to lead to the decrease in the rate of the unemployed youth.

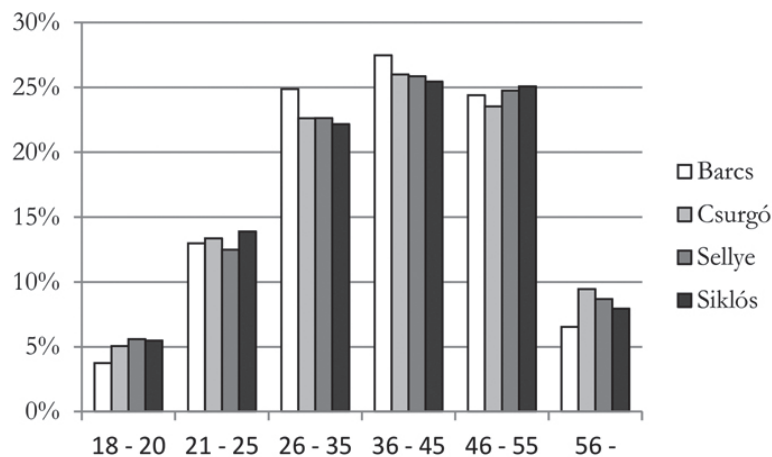
#### *Distribution by age*

The proportion of the unemployed in young age is conspicuously low—just above 5% (5.58% in Sellye and 5.48% in Siklós), even in the areas having the highest unemployment indexes. This ratio is increasing in the settlements where the gypsy population and therefore also the natality is above the average, meaning there are a lot more young people. The decreasing index is also made out of the senescent conformation of the society, and the migration of the youth from this region.

On the other side, the number of the unemployed above the age of 56 is also lower in this area, due the high proportion of inactive and retired population. The problem of the older age-group is deep and sustained, therefore, the chance to conduct them back to the labour market, is lower then by entrants. Most of the employers prefer, the younger age-group (where a lot of unused manpower is available), even though the older population has more experience. According to the traditional demand, the need is also higher for manual workers and therefore for younger ones. Another disadvantage in the competition by the age group above 56 is that the employer will not hire them due to their pending retirement. On top of that their qualification is inadequate. It is also very problematic to refresh their

out-dated knowledge, or to teach them something new as opposed to the younger population), because new learning competencies and schemes, are hardly to make acceptable by this age-group. In between the several other issues to set them back, there is one the (bigger) family and therefore the smaller proportion of the incomes, what they can use to commute and—against the young age-group—their lower time flexibility (regarding the time needed to commute for the job). The highest proportion of the unemployed (73% in average) is the age-group 26 to 55 years old. This is the group which is the least of all migratory, but the most affected by the cutbacks is the manufacturing industry.

Figure 6. The unemployment distribution by age

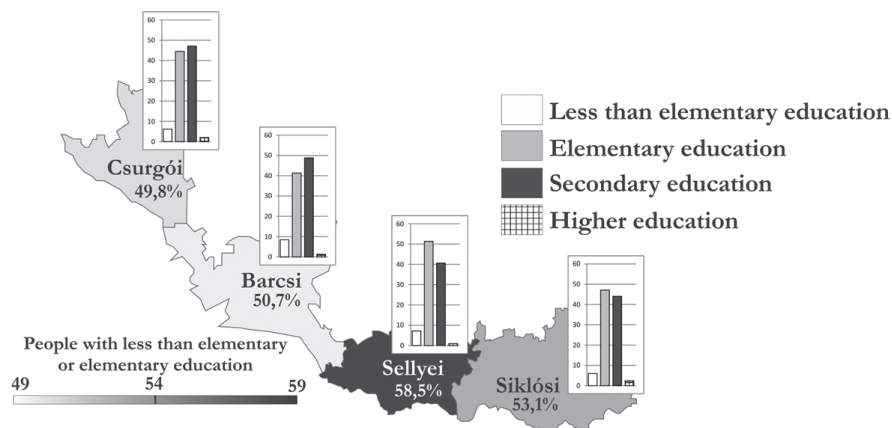


Source of data: www.nfsz.hu

*Distribution according to education*

Outlined above and described in more detail in the following chapter the northwest-southeast slope is one of the most striking manifestations of the unemployment according to the distribution of skills manifests itself (Figure 7). The key problem of the Drava river area—as you can see in the above referenced cartodiagram—the only primary education, and even with a very high proportion of those who have not, that is a high degree of unqualification.

Figure 7. The distribution of the unemployed according to education



Source of data: NFSZ

Regional level shows a high proportion of those who have not gone through primary school, that is—is now a secondary fate is held as fund-looking expectations—do not meet the conditions of the labor base. Their presence at field level for all 4 studied Hungarian micro-regions experienced almost everywhere and considerably close to 10% (Csurgó 6.2%, Barcs 8.5%, Sellye 7.2%, Siklós 6%). In this respect, the most serious problem is in Barcs, but other values also highlights major depression.

Part of the problem is similar to the group of those who, despite completing their basic education level, and secondary studies were not performed, so no GCSE or they do not have any sort of qualification. Somewhat more serious situation is however, because even without assuming a degree in elementary education—already rare—they can not participate in vocational training. They are faced with a very serious incidence of illiteracy in the presence of functional illiteracy, which brings a serious obstacle for not only vocational training, job applications, but for the daily administration procedures as well. The variety of applications, application forms, the job center towards or coming from the obligations, interpretation and performance expectations have problems. The team will therefore have significant issues in labor market integration of professional skills and a very specific group of information sharing and problem-solving strategies. In this respect, the light of experience, it appears that the group is made up on the one hand of the elderly (50 and over) group, on the other hand, it is—in part gypsy—people to whom the financial problems of the regional average is much greater, so the labor market point of view, considering people with multiple disadvantages.

The picture is even scarier, in the case of the above discussed supplemented group and those with primary education. Their exceptionally high proportion in the region, which is a number of very serious problems, in short draws attention to a massive unqualified labour force presence. The only people with primary education is the highest in the small region of Sellye, where nearly 60% (58.5%), which is no more than about two-thirds of the unemployed do not possess any qualification. From the small region of Sellye we find not far behind the Siklós region, which is 53.1% of the value of well-connected to the previously posed in recognition that the Hungarian area uniformly severe situation of a NW, NE dichotomy is also evident in the above mentioned areas. Although this indicator in the Csurgó subregion represents the lowest value (the other side of approaching the study area is through the most qualified workforce characterized part of the aspect), in the micro-region of Csurgó and in the micro-region of Barcs it can be observed around 50% a relative advantage at the national level but still a clear disadvantage. Not only in primary-level education is it the most serious problem but the lack of professional and vocational training in a large (at least secondary school, secondary education, or other demanding courses) of engaging is in fall. In the private sector they are almost impossible—no strong market interest in seeing it—integrated, so living mainly in public works programs in some sort of public employment, or for agricultural or other conditions resulting from seasonal and household work. The collaboration morale of any shortages and labor market with excessive separation, estrangement risk increasingly appears that once again draws attention to the fact that they represent a very disadvantaged group (age, ethnic affiliation ... etc.. following additional factors, that often multiply occur), on the other hand, their presence in the region, deepens the unemployment depression (in long-term unemployment and the poor financial situation, financial and slide the black labor) is based on.

And a considerable proportion of them are a group of secondary school graduates, although their presence in most of the sub-regions was lower than the maximum of 8 mandatory players. In 2011, the most appeared is the sub-region of Barcs (48.8%), but also the small region of Csurgó came close to 48% (47.1%). The south-eastern, mostly in the Ormánság area in the small region of Sellye 40.6% of the unemployed, in the Siklós region 44% belonged to the intermediate group of graduates. Although the smaller degree of disadvantages, the group is also charged with numerous problems and the situation is also not very good. Primary problems include inadequate demand of education in the region (whether internal consumer market or business) without the existence of professions, capital-intensive, intensive business activities, or simply leaving the holding. The area of weak domestic market and the lack of capital already makes it difficult for those who are in the retail service related such as hairdressing profession have their own salon openings, in which case, if that's what would be possible, the effective demand deficit (not to mention that the region experienced less burglary and criminal activity due to asset risk) would be more difficult to deal with. Inadequate secondary education in the region experienced the so-called frictional unemployment phenomenon which leads to several forms realized in the area (acquired qualifications are out of date, unemployment may be an additional condition if not fulfilled, or even the lack of information does not even know the way but therefore unknown to employment opportunity).

A higher proportion of graduates is close to zero percent. The approximate maximum of the small region of Csurgó is less than 2.1%, then the value along a continuous depression of the second-ranked through the small region of Barcs (1.3%), the sub-region of Sellye shows the minimum (0.9%). Although the Siklós region experienced 2.4% looks good in this respect, the very small numbers clearly below 3% in the most disadvantaged feature of the regions. The graduates are highly under-represented and there are a number of multiple causes (the largest is relocation intention, willingness, already few young people get out of the area to higher education ... etc), and draws attention to the current labor market demands a more appropriate group is low or absent.

If the secondary and tertiary graduates are considered common share (Barcs 50.1%, Csurgó 49.2%, Sellye 41.5%, Siklós 46.4%) of the duality tangibly shows itself again. The least upper secondary graduates are in somewhat better position, because in most cases their fate allows, at least in principle, allows today's most demanding secondary education to start up vocational training. The group has the advantage that administration issues and other obstacles do not burden them or their existence, or any ability to market the right information, the following may help identify job opportunities in the labor market integration. The financial risk of slipping and multiplying disadvantages, of course, is showing in their age.

#### *Unemployment according to the economic sections*

In this respect, the agricultural sector shows a high proportion of unemployed people, in the small region of Sellye (21%) which is the highest achieved value. Although the Hungarian parts of the study area are somewhat lower than 15-17% the values are also low, you can not tell. The numbers on the one hand, therefore raise awareness of the region's traditional agrarian nature, on the other hand, the fact that the study area include the districts of Hungary, where it has traditionally been high in

the agricultural population (I'm trying to make a living) ratio. The special feature of the agricultural unemployment has already discussed the seasonal nature which manifests itself in the first place, that the unemployment rate is related to agriculture, the highest proportion of people affected, thereby causing fluctuations in employment from 400 to 600 people in the sector.

Figure 8. Distribution of the unemployed by economic sections



Source of data: NFSZ

Siklós as exceptions show from the back of the second highest number of unemployed people from industry. About 18-27% of the values play an important role in the regional plant closures in which, as provided in the labor market problems in spatial analysis that will be discussed in more detail, particularly affected the otherwise peripheral, mainly labor base functions as less qualified workers, service areas, including the Csurgó, Barcs, Sellye and Siklós area.

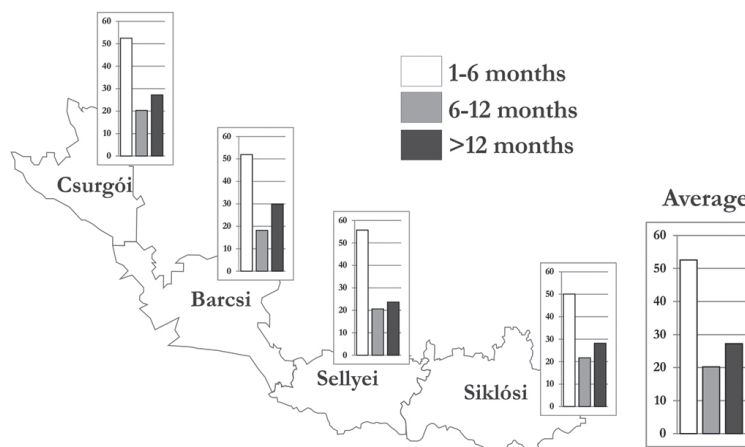
The highest unemployment rates (27-50%) of the service, however, will be off. For Barcs half of the unemployed, is provided by this sector, and the more agrarian employment of the small region of Sellye is only 27%. The service sector of the agriculture sector, the other sectors of the labor market effects of seasonality are tangibly displayed. The summer after the boom period (roughly similar to the bondage curve) are also linked to the June, July unemployment minimum, which would be at a maximum at the end of the year. Of course, in areas where tourism equilibrium are more considerable industries, the overshoot equilibrium are more considerable, while the service leaving unemployment rate is higher due to, especially if the domestic market is weak, the crisis is debited from the discretionary income decline of reason than usual lower demand supported.

In what it appears at first as the homogeneity of the region, the issue of independent small regions is very similar in appearance and distribution of the various regions and the regional average in minor variation (standard deviation of 1.4 and 2.6, while the corrected standard deviation 1.2 converted to 2.3). The area as a whole in this regard can be tested. Nearly half of the unemployed are given, who have more than half a year are not looking for a job. In their case, we can not have very serious problems, because the job changes in the labor market dynamics inherent in the traditional 1-2, maybe a few more months of unemployment status.

### *Duration of the unemployment*

The real problem is that their integration means are more than 6 months, a year or even more long-term unemployed. His gold makes up the remaining approximately 50% (48.1% in the sub-region of Csurgói of the time, 47.5% in the sub-region of Barcs and 44.3% in the sub-region of Sellye and at the time in the sub-region of Siklos had 49.9% value), which is also one of the signs of disturbances in the regions labor market. The problem is all the more remarkable because it is evidence that the time spent is proportionally a greater proportion of women in the labor market are moving away from that as a result of labor market integration is more difficult, and in some cases it becomes almost unthinkable. Those who—earlier than with up to 8 players at all job seekers were mentioned—can not meet the labor market’s expectations with their qualification, after a few years, only serious public expenditures and only very special solutions can reintegrate them into the working society. This includes, of course, those whose education is considered obsolete and although secondary paper has not supported the labor demand against the acquired expertise. In their case, the primary hazard is that it is in the course of time gaps for labor market expectations (possibly the work ethic, is somewhat of a work culture deterioration through loss) from the amount it becomes clear that the employment policies of sight can be removed, that is, their position is primarily social tools will help the problem of slipping off to prevent just such ways thus they will be solved.

Figure 9. Distribution of the unemployment according to time lengths



Source of data: NFSZ

### **3.2. The regional features of the unemployment in the region around the river Dráva**

The present research is the subject of territorial units, such as its four sub-regions (Csurgói, Barcs, Sellye and Siklos), and the three Croatian (Koprivničko-križevačka Županija, Virovitičko-Podravska Županija, Osječko-Baranjska Županija) entities, without exception, employment virtually depression, have been hit hard by unemployment, the most disadvantaged areas are examples. The historically been defined in many ways unique features (eg, south-western border regions are the investment boom complicating protracted armed conflict, which the Croatian areas directly in the Hungarian parts indirectly affected the unique ethnic composition, in particular the Roma minority, exceeding the national average rate, etc.). support disadvantages due to the development of the unemployment

rate - although there are strong regional differences that can be detected inside - the average of the countries associated with multiple kicks. Hungarian relations in the year 2010, the labor market situation is somewhat consolidated due to approximately 11.12% nationwide unemployment still the best in Csongrád subregion is almost 7% higher than at the top (Figure 10).

The area of the most deprived areas in Hungary, elements of the sub-region of Sellye (the Ormán-ság area), whose unemployment rate (28.44%) is more than twice as high (about three times) than that of the national average. The disruption of employment and high unemployment are closely linked to the historical past, as the area was already after the change, the erosion of the socialist farms caught laggards. It has led to cash job losses in the region interested employers restrictions on production, which—in addition to the job reduction in the center, Sellye was greatly affected—having regard to the peripheral character and commuters to the high proportion of locally more strongly affected (for employers downsizing occasion primarily easier replaced, usually unskilled, while the commute is more expensive due to higher labor potentially reduce the rate of interest in terms of rationalization of production). Sellye increases the difficulty for that—as stated in the mobility conditions that are discussed in detail in the Chapter presentation—the highly developed network of transport sub-region.

The Central Hungarian small region of Barcs on the field (20.62% unemployment rate) and the Siklós region (23.4% of data) form, however, if we look at the national benchmark, in their case it also shows that the unemployment rate of the economically active population is more than twice the average.

Drava in Croatia involved in this study also experienced in Hungary are presented in spatial difference. The national unemployment rate (11.9% in 2010), almost three times surpassing Virovitičko Podravska Županija addition, Osječko-Baranjska Županija area with 26.4%, while the best value of the study area showing Koprivničko-križevačka Županija at 16.1% in the unemployment rate.

The region as a whole is striking that between the 2007 to 2010 period (effectively the global economic crisis) in all the analyzed territorial entities, unemployment increased (on average by 5.1%), and even the biggest growth in the small regions of Sellye and Siklós the national average (4.3%) increase was several times higher than was observed (9.69% in the sub-region of Sellye, the highest at the time was the region of Siklós with 12.68%).

For this area, the Croatian striking was much lower (average 2.4%), which is below the national average (5.1%), and draws attention to the fact that the crisis in this region had less of an effect on employment. Although this finding is a positive impression, in fact, this draws attention to the problems of the region's long-standing and serious structural difficulties that can be traced back to the roots of the problems of unemployment and long-term nature of the employment.

The uniformly characteristic for the area that is traditionally small villages, a number of smaller settlements, partly (including in respect of the transport system) consists of peripheral settlements that are closer to the labor market in a larger city's highest proportion of employers offering jobs.

In rural areas equilibrium almost does not even occur and are more considerable employers, so jobs to attend primarily inhibits improper transportation system, and partly arising out of the isolation and the other side of its border, which in many decades has clearly hampered, and today—even though the history effects of arising strong—growing businesses and easing barrier to free movement

of workers. The mobility due to weight relationships are analyzed in a separate section, however, it is worth mentioning here that the various sub-regions in which the settlements, which are the main employers are more compressed (Figure 11).

Figure 10. Regional distribution of the unemployment

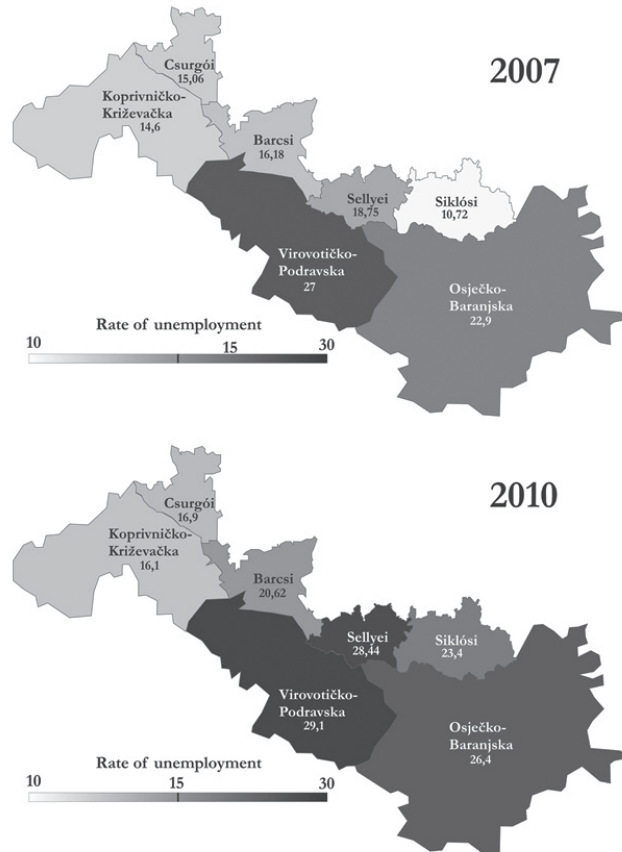


Figure 11. Direction of commuting for jobs in the analyzed area



The employment of a territorial entity—the case of the subregions of Hungary, Croatia županija’s—center always plays an important role, although the volume of employment in Hungary respects that they are sometimes lower than the outside the region, but are also involved in employment areas.

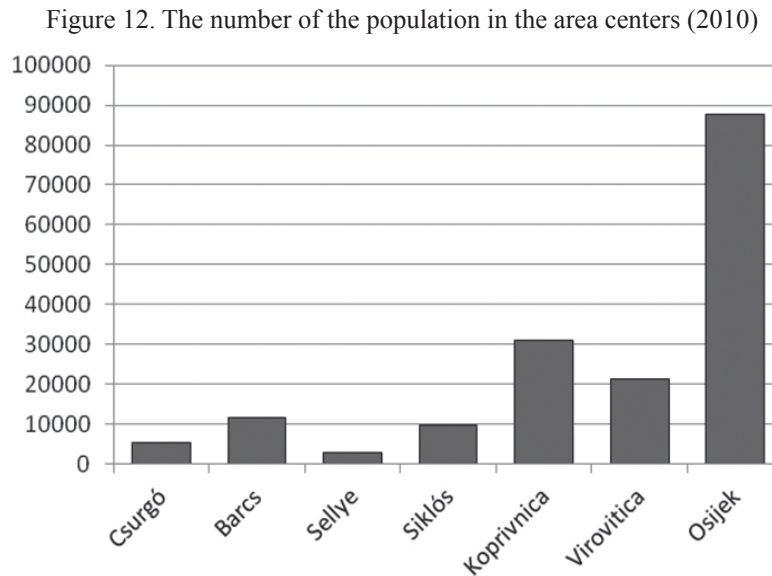
The region is located outside the city of Nagykanizsa whose role is determining proximity—especially relative proximity—clearly, even dominant contributor to the great position of the Csurgó subregion. The banking of Nagykanizsa and other service sectors, the construction industry can be found in larger companies (Public Ltd. Épszer Gas Kanizsa, Nagykanizsa Brick Works Ltd., Intact Fish Ltd. 2000). The furniture companies sometimes employ 50 people solve (Palmbö Ltd., Kanizsa Upholstery Ltd). Nagyatád is also in the construction industry (Bagó and Co. Ltd., Nagyatádi Utilities and Civil Engineering Ltd, Novics and Co. Utilities Construction Ltd., etc.) And tool fabrication, machine fabrication, machine-tool industries (Büttner et Ltd., Fisher Hydraulics Ltd., Danuvia 2005 Tool Battery Ltd. Manufacturer and Device), printing (Nagyatádi printing Ltd.) is concentrated in the major part of the main employers. Removable and food processing (Nagyatádi Cannery), chemical manufacturing (Master-Painter Ltd.), wood (Walnut Ltd.) and the production of building materials (Space-Plastic, Construction-Manufacturer, Sales and Service Ltd.) as well.

For Barcs, Nagykanizsa is less, while Szigetvár and Nagyatád contribute more significantly to its employment. Szigetvár is also in for the construction industry (Meli-Start Ltd.), the construction of material industry and the manufacturing of doors and windows (Heat Island Ltd., Janko Wood Industry and Trade Ltd.) stands out. In addition, major clothing (Estonia Morrison Ltd., Manifaktor Ltd.), food (Bata Ltd., Szigetvár Trade Ltd.) and furniture (Polaris Mix Ltd) employers can be found in the region. Of course, these are not giant corporations, but given the low employment of the Drava volume, up to 50 to 100 employees shall be considered to be significant nonetheless.

From Sellye to Szigetvár in addition to Pécs with commute greater numbers, but as we shall see, the sub-regions due to a number of factors are inhibiting mobility. Pécs in various construction companies under insulation products manufacturing (Felicity Ltd., 2H Central Ltd.), doors and window making (Window Épmű Ltd., Ge-Plast Window Manufacturing Ltd.) and brick manufacture (Pannon Brick Building Material Manufacturing and Trading Co., Ltd.) is engaged in more businesses. In light industry we have food, beverage (Family Drink Ltd. Manufacturer Cezar Winery Champagne, Wine Trade Ltd., Ltd Blue 2000) and leather (Hungary Tradelda Leather Manufacturing and Trading Co., Ltd.) can be highlighted. The exhaustive is worth mentioning some furniture (Smith Wood Plant Ltd, Meg-A Makriszkó Ltd., Gaber Timber Ltd.), shoe manufacturing (Rox Shoes Ltd.), and the screw manufacturing (2000 Records Ltd.) or even mechanical engineering (Lift-Unit Commercial Ltd) in the field of entrepreneurship.

For Siklós, Mohács is a significant employer as an external display. Industry includes wire drawing (Flouding Ltd.), wood industry (Kronospan-MOFA Hungary Ltd.), the beverage industry (Bencze Company Ltd.), food manufacturing (Pikker Ltd.), the polyethylene production (Plastic Material Processing and Trading Ltd.) and the plastic packaging production (Bédaplast Ltd.) are represented. The Mohács Foundry Industry and Trading Co., Ltd. is primarily, as the name suggests, deals with various metal casting. The Fuel Centre Ltd has interest in the manufacturing of wood briquettes. The centers of (Hungary: Csurgó, Barcs, Sellye and Siklós, Croatia: Koprivnica, Virovitica and Osijek)

occupied different administrative position and due to their size in volume (Figure 12), of course, have very different jobs.



Source: Helységnévkönyv adattár (2010)

In Barcs the timber industry (Drava Woodworking Ltd.), is primarily in the construction industry and is in connection with concrete blocks (B & Z - Concrete Construction - Concrete Industry and Trading Co., Ltd.), construction chemicals (Henkel Hungary Ltd. Construction Chemicals Factory) Manufactory consumes a greater number of workers. In addition we should also mention Quattro Trading Ltd., which deals with the manufacturing of railway parts. The timber industry of Csurgó (Csurgói Woodworking Ltd.) has equilibrium with a more considerable volume of employment and commuting workforce. The centers of Sellye are in the worst situation, as shown by the few construction ventures (eg, O and R Ltd.) apart from which chemicals and detergents manufacturing (Samatan Ltd.) can be highlighted. Siklós with different branches of the food industry also appears in the beverage and syrup industry (Aquavit Distillery Ltd., Hamburger & Co. Ltd.) and food production (Wine Garden Ltd.) as well. The Priest and Co. Ltd., Adam and Co. Ltd., and Bonus Ltd. are cleaning product manufacturers. The construction industry serves the concrete industry (Croatia and Co. Ltd.). In addition, the settlement can be found in the manufacturing of lighting equipment (Electro Mix Lighting Ltd.), and engaged in the business of entry phones, making matrix displays (Automation Instrument Co. Ltd.).

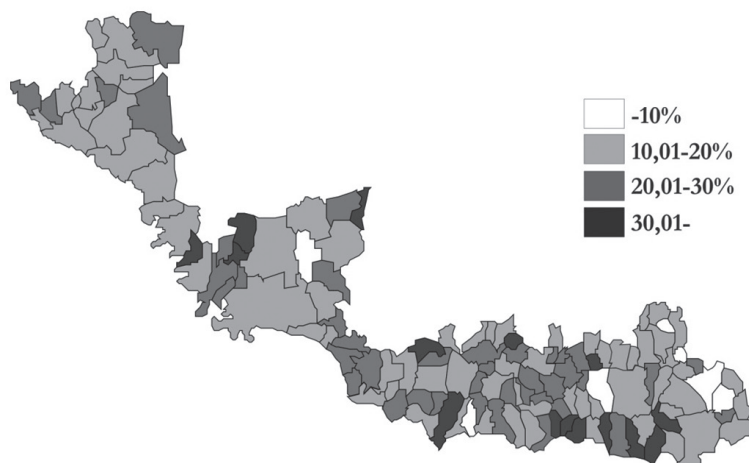
The Croatian population centers are several times (at least twice) the size of the Hungarian micro-regional centres, which in most cases, more and more jobs are related to the volume of business. Koprivnica food processing (Podravka, Carlsberg Croatia), wood (Koming Company), pulp and paper, building materials and construction industry (Hidrokop doo, doo Andreić) tie up a significant portion of the employees. Viroviticában works Viro sugar factory. The furniture manufacturing (panel Matasic Company) of course and in addition the construction industry (OPEC dd) can be represented in the town. In Osijek construction (Izolirka doo, doo Visnjevac Comp) building materials and equipment for steel (Inox Metal Company) serves manufacturing. OLT d.d. agricultural machinery is active in the field.

The employment structure of the phenomenon implies that the region is primarily medium-skilled, and in any event profession of at least some workers is needed. Profession in the construction of those regions increase the chances—including such firms as less activity in the stationary chair—the construction industry—especially Ltd.'s—the major employers in companies. Although the less skilled workers demanding industrial activity also occurs in the area, nowadays this is a basic requirement for the occurrence of vacancies as a secondary level of education (eg. graduation). Specific intrinsic characteristic of the region—municipal and micro-regional level display—differences in unemployment rates analysis highlights that differences more or less show up in the Croatian areas (Figure 13).

A NW-SE striking dichotomy exists, which include 30% of the unemployment rate and the number of settlements in the distribution emerge. The Csurgó region not such a small area, and along the south there is an increase in numbers. Barcs includes Heresznye, Somogyaracs, Rinyaújlak and Patosfa well.

The worst situation in Sellye is in Marócsa which is only a small area, and Zalata, Ózdfalu belongs among the most difficult backgrounds, however, it is significantly greater than the second-worst category in the number of municipalities (12) and the percentage of the small town in the region (35.3%).

Figure 13. The unemployment rates in the settlements in the analyzed Hungarian region



Source of data: NFSZ

The local conflicts of Siklós of which most are out of the border by nature disadvantages, which is reflected in the unemployment rates of Tésenfő, Drávacséhi, Drávapalkonya, Kovácsbóly, Alsószentmárton and Old as well. Along the border out of the peripheral nature of the analysis of mobility conditions are still referred to in detail. Apart from them, only Csarnóta and Siklósnagyfalu belong to the settlements exceeding the 30% unemployment rate. Thus border-other dichotomy settlements appear as well.

Interesting findings, provides an opportunity for the best unemployment rates characterized the distribution of settlements as well. These are usually the centers (Csurgó, Barcs, Sellye, Siklós, Koprivnica, Virovitica, Osijek), however, it is striking that the best employment situation is in the subregion of Csurgó, the center does not belong to their ranks (though small regional scale is still among the best located) while Siklós where otherwise the Hungarian side, the most significant internal differenciákkal meet Harkány, Devecser, Pécs, Villány, and also prevents the center of Magyarbóly. This is due enough to differentiation—sometimes just a typical village—its causes are beyond the

scope of this study providing a detailed analysis of scales, however, the trends and characteristics of the area on the understanding of the conditions of employment are discussed. Sellye is clearly the employment center of the small region, while the smallest number of population centers in the region, resulted in higher relative unemployment rate with less jobs. Siklos and its subregions off the border are far from heaven due to unfavorable situation, there are clear benefits from the best unemployment rates in cities tourism from which—although a strong seasonality—but is reflected in the annual rates in which Harkány, Villány and Magyarbólyt are raised to the bests as well. In the case of Pécsdevecser the proximity of Pécs contributes to its better position.

Although within the region (as has been previously described) dividing good and less favored areas, in no way neglecting the fact that unemployment is similar, hit by a series of elements to talk about depression. These are problems of the past and partly have to be explained later in the territorial point of view, and also its particular identity. The stabilization of the cause of high unemployment, on the other hand, as a result the lack of investment contributes to the greater lack of interest imposed on the market area employers. The latter is behind the factors lined up, such as education immaturity, younger exodus of the local general aging and a skilled labor force moving away, lack of motivation, poor educational structure, the lack of capital, the atomized business structure, underdeveloped (small) internal market compared to international competition, the lack of big businesses and last but not least the poor infrastructure conditions behind them. The later one, later discussed in detail, and the problem is the neuralgic point of the mobility problems of population mobility opportunities limited under strongly hinders investments settlement, as well as the weak domestic market, the external market potential availability is limited to the supply of products to the conditions even in the countries examined in comparison with other regions is considerably lower than that. The region experienced emigration reinforced aging along with a higher contrast between the Roma population who are likely to have children and thus result in rejuvenation, which is also confirmed that the young people in a similar situation characterized by lower migration rates. The most consistent, each territorial entity observable phenomenon of the housing stock in poor condition, inadequate public works and the general mass poverty, slipping, thus further undermining the local people employment-related motivations, and even the individual information sources to increased isolation of the appropriate informed conditions also adversely affected. In terms of unemployment it is emphasized that the extent of the problem only partially describes the unemployment rate, which does not reflect the work of consciously stayed away, the job is not seeking, which the unemployed for counting places have the 50% can reach to the employment drop-out rate.

In the region of small villages in the structure and characteristics of the cross-border character, whose main consequence is that the opportunities for mobility only in the area have had much higher costs to be improved. This includes elements such as a number of concrete dirt roads that can be found in communities, but other utilities, and even the residents of the fiber optic network, or on the landline / mobile uplinks to the network of opportunity. The dead-end town character, the resulting supply problems in the area of small villages along the outer periphery of the transport network crowd, which clearly excludes the field of international transport networks that will require employers to settle there. The situation is precisely due to the high cost demand collaboration, Hungarian and, of course,

cross-border co-operation to repair a half, which is just a regular and proper communication between the parties and professional programs, continuous co-construction and maintenance can be achieved.

The cross-border nature has long affected negatively the development of the region, and although the most serious disadvantages resulting change in the period before the system can be connected, are still investigating the resulting voltage traces, both the municipal and the economic structure. The XXI. century, a serious possibility, partly created by the EU, but in this case the Croatian-Hungarian relations, the previously hard-limit function as lines, loosen the cross-border regional co-operation can strengthen the significance of which is both linked to the region's codification of the benefits of materialisation and sometimes the previous reinvigoration of functional relationships. The region is one of the most important breakthroughs of the border and may be a fault elimination, thereby freeing resources concentrated.

With regard to employment prominent local municipalities and the state, such as employing a prominent role, which, in addition to the state institutions employ the highest proportion of the local people, drawing attention to how much potential for the public works programs, and for the local governments were carried out by investments. They reach the marginalized social groups, with market integration / reintegration obstacles, other means are very serious and many times require more effort to do. In this respect, it is essential for the programs, enhanced and regular workshops like team work, consultation, and—to be released in the deadline by limited resources—the ongoing Croatian-Hungarian cooperation, appropriate diagnostic studies, monitoring and targeted, issue-specific programs.

The regional centers were established in each of the industrial parks, but many of them still have unused capacities. Though good—better—infrastructure conditions exist (which such a facility has to offer) as a competitive advantage can be realized, confirmed the claim that the competitive advantage can only improve in cases when businesses settle and other conditions (such as sufficient and qualified labor force) are also available. However, those conditions in the region have not yet been sufficiently realized.

### **3.3. Opportunities and threats in stabilising the labour market**

Although most areas of the two countries are also affected, as well as ethnic composition, the history is different to some extent, a number of properties are similar, almost the same advantages and difficulties are in the area to talk about. Consequently, the studied regions prepare a joint SWOT-analysis, which naturally complements the existing differences, differences are also presented.

Table 1. SWOT-table of the region

Strengths	Weaknesses
<p><b>1. Labour force</b></p> <ul style="list-style-type: none"> <li>- Crowd of free labour force</li> <li>- Relatively cheap workforce</li> <li>- A need for work</li> </ul> <p><b>2. Natural conditions</b></p> <ul style="list-style-type: none"> <li>- Relatively untouched natural beauty, natural resources along the river Drava</li> <li>- Rich flora and fauna, rare and protected plants and animal species</li> <li>- Great features of river and lake fishing</li> <li>- Rich thermal water resources</li> <li>- Low pollution in general</li> <li>- <i>Significant natural resources, water resources</i></li> <li>- <i>Great arable land, forests, water resources</i></li> <li>- <i>The river Drava</i></li> <li>- <i>Tourist attractions</i></li> <li>- <i>Construction raw materials (sand, clay, stone)</i></li> </ul> <p><b>3. Culture, nationality, ethnic composition, demographic features</b></p> <ul style="list-style-type: none"> <li>- The charm of the built environment</li> <li>- Monuments</li> <li>- Traditional village image, excellent conditions for rural tourism</li> <li>- Colourful ethnic composition</li> <li>- Rich traditions, folk customs</li> <li>- Industrial parks / enterprise zones</li> </ul> <p><b>4. Settlement structure, infrastructure, education/training</b></p> <ul style="list-style-type: none"> <li>- Low property prices</li> <li>- Buildings with economic value out of use</li> <li>- <i>Favourable geographical location, the proximity of some European centres</i></li> <li>- <i>Free capacity in the business and industrial zones</i></li> <li>- <i>Advanced educational system that makes life-long learning possible</i></li> <li>- <i>Available skilled labour force in some areas (Mainly Croatian)</i></li> <li>- <i>Developed educational system (especially Croatia)</i></li> <li>- <i>Transit routes (mainly in Croatia)</i></li> </ul> <p><b>5. Agricultural industry</b></p> <ul style="list-style-type: none"> <li>- Traditionally-based agricultural knowledge</li> <li>- Great agro-ecological conditions</li> <li>- <i>Traditions of agricultural processing industry</i></li> <li>- <i>Strong agricultural brands</i></li> <li>- <i>Modern, competitive technologies used in farms</i></li> </ul> <p><b>6. Capital, investments, enterprises</b></p> <ul style="list-style-type: none"> <li>- <i>Enhanced business environment</i></li> </ul>	<p><b>1. Labour force</b></p> <ul style="list-style-type: none"> <li>- The relative lack of skilled, qualified labour force</li> <li>- High percentage of long-term unemployed people</li> <li>- <i>Disturbance of demand and supply in the labour market</i></li> </ul> <p><b>2. Natural conditions</b></p> <ul style="list-style-type: none"> <li>- Contaminated sites, illegal garbage dump</li> <li>- <i>The low level utilization of renewable resources</i></li> <li>- <i>The low level usage of the conditions</i></li> </ul> <p><b>3. Culture, nationality, ethnic composition, demographic features</b></p> <ul style="list-style-type: none"> <li>- Difficulties based on the high ratio of the Roma/ Gypsy population</li> <li>- Ageing population</li> <li>- Loss of motivation and hope</li> <li>- Social issues</li> <li>- Migration</li> <li>- Running into debt</li> </ul> <p><b>4. Settlement structure, infrastructure, education/ training</b></p> <ul style="list-style-type: none"> <li>- Network infrastructure in a bad state of repair</li> <li>- Low access to the Internet</li> <li>- A few border crossing, restrictive effects of mobility of border region</li> <li>- Isolation, plentiful deadlock settlements</li> <li>- A few primary and secondary highways</li> <li>- Deficiencies of public utilities</li> <li>- Settlements structure of small villages</li> <li>- Peripheral location within the countries</li> <li>- Underdeveloped education system</li> <li>- Lack of infrastructure of industrial parks</li> <li>- <i>War damage (mainly Croatia)</i></li> <li>- <i>The lack of advanced industry</i></li> <li>- <i>The war set back the traditional structure of production (e.g. timber industry)</i></li> <li>- <i>The lack of city detours</i></li> </ul> <p><b>5. Agricultural industry</b></p> <ul style="list-style-type: none"> <li>- <i>Structured agricultural land</i></li> <li>- <i>underdeveloped level of irrigation systems</i></li> <li>- <i>the decline of traditional food processing industry</i></li> <li>- <i>weak relationship among small and medium-sized and large-scale enterprises</i></li> <li>- <i>the lack of protection of local products</i></li> <li>- <i>unexploited agricultural lands</i></li> </ul> <p><b>6. Capital, investments, enterprises</b></p> <ul style="list-style-type: none"> <li>- Lack of capital (households, firms)</li> <li>- Lack of investors and foreign capital</li> <li>- Low purchasing power</li> <li>- <i>Not sufficient and high-level cooperation between small and medium-sized and large-scale enterprises</i></li> <li>- <i>Small- and medium-sized enterprises not suiting the requirements of EU standards</i></li> <li>- <i>Modest level of investment due to the global economic crisis</i></li> <li>- <i>The lack of coordinated development strategies</i></li> <li>- <i>The market access of local farmers is not resolved</i></li> <li>- <i>Poor financial situation of local governments</i></li> </ul>

Opportunities	Threats
<p><b>1. Labour force</b></p> <ul style="list-style-type: none"> <li>- High-level, labour intensive and environmentally friendly technologies</li> <li>- Public work programs</li> </ul> <p><b>2. Natural conditions</b></p> <ul style="list-style-type: none"> <li>- Increased use of water-related tourism potential</li> <li>- Natural environment protection</li> <li>- <i>Good conditions of geothermal energy utilization</i></li> <li>- <i>Promote the use of renewable energy resources</i></li> <li>- <i>The protection of natural and healthy environment</i></li> </ul> <p><b>3. Culture, nationality, ethnic composition, demographic features</b></p> <ul style="list-style-type: none"> <li>- <i>To strengthen social activities</i></li> <li>- <i>Rural tourism development, Improving Village images</i></li> <li>- <i>Re-socialization programs</i></li> <li>- <i>to activate churches, non-profit organizations</i></li> <li>- <i>Knowledge-based economy</i></li> <li>- <i>A globalized society</i></li> <li>- <i>Industrial and manufacturing traditions</i></li> </ul> <p><b>4. Settlement structure, infrastructure, education/training</b></p> <ul style="list-style-type: none"> <li>- <i>Development of Sewage, road and gas pipes,</i></li> <li>- <i>Entrepreneurs and farmers' training programs</i></li> <li>- <i>Roma education programs</i></li> <li>- <i>Integration of multiple disadvantaged children at schools</i></li> <li>- <i>Establishment of the Regional Development Agencies</i></li> <li>- <i>Completion of the infrastructure of industrial parks</i></li> <li>- <i>reconstruction of empty buildings into tourist resort hotels</i></li> <li>- <i>exchange of experiences, information, training courses in the catering industry</i></li> <li>- <i>The protection of the built environment</i></li> <li>- <i>Targeted, workforce training according to the labour market demand</i></li> <li>- <i>The potential for river transport</i></li> <li>- <i>IT, environmental technology</i></li> <li>- <i>EU transport corridor 5c</i></li> </ul> <p><b>5. Agricultural industry</b></p> <ul style="list-style-type: none"> <li>- Better and more targeted use of the agro-ecological conditions</li> <li>- Organic farming</li> <li>- Herbal and fruit production</li> <li>- The modernization of agriculture</li> <li>- increasing the processed-level of agricultural products</li> <li>- emphasized support of farmers</li> <li>- Strengthening of the agricultural processing sector</li> <li>- The protection of existing products (branded products, patents) and promoting the development of new products</li> </ul> <p><b>6. Capital, investments, enterprises</b></p> <ul style="list-style-type: none"> <li>- Application options without self-financing</li> <li>- Agriculture and rural development</li> <li>- Development of region marketing</li> <li>- more efficient and more extensive use of EU funds</li> <li>- EU accession and access of EU funds (SAPARD) (Croatia)</li> <li>- To promote the regional competitiveness of small- and medium sized enterprises</li> <li>- Enhancing the investment conditions with the help of the region's economic support</li> <li>- To promote cooperation among, medium and large enterprises</li> <li>- Strengthen the business environment, and promoting the development of technology</li> <li>- Promotion of innovation</li> <li>- The support of economic activity</li> <li>- development of commercial and industrial development zones</li> <li>- Export Orientation</li> <li>- The higher degree of product processing, production of endproducts instead of raw material production</li> <li>- to develop network with the neighboring countries and regions</li> <li>- The Regional Development Strategy to encourage counties to develop (Croatia)</li> </ul>	<p><b>1. Labour force</b></p> <ul style="list-style-type: none"> <li>- Further increasing unemployment</li> <li>- Increasing number of permanent feature of underskilled workers</li> <li>- More and more long-term unemployed people</li> <li>- The brain drain from the region and / or the country</li> <li>- Spread of Work in the black economy</li> </ul> <p><b>2. Natural conditions</b></p> <ul style="list-style-type: none"> <li>- Increasing environmental pollution, ghettoisation</li> </ul> <p><b>3. Culture, nationality, ethnic composition, demographic features</b></p> <ul style="list-style-type: none"> <li>- serious imbalance in the composition of the population</li> <li>- Permanent emigration</li> <li>- Increasing lack of motivation</li> <li>- significant impoverishment</li> <li>- running into debt</li> <li>- increase of radicalism</li> </ul> <p><b>4. Settlement structure, infrastructure, education/training</b></p> <ul style="list-style-type: none"> <li>- <i>A decrease in the volume of employment centres</i></li> <li>- <i>degradation of roads, provider networks</i></li> <li>- <i>The inadequate development of cross-border relations</i></li> <li>- <i>Increasing differences both on regional and national level</i></li> <li>- <i>The training does not follow the market trends</i></li> </ul> <p><b>5. Agricultural industry</b></p> <ul style="list-style-type: none"> <li>- <i>the existence of short-term economic attitude</i></li> <li>- <i>The lack of agricultural policy moderating risks</i></li> <li>- <i>The increasing rate of lands left fallow</i></li> <li>- <i>The competition of foreign agricultural products (cheap but substandard quality products becoming dominant in the internal market)</i></li> </ul> <p><b>6. Capital, investments, enterprises</b></p> <ul style="list-style-type: none"> <li>- Backwardness of planned investments</li> <li>- Withdrawal and reduction of subsidies</li> <li>- Inadequate tax policy, strengthening of grey economy</li> <li>- Liquidity problems, the existence of debts becoming more frequent and powerful</li> </ul>

The above SWOT analysis therefore shows that many aspects of the Drava depression with similar capabilities and, consequently, in the same possible solutions have risks. There is no doubt, however, that the two sides of the river are in some ways different, aspects of which are hereby disclosed. One striking difference in the history of the Croatian war areas, is still felt on the region. One particular manifestation—in addition to the consequences of the municipal and inter-municipal infrastructure is clearly visible—is the traditional economic structure, degradation, and sometimes not justify the destruction of a fresh start is dramatically more difficult (for example, this phenomenon can be observed that the area has been almost insignificantly become wood industry). Not inconsiderable is the fact that both sides of the border areas are markedly different. While in Hungary, we are talking about a small area, while on the Croatian side of the Hungarian counties županijai is more comparable. Therefore, the centers and of course the size of the volume present different problems. Previously, it was shown for the population of the settlements gap difference, reflected in the volume of employment and related disorders as well. For example, it is worth to mention that in the case of Croatian center infrastructure weaknesses than those detours, etc Ring. Lack of Hungarian centers, there is no recognition as a distinctive problem. In addition, major employment centers in Croatia have the volume, while in Hungary the small areas outside the major cities (eg. Pécs, Nagykanizsa) prevailed. The peripheral nature of the region means something different in the case of sub-regions and županija. The regions of Csurgó, Barcs, Sellye and Siklós are local, real and strong peripheries of Hungary, one of the most deprived area of the capital city from a seated to the merits of the issue of employment is no longer displayed. In contrast, the peripheral part of Croatian territory is rather semi-periphery (especially Koprivničko-križevačka Županija), in which the question of its proximity to the capital city of the region has been intertwined with the problem of employment relationships. The issue of investment are also discernible differences. The crisis of the Croatian territory marked reduction in the investment activity / volume, which is a clear impact on the lives of the unemployed. Of course, this was also observed in Hungary, however, given the fact that the study area has not previously attracted investment, rather than decrease in the volume outside the region affected employers downsized sensitive area. A significant difference is that Croatia, as a future EU member receives subsidies somewhat different than the Hungarian regions, which also modifies the limits of territorial co-operation in matters of individual freedom. In the Croatian area as a result of this there are no uniform depressions, like on the Hungarian side, that is, for example, is available in a higher proportion of more qualified staff, better opportunities for the settlement of more advanced industries. Macro-regional forecast and Croatia in the European Union lies in the transit corridor 5c, which is of strategic importance and economic potential for portability, while the Hungarian part of the periphery is considered in terms of transport. The educational system is pointed out that the Croatian side—also due to the scale—have more sophisticated training structures, even the Osijek university facilities. In addition to the problems and conditions of the area showing strong homogeneity we should not forget about the existence of internal affairs for targeted and effective development is only imaginable if we take these into account.

#### 4. CONCLUSIONS

Although there are better and worse areas in the region, it is an important fact, that the unemployment has depressive elements everywhere. These problems are almost the same next to the area's unique features. It is a cause and also an affect in the high numbers of unemployment that there are no investments, and that the employers do not care enough about the region. On top of all these typical issues is the underdevelopment of the education, the migration of the youth, the insenscence of the settlements, incorrect training structure, low concentration of capital, small sized enterprises, weak local market and international competition, missing large-sized employers and underdeveloped infrastructure. This last factor makes the mobility of the population almost impossible and blocks the investors due the exterior markets (transportation of the goods) are unreachable. *The insenscence and the migration is compensated through the higher proportion of maternity (childbirth) of the gypsy population.* The unity in the whole area is visible in the mischievous habitation stand, underdeveloped public utilities, impoverishment of the population, which abuses the motivation to seek for a job, moreover is also the base of misinformation. The heaviness of the problem is poorly described by the unemployment rate and is not enough to make visible enormous groups who do not want to work, or do not seek a job at all, but this group makes out almost 50% of those who are not employed.

The idiosyncrasy of the area are the small sized settlements and the border-line structure. The consequence of this is that it would be very expensive to improve the mobility, for example: concreting dirt roads and to make other public services accessible (cellular phone system or optical cable network for internet access). It is also very characteristic that a lot of dead-end settlements turn into peripheral areas and due to this underdeveloped traffic network will never attract significant employers. This situation can be solved only by teamwork and collaboration with partners over the border and regular professional training and communication of both parties.

The border line features have negatively influenced the area's improvement, although the most serious disadvantages from this are belonging to the time before the change of the system and the tension's marks can be detected both in the municipal and the economic systems until now. The XXI. century's earnest possibility, partly in Union's framework, but in this case in Croatian–Hungarian relation too, loosening the previous lines functioned as hard borders, strengthening the cross-border area's cooperation, which is both related to the advantages realised from the area's integrated frame and in some cases the previously functionally made relations revitalization. One of the area's most important break point is the border as to liquidate the fault line and this way it releases concentrated resources.

The settlement's governments and the state are conspicuous in the sense of employment as an outstanding employer who besides the state's institutions employs the local populace in the biggest rate, draws the attention that huge opportunities hide beyond community service programmes and the investments carried out by the government. This can reach those peripheral communities, whose market faces integration/reintegration obstacles which can be solved by other devices with much complicated efforts. In this respect it is necessary to work out appropriate programmes, intensified and usual workshop like teamwork, consultation and—releasing the resources limited by the border—the

constant Croatian–Hungarian cooperation, the adequate diagnostic studies, the monitoring and the targeted problems specific programs elaboration.

There were industrial parks founded in all of the micro regions, however a significant part of these have idle capacities. Though, having good-better infrastructural conditions (what this kind of facility can offer) can be realized as a competitive advantage, the statement is certified what says, that the competitive advantage can be corrected just in the case, when other necessary conditions for the enterprise's settlement (eg.: qualified, and enough amount of labor force) are appropriate. The conditions mentioned above have not yet been sufficiently realised, until this day.

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