

National report



LLP-ERASMUS
Intensive Programme

**Internet advanced promotional tools application for increasing awareness
of social exclusions movement**

Electronic Social Exclusion In Hungary

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Table of content

Introduction	3
1. Level and structure of electronic social exclusion	6
2. Causes and consequences of electronic social exclusion	10
3. Government role in preventing electronic social exclusion	14
4. Institutions and their actions	17
5. Other activities against electronic social exclusion	21
6. Characteristic of (name of organization)	24
Conclusions	26
References	27

Introduction

In this report we focus on the situation of electronic social exclusion in Hungary. We concentrate the period after 2004, when Hungary joined to the European Union. We can say, this phenomenon doesn't affect the whole territory of the country, for this reason firstly we'll list the most disadvantaged areas, and then we choose one, see it closer. We will describe one institution very detailed, and use the information what we collect during the deep interview with this organization. The electronic social exclusion connects closely to the political regulations, and in this case the governmental role is essential but we also look at other, bigger institutions supported by the European Union or other Task Forces. To the end we will summarize and make suggestion to optimizing.

Before we clear the definition of electronic social exclusion we would like to introduce the notion of the social exclusion, because they have the same basic terminology. Defining is not an easy task and we can't compress into one index, for this reason it is used in many explanation. "It has almost as much determination as many people deal with the issue "(Ferge, 2000:117). It is the same for electronic social exclusion as well. Exclusion is closely related to poverty and there is also other factor like unemployment. At the same time this is not true in all cases, because poverty and unemployment is not basic condition of electronic social exclusion, because there are excluded people by the non-poor groups as well. The social exclusion is typical for social groups, and this is valid in case of electronic exclusion as well (Atkinson, 1998:8). In our approach we can speak about electronic social exclusion if one of from 2 components is true. The group of people or the given territory lacks the given level of economic development of available material, cultural assets which have the society, the per capita average form the services is at least half (it is based on the commonly used poverty standard model). The second is when the given area people does not have the ability required to effective interest enforcement which needed to possessing the average volume of goods and services on the long-run. The exclusion linked with the notion of social inclusion, and these two things became part of every European country's social politic. To see why there is strong connection between the social exclusion and electronic social exclusion we should come up that where the people live in poverty let's say the backward areas, minorities or the unemployment regions, they can't use the advantages of the new technologies, internet, and unfortunately there are some cases where people lack of electricity at all. Later we will see more precisely these problems and possible causes, why people live in such abnormal circumstances, and why they don't know anything about the 21th century's innovations. First

of all we thought that electronic exclusion is just about not having a connection to the world through the internet, but after this report work we should there are much bigger problems in Hungary on the backward and excluded areas.

In Hungary the excluded circle of people are almost the same like the other European Union people, the long-term unemployed; low-income households; families with many children; older people; disabled persons and Roma ethnics, but the emphasizes of these are different. The geographical differentiations and the ethnicity question are more dominant endangerment source. The integration of social excluded afflicted territories' people is getting harder by the large-scale and long-term unemployment and inactivity. The EU set the same goals in the members that the poverty, unemployment and other exclusions should be decreased and these topics should be fixed part of the social politic strategy. These steps are included on the national and regional level as well. To keep these goals strictly in minds in every second year new national task plan or action plan is prepared by the responsible Ministry (Rácz, 2010:6).

Than these action plans are implemented the different Task Forces in different regions. In the appendixes we have the list of all these Task Forces in Hungary. Task Forces helps the performance of the 5 years plans, the cooperation between the member countries and the easy flow of information by preparing analysis, discovering the main reasons, processes and tendencies of social (including electronic) exclusion. Hungary joined to this Action program in 2002 (Rácz, 2010:4). The most important social challenge related to social exclusion what Hungary must face are the following: inclusion of the uncompetitive groups to the labor market, creation of increasing chances of access to service system, reducing regional disparities, regional development, because of regional differences in the east-west axis and along the urban hierarchy is also a big problem. The fight against social exclusions is a very complex task, which should have a dynamic action program with a centre of facilitating the inclusion, alleviating poverty and overcoming exclusions must be (Göncz, 2002:2).

When we want to see the situation after 2004 shortly we must cover the capitals regime (1989) when in Hungary the one third of work places terminated. In 2010 in April with the new established too, the number of work places was 3, 7 million and the active work force rate is also small 54 % while in the EU the average is 64 %. So we can say that this high rate of unemployment wasn't good for the poverty and for this line the excluded areas also (Farkas, 2010:1). After had joining some new institutions and program was established by the government, for example the National Development Agency or the New Hungary – Rural Development Program. These programs with the European Union funds and government or

councils started a lot of new investments and plans to develop Hungary, the excluded areas as well. The work started with a 3 years long National Development Plan, which designated the development policy objectives and priorities for the 2004-2006-period that can be funded from the Structural Funds (NDA-NDP). During this time was set up the framework of the Situation Analysis and lay-down the pillars of long-term development policy. One of the main goals were improving the income status and the quality of life, reducing development disparities existing between the European Union member states and Hungary. Then came the New Hungary Development Plan from 2007-2013, which concentrated to close the development gap of the country and the level of developed countries and reach the growth of the backward rural area. Never before witnessed economic growth may be experienced within a few years, if we manage to find our own breakout points by taking account of competition (NDA – NHDP). Improving Hungary's competitiveness, creating one million new jobs within ten years along seven break-out points – these are the main objectives of the New Széchenyi Plan launched on 14 January 2011 (NDA-NSP). The seven break-out points also helps not only the excluded parts with new jobs and better infrastructure, but the optimize whole country's healthy industry, green economy development, homemaking, venture development and science innovation. During 2011- 2013 almost 2000 billion Hungarian Ft is available for this all (NDA-NSP).

1. Level and structure of electronic social exclusion

We think that the best way is to examine the level of electronic social exclusion in Hungary after 2004 if we see the data of the official statistical centre of Hungary, which is the Central Statistical Office (STO) and its projects evaluations, because they have the most up-to-date data and all kind of information which we need. So in the following part every kind of data and other numerical references is from the STO. If we list other sources we will sign it differently of course.

The list of index numbers related to poverty and social exclusion was determined in 2001 the session in Laeken of the European Union. This list have expanded and now have 4 important area, which measure the changes in social inclusion, level of pension, changes in demography and the situation of health care. We would like to focus some indicators of relative income poverty rate¹ and material deprivation² to show the level of exclusion (Statistical Mirror 2012.09.21). We use the latest data of the statistics first from 2011, 2010 and 2009 but there will be also some summarizing tables about 2005 – 2009.

Relative income poverty rate by age and sex (%)

Age , year	2008	2009	2010	2011
Sum	12,4	12,4	12,3	13,8
0-17	19,7	20,6	20,3	23,0
18-24	18,1	17,7	17,0	18,9
25-49	12,5	13,0	12,7	13,8
50-64	8,5	7,8	8,6	11,0
65-	4,3	4,6	4,1	4,5
Male	2,7	3,1	2,8	3,5
Female	5,2	5,4	4,8	5,0

In 2010 there were some important macroeconomic affects for example the increase of unemployment people and rate (420,7 thousand to 474,8 thousand) or the average gross salary / month increased by 1,3 % and 10 thousand more people were employed in part time job but with the same rate decreased the full time job workers. These caused together the increase of income inequality. In 2010 the income poverty rate was 13, 8 % which is higher with 1, 5 % compared to the previous year (Statistical Mirror 2012. 09.21).

¹: 60% of median equivalent income is less than the proportion of people living in households with incomes.

²: Those, who are defined at least three of nine items of consumption of material from were forced to give up: 1 to cover unexpected expenses, 2 one week long holiday stay, 3 installment payments (rent, home installments, utility, purchase products), 4 Eating well, 5 suitable for residential heating, 6 Washing, 7 TV, 8 telephone, 9 car.

The material deprivation per item (%)

Items of deprivation measurement	2008	2009	2010	2011
Amortization of loan payment	16,5	22,2	24,3	24,7

arrears				
Lack of funds for unexpected expenses	67,6	75,1	73,9	74,0
Financial reasons don't have telephone	2,1	1,4	1,5	1,7
Financial reasons don't have TV	0,7	1,0	0,5	0,5
Financial reasons don't have washing machine	2,1	0,7	0,8	0,6
Financial reasons don't have car	20,4	20,8	19,4	22,6
Lack of one week holiday	66,6	65,9	64,9	66,1
Lack of eating meat every other day	26,1	26,5	27,6	29,0
Lack of suitable house heating	9,7	8,9	10,7	11,7
Material deprivation rate	37,1	40,3	39,9	42,2

The so called material deprivation indexes try to show the multidimensional nature of the exclusion and poverty, which correlate to the same situation in every EU member countries. Generally deprivation means the dispossession of basic goods and services because of provision of financial resources resulting from the lack of enforced deprivation. The national deprivation rate shows that percentage, who from the 9 examined items forced to lack at least 3 because of their financial situation. In 2011 this rate is 42, 2 %, which is higher with 2, 3 % than in 2010 (Statistical Mirror 2012.09.21). These items are closely related to the electronic social exclusion, as it shows mostly electronic items in the households. This at least 3 requirement changed into 4 and shows the serious material deprivation rate. In Hungary this rate was in 2010 20, 6 % in 2011 23, 1 %.

Relative income poverty rate according to age in the EU member countries 2010 (%)

Members	Total	Children (0-17 years old)	18-64 years old	65 and older
EU-27	16,4	20,6	15,3	15,9
Hungary	12,3	20,3	11,9	4,1
Germany	15,6	17,5	15,6	14,1
Spain	20,7	26,2	19,0	21,7
France	13,5	18,4	12,8	9,7

The EU-SILC (Statistics on Income and Living Conditions, aim is possible comparing basic on international level) results between 2008 and 2010 can stated in 2010 compared to 2009 almost with 2 million increased the number of people living in poverty or in exclusion. Altogether in the EU 115, 5 million people lived in these circumstances, from these 3 million lived in Hungary. To compare with 2008 the growth was big, 154 thousand people in Hungary (Statistical Mirror 2012.09.21.). This defining is based on 3 indicators, like relative poverty

rate, serious material deprivation and the rate of critical low work intensity household number.

If we see relation of the age and poverty we can see that the progresses of the age the poverty rate gradually decreases. Nothing change that the children are endangered the highest level, who's relative situation compared to 2005 depraved, in the latest time stagnated, according to the 2010 research of the Central Statistical Office.

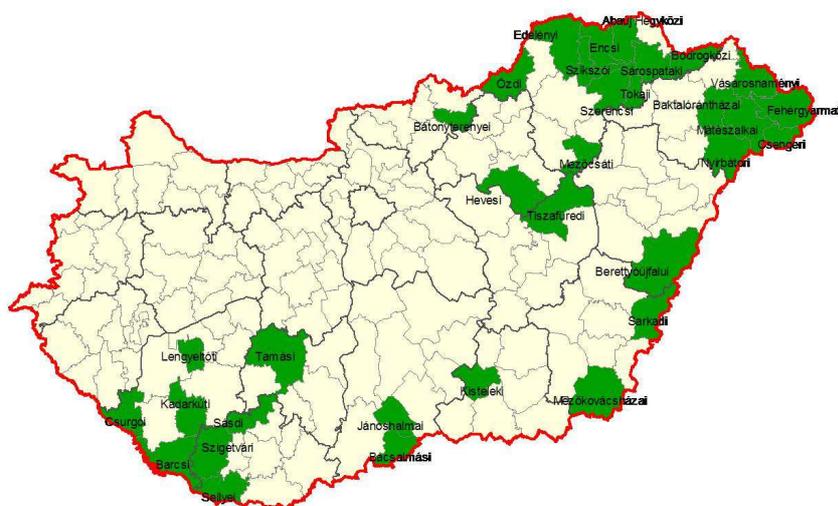
Relative income poverty rate by age and sex (%)

Age , year	2005	2006	2007	2008	2009	2010
Sum	13,5	15,9	12,3	12,4	12,4	12,3
0-17	19,9	24,8	18,8	19,7	20,6	20,3
18-24	15,5	16,9	16,8	18,1	17,7	17,0
25-49	14,3	15,7	12,2	12,5	13,0	12,7
50-64	10,2	11,2	8,4	8,5	7,8	8,6
65-	6,5	9,4	6,1	4,3	4,6	4,1
Male	4,2	6,9	3,2	2,7	3,1	2,8
Female	7,9	10,8	7,7	5,2	5,4	4,8

According to the structure of households the most negatively affected are the one-parent families and families with 3 or more children.

Last but not least we see the place of living, and the Least Developed Micro-Regions Program of NDP. The main specifications of these regions are unemployment, deep poverty, village ghettos, segregation and discrimination, everything connected to social and electronic social exclusion. Here live ten percent of the population and nearly one third of the Roma population. A complex development program targeting the most depressed micro-regions.

A financial envelope, including monies from various operational program of the New



Hungary Development Plan was set for each micro region in the new programming period of 2007 -2013.

A major part of financial resources of the program – altogether around 360 million euro – are provided by different development

organizations. As the three priorities of strategy making were economic development-

employment, education-children's opportunity and Roma-integration micro-regions could dedicate 3/4 of their allocated funds to infrastructural projects (ERDF) and at least 1/4 of allocated funds to „soft” projects such as training, education, employment or health care (NDP).

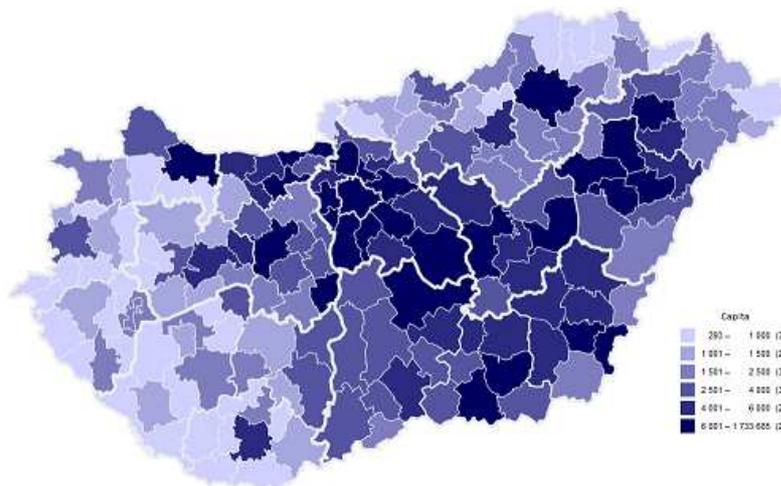
The future structure's picture is very difficult and complex, because we must consider a lot of outsider effect and controversial future plan. On the one hand the development programs see the situations positive, they have a detailed plans of using the EU funds to develop the main problematic areas, on the other hand the rational statistics said the relative situation, the increasing number of unemployment and other already mentioned processes. We supplement these opinions the assumption of the expected improvement in the global crisis affect and join to the rather optimistic view of National Development Agency.

As for the future, the program office has lots of ideas to contribute to the development of the micro-regions. For example, they are building up long term co-operation between regional universities and micro-regions. The National Development Agency took a leading role in this by offering 65 of its replaced computers for two educational institutions in the related micro-regions and Microsoft Hungary joined the action by donating the software license to enhance digital skills of children. Hopefully other organizations and business actors will follow them to contribute to the success of the program (NDA).

Between 2007 and 2013, Hungary will be able to use development resources equivalent to 4% of the country's GDP, i.e. a total of 22.4 billion Euros, within the framework of EU cohesion policy. Compiling the National Strategic Reference Framework and the connecting operation program represents a precondition for requesting funds, which document defines the objectives and system of instruments in connection with the use of funding (NDA).

2. Causes and consequences of electronic social exclusion

The causes of the electronic social exclusion are at least difficult as the definition at the beginning. The differentiation of causes and effects in some social phenomenon are sometimes unsolved, but we try to discover every possible main cause. After Hungary had switched from centrally planned economy to market economy in 1989, unemployment suddenly increased and GDP per capita enormously started to decrease. These processes proceeded in poorer rural areas, where people already suffered from exclusion. Later these regions break off the more developed areas, and the gap increased. In Hungary 61, 6 % of the population lives in villages, the process of urbanization is always a key issue. We can recognize overlapping territories in the map of *Least Developed Micro-regions Program* and the *micro-regions' average settlement population*³ (STO). From these map indexes and the *material deprivation* table conclusion clearly can be drawn, that electronic social exclusion is



in strong relation with settlement structure, infrastructure, income and much more. Almost 40% of the population lives in villages, where sometimes not just the shortage of TV or internet connection, but the lack of electricity occurs as well. Inhabitancy affects

material deprivation (or income) and education also. In rural and backward areas people usually earn much less due to the uncompetitive groups and the lack of job scale and possibilities. This process generates more unemployed inhabitant and more inactive households with less possibility. The level and the extension of the education, the percentage of early school leavers are also in a bad shape in backward regions. People usually have 8 classes of primary school, or in better situations, some secondary school experience, which of course pull back the average knowledge and employment/unemployment rate, thus affecting the electronic social exclusion.

First of all we would like to clear the reason of the deprivation, because it is important part of our report and closely connect to the exclusion.

³: The Operative Programme's fixed amount compared to each other. It is based on the information of the National Development Agency's website (2010).

The basic reason firstly could be the biological – physiological origin. These terms are the principles of the life and we can't help it, that we are too young or older, or born with some disability. The situation of the children and the elderly people should be more empathic part of the social politic, but on the positive side there are already a lot of institutions for them. The following reason group has social origin. The nature and the individuality can't help the fact that the long historical antecedent make such work organizations, which make possible some group of people or individual developing their abilities, and for the others make almost impossible (Ferge; 1985:27). The family which grows up the children has a strong power defining the chances in the life. Here we should mention that some individual factors (IQ level, intelligence other abilities) plays also a big role how can the people live their life, but now we don't focus these. In Hungary there is a very important reason as we mentioned earlier, the demography. The present settlements are the result of a lot of previous historical steps. Unfortunately this network does not give the same job, service availability other social benefits for the different regions. Almost the same is right for the housing stock. Logical coming is that the social excluded people get the worst flats and houses. The home-type, the infrastructural and travelling possibilities and the given region economic situation also influence the social environment. Not only cause rather affects too the unemployment and poverty rate, which connecting to the disadvantage of cultural background, different ethics judgment negatively. Shortly the lack of jobs and lack of the possibilities on such regions cause large shortfall. If we see the individual origin problem, should mention as side effect the migration of the high educated people from the poor region to the center. The last causes which have at the same time individual and social origin are the crime and alcoholism, poor work ethic, a lump, link lifestyle in many cases or irresponsible child at the family life ruined the brutality and many others, but these aren't connect our topic so closely.

There is no effect without side effect, thus social and electronic social exclusion have consequences and long-term effects on the society. From the causes we can directly conclude some consequences for the future. Without appropriate close-up and financial support, the exclusion of these micro-regions' going to deepen. The main consequence is the decrease of the opportunities and possibilities in the long-run. It also makes harder the inclusion of the society as a whole on regional and on country-level too. Disparities in the society and in different micro-regions will generate major gap between geographical territories, thus the route of urbanization process not going to be paved.

In case of opportunities and possibilities we are talking about physiological effects on the excluded people concerned. These effects will be clear up in the long-run, they cannot be measured immediately. Social isolation is from future success on the labor market and in social life, and somehow from the global circulation.

The isolation will create unemployment in the labor market, hardship of material goods, effect individual and family well-being status. These family's children's life and health expectancy, welfare are incredibly endangered. If the gap between the backward and developed regions will deepen, the perspective of children's life will linearly decrease. In Hungary there is already an urn-shaped life tree and an aging society. If the growing young generation won't support the pensioners and the society with work, who will? If the unemployment will increase, black or undeclared labor also will thrive. One-third of the Roma ethnicity live in the backward rural areas – they already isolated from the society due to their attitude -, which will be influenced by the (electronic) social exclusion. The ethnicity question is always included in Hungary's social policy plans. Unemployment will deepen poverty and increase the chance of black work and generate dissatisfaction in excluded regions (website: Dechman; 2003), (website: Argosy University, 2010).

If one dimension's exclusion deepens, it can grip down other layers or dimensions with itself, creating a chain reaction. Electronic social exclusion will be more important in the future, thanks to the global-size of ongoing modernization around the world. It is been proved, that (electronic) social exclusion has negative effect on the brain, mainly on children. Scientists have founded, that it can lead to poor decision making and a diminished learning ability. All negative effects depends on the time interval been socially excluded, and how individuals able to react to these negative impulses. So it is been proved, that any dimension or social exclusion – including electronic social exclusion – have not just physical affects, but mental side effects as well.

On individual level, electronic social exclusion generate less opportunities and possibilities for break-out of isolation, thus creating negative mental affect. It will occur in the long-run and could influence the younger generation's attitude negatively. Secondly on local-society floor it will produce general dissatisfaction and maybe resignation. It makes these backward micro-regions more in attractive for labor-migration and as a tourist destination too. Uncompetitiveness of the labor and micro-region will paralelly decrease the chance of break-out. On country level, it will increase regional disparities and the gap between backward rural areas and developed areas. It will pull back the expected health conditions, social integration and the optimization of the industry into a "healty" status. On country and European level as

well, the GDP per capita, unemployment (thus Hungary's competitiveness on the global scale) will decrease (website: Argosy University, 2006)

3. Government role in preventing electronic social exclusion

Electronic social exclusion or e-exclusion is a very complex dimension within the set of social exclusion. As they are complex and may overlap other dimensions, we cannot deal only with one issue at a time. We cannot draw a strict borderline between them. Information and communication technologies (ICTs) are a key issue around Europe. They provide better opportunities and possibilities to job seeking, social relations and orientation for the individuals. ICTs significantly support the social services, development of health care and education, and increase the business possibilities. Thus the government, local governments and authorized organizations promulgate acts, decrees and decisions for the long-run, with respect to other dimensions for the whole country or in special cases for regions, micro-regions (The European i2010 e-Inclusion Initiative, 2007: 2)

In summary, e-inclusion provides solution to electronic social exclusion and usually in legal documents it is indicated this way. The e-integration is an integrated information society, where every provision has been made towards an open information society for every individual. Its purpose is to ensure the total participation – independently from the individual or handicapped status – in the information society. It is necessary from the society justice, the knowledge- and equality-based society point of view. Furthermore it is relevant to utilize the total potential hidden in the society and to reduce the expenses derived from the economical exclusion. Last and not least, integrated information society has huge possibilities for the ICT-sector. (The European i2010 e-Inclusion Initiative, 2007: 2)

The e-integration got a key level in the Lisbon Agenda and also in the Information Society Help to Job Creation initiation in 2010. Both were created on European Union level, where Hungary participated due to the membership and the position, where the country was in this sense. The objective was to provide access to areas, where lack of broadband and/or non-coverage internet was, and also to optimize the digital competence. Forward looking measurements indicate a 35-85 billion EUR out-turn in the territory of the European Union.

The incidence of capabilities and assets (including devices) is a relevant measure of the ICT, which is getting more and more important. The measures tell us, how the population able to use and utilize these tools. Also shows, in what rate it is included in our every-day life or culture. Digital literacy consists of the traditional erudition, IT erudition and information erudition. The Hungarian average for the whole EU's population is 0, 3 while the EU-15's is 0, 81. In the recent years the Hungarian data improved, but it is in a totally different

dimension in comparison with the EU-15 or even with the EU-25. (The European i2010 e-Inclusion Initiative, 2007: 2)

Unfortunately, despite these aspirations, the present situation shows a positive progression, but far away from the optimal solution or advancement. The lack of e-inclusion generates an increase of social and economic exclusion numerically. The durable digital gap adversely affects the welfare and cohesion of the society.

On national level (on lower levels also) many endeavor and projects were created and published in 2010, in the European Year of fighting against poverty and (social) exclusion. Many programs have remained since nowadays and keep on working toward its aims. Hungary also created a National Program to support the backward and poor regions and micro-regions. The campaign's purpose is to strengthen the feeling of solidarity and responsibility in the society as an entity. The given topic treated in a priority aspect to achieve a level, where the utilization of sources are more effective. The National Program has three main points as follows: strengthen the political commitment, expansion the feeling of social awareness and opinion-forming about the topic and to increase the social activeness of poor and excluded people. The last point is deals with the close-up of the socially excluded regions, including the e-excluded regions (Poverty and Social Exclusion European Year for Combating National Programme, 2010: 2, 3, 4).

On regional level ROP (Regional Operative Programs) are the most significant organizations, supported by National Development Agency. In Hungary there are seven determined EU regions, accepted by European Union. Let's pick one for example, the South-Great Plain Operative Program. The development plan is been developed with the EU's community aims and with the national regional purposes together. Considering the opened problems, territorial differences and specificity, the region's mission statement is to be "the region of health and knowledge" (NDA). The long-term objective is to reach and maintain a sustainable increase, expansion of employment and equalization of territorial differences. Based on comparative geographical advantages, the program has specified aims also; strengthen the regional economy and competitiveness, facilitate the innovation-based structural economical switch and strengthen the cohesion of the region by creating better living conditions (including settlement structure and environment). The region is belonging to the Budapest-Keckskemet-Szeged Axis, so the program has to merge into the given innovation and competitiveness-based economic development (official webpage:DAOP program in detailed, 2007).

The classification of the beneficiary regions with decentralization and territory-developing financial support has been changed (in 2007) until the end of 2013 with the 67/2007 (VI. 28.)

Parliament Decree's system of conditions and with the 2004. Annual CVII. Act – modified by the 2007. Annual CVII. Act dealing with local governments' micro-regional multipurpose association – a new classification model was established (Katalin Lipták, 2007: 2)

The 311/2007 (XI.17.) Parliament Decree's new classification has promulgated 47 backward and underprivileged, 14 strongly underprivileged and 32 complex micro-regions. The classification was calculated from complex index numbers, classified into five main groups:

- economic indicators
- infrastructural indicators
- society indicators
- social indicators
- employment indicators.

10% of the Hungarian population lives in 33 “most” strongly underprivileged micro-regions. In the South-Great Plain region 9% of the population live in strongly underprivileged micro-regions (Katalin Lipták, 2007: 2,3).

4. Institutions and their actions

The National Development Agency (NDA) was established in 2006 due to the fusion of the National Development Office and organizations dealing with National Development Plan. Nowadays it still represents a leading role in the country's development with the purpose of creating a clear and more efficient system of institutions to control the distribution of the financial support of European Union's cohesion. The task of the NDA is to work out the Government's objectives and principles to the development policy and use the fundamentals of the development policy to elaborate Hungary's comprehensive development and inclusion plan. The NDA, in connection with the EU's structural and cohesion policy, organizes the internal tasks in Hungary. Deals with the EU's financial support and controls the financial organization system (NDA).

The National Development Agency has taken a leading role in the elaboration of the social programs and projects since 2006. The same process was observed during the work-out of the largest projects and plans supporting backward regions, exclusion, and poverty within the borders. The New Széchenyi Plan (NSZP), the New Hungary Rural Development Program (NHRDP) and the operative programs within the framework of the New Hungary Development Plan (NHDP), the LEADER groups have all been created, controlled or supported by NDA.

Almost one and a half year of planning work prevented the development area of the New Széchenyi Plan (NSZP). It was promulgated on 28 July in 2010 by the Government. The dynamic improvement of employment, maintenance of financial stability, creating the conditions to economic development and the improvement of Hungary's competitiveness are all stand in the dead middle of the plan's purpose. The 10 year long economic strategy appoints those break-out points, which ensure the long-run development of the Hungarian situation and economy. The NSZP's approach and attitude, furthermore the objectives are clearly harmonized with the aims of the EU's economic policy (active until 2020). The Hungarian economic policy and the EU's strategy merge in the NSZP's strategy and break-out points. The break-out points are integrating many industrial branches, thus creating the possibility for competitive national products, services and enterprises to appear in the mid-run. It's based on the co-operation of ventures and open-planning, by preserving the last Széchenyi Plan's approach. It is a kind of platform, a wide fundament, to which economic organizations, ventures, local governments can connect with their new ideas and proposals. Basically the state participates with the cohesion support in the project's risk-taking. Between

2011 and 2013 the NSZP has 2000 billion HUF for development from European Union support and national sources. The main break-out points and programs:

- Healing Hungary – Healthcare Industry Program
- Green Economy Developing Program
- Homemaking Program
- Venture Developing Program
- Transport and Infrastructure Development
- Science and Innovation Development Program
- Employment Program (Official website of New Szechenyi Plan)

After the introduction of the rule and criterion modification of the common agricultural conditions (by the Council of the European Union in 2007), all the agricultural, rural support concentrated in one hand, namely the European Agricultural and Rural Development Fund. Every member had to create a national rural development strategy, than a rural development program to reach the financial support. Hungary established in 2007 the New Hungary Rural Development Program (NHRDP) and can reach almost 1300 billion HUF for its purposes. The main course line is to increase the competitiveness of the agricultural sector, help the regional economy vitalizing investments and to preserve and maintain rural environmental assets. The financial assistance of the NHRDP can be classified into 4 four comprehensive groups:

I. Axis: Increase of the agricultural and forestry branch's competitiveness

II. Axis: Development of the environment and rural areas

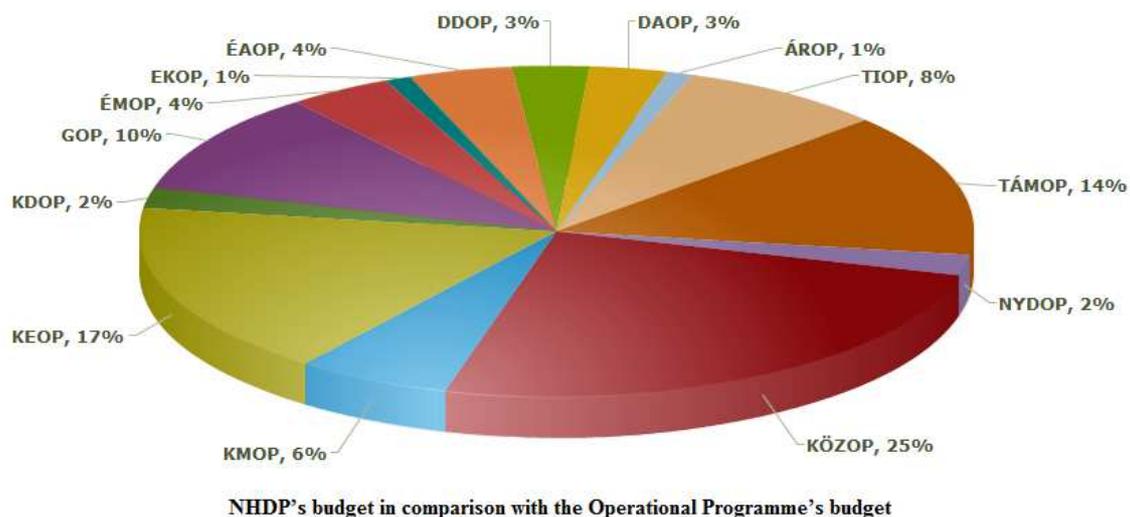
III. Axis: Diversification of the rural living conditions, welfare and economy

IV. Axis: The LEADER Program

The first axis deals with the national agriculture and to make it more competitive. This part gets the majority of the reachable funds, namely 47%. Creating better conditions for animal husbandry, more widespread usage of renewal energy and development of forestry are the main goals. The second axis targets the rural area's environment-conscious improvements, creating sustainable landscape utilization, decrease of environmental "usage", and ensures the working conditions of environmental protection services and much more. The 3rd axis' purpose is to support the population of the rural (and also excluded) regions with increasing the opportunities for financial yield and for social welfare. The package or axis intended to strengthen the rural village-pulling and -maintaining power, develop the present micro-ventures, and create new employment possibilities beside the agriculture sector and establishing new local markets. Keeping the rural heritage, tourism and village improvement

are also form the axis' skeleton. During the implementation of the developments the LEADER approach is very relevant. The last axis tries to help and encourage the inhabitants in the given area or region to rethink together their long-term development claims. The LEADER program is builds on the micro-regions inhabitant's creativity, and stimulates the organizations, institutions, people, and ventures to make decisions together (New Hungary Development Plan, 2007:153).

The NHDP set up 15 Operational Programs to stimulate a more efficient utilization of the funds on the specified branches. The Social Renewal Operational Program's (SROP) objective is to create and maintain a successful intervention in the 2007-2013 programming period, which is in connection with the whole society. This program deals also with the close-up of backward, rural areas, regions, thus with social and electronic social exclusion too. Other Operational Programs not pay attention to social exclusion or just in a negligible rate. The budget of the programs is almost 4, 1 billion EUR. Its funding is based on the European Social Fund in 85%, and related on domestic resources in 15%. In the next chart we can see the *NHDP's budget in comparison with the Operational Programme's*.



The Social Infrastructure Operational Program and the regional operational programmes are helping and providing the infrastuctural background for the SROP and the equal access to the quality-services. The SROP supports the NHDP's comprehensive goals basically with it's employment and labor market expansion movements and their human resource development. The programme's main aim is to increase the participation in the labor market, through the increase of the labor force supply range. To reach the wider supply range, the program tries to

increase jobseeking activity, decrease the workforce-market and social discrimination and support the health-culture development to increase the healthy workforce rate. SROP has also specified goals: harmonize the labor market's demand and supply, decrease the differences of territorial activity, helping the adaptation to changes, life-long learning, create a better healthy condition and capability to work and strengthen the social togetherness and last, but not least to support the individual's equality (Social Reformation Operative Program, 2007: 2,3)

The smallest unit in this chapter is the LEADER Group, which is a community initiative for rural economic development. It's principal objective to sustain the rural area's development with economic, social and vironmental community initiative. The developing strategies are more efficient if they done on local level – by this recognition -, many LEADER Group were established around Hungary. There is a relevant difference between the LEADER and the original rural development policy: the LEADER provides a guideline “how” you can reach the wanted aims and not determining “how you have to” do it. It has 7 pillars, which are in positive interaction and piece out each other, to create and maintain a durable positive effect on the rural area's development dynamics and on the local actor's problem recognizing and solving ability. The 7 pillars:

- Territory-based development
- Building from the bottom approach
- Three-sided partnership: venture, civil and public sector
- Innovation
- Inter-sector integrated approach
- Network operation
- Co-operation

The first pillar (Territory-based development) is dealing with the close-up of the backward areas. It's targeted areas are the territory-based smaller, homogenous, economically and socially coherent micro-regions. Usually these micro-regions are quite similar in many respects, they have traditional local common identity, needs and expectations. Strategies been worked out only by keeping these traditions, behaviour and features in mind, thus it is easier to concentrate on strengths and support the weaknesses. To reach and maintain the sustainable development in the future (website\ <http://www.umvp.eu/?q=leader/mi-a-leader>).

5. Other activities against electronic social exclusion

As it was mentioned in the previous chapters, the information and communication technologies (ICT) across Europe are nowadays keys for many people. The use of ICTs is often acts towards better employment opportunities, inquiries, and social relations for the individuals. ICTs contribute significantly to the social services, health and education development, can greatly contribute to increase productivity and create many business opportunities. The e-inclusion is a key role in supporting growth rate and jobs, therefore the i2010 Information Society and that the Lisbon Strategy of economic and social development objectives helps these objectives. The broadband and access addressing shortcomings and improving digital literacy, indeed would create new jobs and services opportunities. According to the preliminary estimates, the return on the e-inclusion the EU over five years could be 35-85 billion EUR.

The ICT information society inclusive of the 2006 Riga Declaration becomes a milestone for Hungary. However, despite all these valuable initiatives, progress is still limited, so most likely the Riga targets will not be met. Continue to be depleted of efforts and lack of cooperation. Therefore, this Communication, the Commission proposed a European e-Inclusion Initiative, which includes the following:

A) In 2008, "e-Inclusion - be part of it!" Is the e-Inclusion campaign to raise awareness and to unite efforts, which progress to the demonstration and confirmation of commitments; completed by the Ministerial Conference

B) A strategic framework for action in the Riga Ministerial Declaration to be executed by the following:

First, the conditions for participation in the information society for all by providing the broadband, accessibility and tackling skills gaps in experience through. Second is, groups at risk of exclusion by stimulating effective participation and quality of life by improving. Third is, to maximize lasting impact of e-Inclusion actions integration.

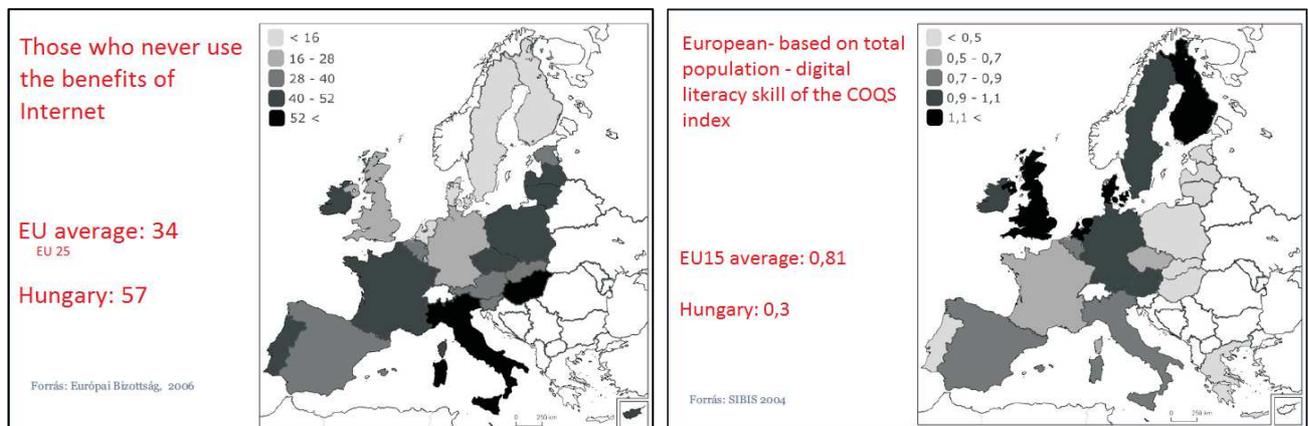
The 2006 Riga Ministerial Declaration met by 2010 aims for. If current trends continue, the majority of these goals at the EU level will be extremely difficult to achieve, even with that in Europe there are big differences, and in some regions of the progress report be submitted. The use of ICT in specific social differences persist and in some cases even increase further. Hungary follows the European Union and the Riga Ministerial Declaration Strategy to provide accessibility and to help those people who aren't able to use the advantages of technology. Therefore they crated specified objectives to reach for 2010. These are:

Internet use: the average Hungarian population, and the elderly, persons with disabilities, women, and lower educated groups, unemployed and "less developed" regions are the differences between a 50% reduction.

Access to public websites: all public websites must comply with the Web Content Accessibility Guidelines version 1.0, which is especially important for persons with disabilities.

Broadband coverage: the EU's population should be covered more than 90%.

Digital literacy: the average EU residents and groups at risk of exclusion of certain differences between the 50% reduction. Especially, these maps shows, how far is Hungary from the European average in different categories.



At the end we would like to show some example which is made by e - excluded people but with the help of the European Union, businesses and other institutions.

As the result of the LEADER tender, the so called "Talentum room" has been built in the primary school in Kisbér. The institution's become richer with educational workshop, which offers opportunities to the students to gain knowledge in digital, multimedia and environmental protection. The total investment cost was HUF 3,820,892, of which 3,056,711 Forints in support of tender support. The existing hall is a room designed and equipped with digital devices. Desktops and laptops, digital cameras and color printer, and mobile interactive whiteboard help the creative work of young people. Multimedia and Digital classes environment within an activity undertaken for visitors that are not part of school system, but they are useful in everyday life.

Other action of the National Development Agency and the Microsoft Hungary were for two disadvantaged school. In the most disadvantaged region these two schools get 65 free computers and software for free. The collaboration of National Development Agency of Hungary and Microsoft Hungary the elementary school of Szendrő and the high school Sajókaza disadvantaged students can use the computers after all, which is not unusual - but

followed - as a result of collaboration. It is also a call to action for businesses, and other institutions, which are being replaced, but it can be used to feed with tools can support social inclusion.

6.Characteristic of Körösök Völgye Vidékfejlesztési Közhasznú Egyesület / Körös Valley Association for Rural Development

Our primary task was to find an organization in our country which is acting against on electronic social exclusion. First we used the list of all LEADER organizations, then list according to poverty level and regions, than we chosen a region where the living standard is tremendously low and people are struggling. So we focused on the Easter side of Hungary because of the previously mentioned historical background and the big living circumstances gap compared to the West part of Hungary. We found the organization called “Körösök Völgye Vidékfejlesztési Közhasznú Egyesület” which can translate to English Körös Valley Association for Rural Development; Körös is the main rival of this region. The official website is the following:

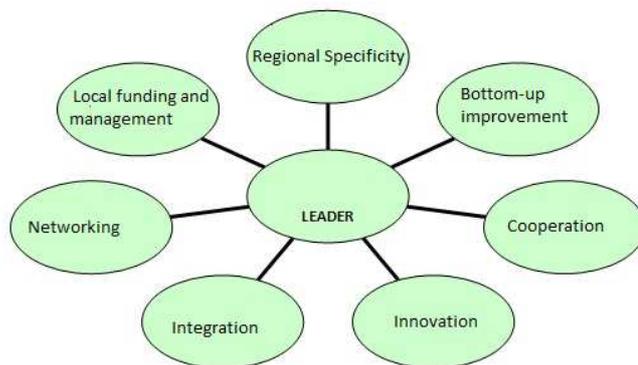
<http://korosokvolgye.hu/>



This association is also cooperating with other main institutions towards to help the people and the region where they are operating. The “Körös Valley Association for Rural Development” is a member of the Leader program and the New Hungary Rural Development Program. The European Union currently operates four community initiatives. These URBAN, EQUAL, INTERREG and LEADER is the EU's rural development policy as part of its aim to complete and reinforce. The so called LEADER funds can only be used in an area where LEADER Local Action Group operates. In this regard, local governments, non-governmental organizations, civil and local businesses formed this association. Nowadays the organization has 64 active members and other connections are expected in the future. The organization aims that in the 18 member of the Körös valley area the Leader Program can be continued and according to the Development Plan, the available 800 million development fund should be used on site. Important to mention that, from 2012 May 1th, every Leader Action Group's title, responsibility, right and obligation were transferred to Körösök Valley Association for Rural Development. From that date, the Association serves as the program's executive role at the local level, provide the coordination, communication and administrative tasks. As it was mentioned the organization operates in the Békés region, but it doesn't serve the whole area. This map shows the settlements covered by the association's activity. In the public



invoice documents we can see the main costs of the institution, for example hiring the office, burglary, telecommunications, telephone and other service. In 2012 we can read their costs/month, on average they request for financial support around 800.000 Hungarian Ft.- / month. Now we summarize the structure of the organization. The European Commission has recognized that the LEADER Program has supported actions to improve efficiency if they are decentralized, relying on local forces are designed and implemented. This and the previous programming periods, the successful experience of the LEADER Program is based on the following features:



As the Leader program's strategy, this organization's strategy is also follows the basic objectives and aims. Let's see the list of it:

- A) Expand and promote the area's tourist offerings
- B) Natural and cultural values for sustainable development

sustainable development

C) Local quality of life in the development of services, extension of access to electronic devices

D) Region of micro, small and medium-sized enterprises' competitiveness and job creation and strengthening of local agriculture products of the quantitative and qualitative development, increase the added value and better market positioning

E) Renewable energy management systems development, increasing the use of alternative energy

D) Encouraging partnerships and local skills development for disadvantaged groups to catch up

What can we say about the situation about the main electronic availability? Unfortunately the information technology supply and the internet penetration growth rate are strongly connected with the negative demographic and sociological indexes. On the one hand almost every town or village has broadband internet connection; on the one hand the penetration rate is really subdued. We can see the most relevant reason, that the younger generation migrate to other regions of Hungary and the elderly population (which is really high % in these area) can't use, don't use, don't have, don't want to use. Community access points are not a significant presence in the region, especially it is available in the public directories. One good fact, that the bigger ventures, the education and public institutions have proper IT infrastructure.

Conclusions

As we consider in the beginning, we come true that electronic social exclusion is a real and big problem in Hungary, next to the reasons and effects, unemployment, under education, demographic situation and so on. We could see the regime change caused a big break in our economy and social situation as well, and nowadays in the economical crisis also doesn't help to solve our difficulties.

For this reason it's a hard task to find the best solution. It was good to see an empire that there are a lot of programs against poverty and excluded people, and not so many but there are also actions for e-inclusion.

We think that these actions should be taken regularly, if we want to fulfill the requirements of e-inclusion and achieving the Riga goals. Can take action at EU level is justified in the information society, equal rights within the internal market coherence and e-Inclusion measures to ensure coordination. One of the main problem is that the people aren't aware these serious differentiations in Hungary, as we also weren't for this time. We can suggest that, there is necessary to increase public awareness of e-Inclusion, and political and interest evidenced by the level of commitment. As we see there are some EU funds, governmental actions with some support, nonprofit institutions and some bigger companies, who try to help. But we think that secondly, it is needed to establish the framework for the (affordable and accessible technologies and ICT skills needed to use), and if necessary, they must be supported by statutory provisions. Of course not only should help the electronic exclusion, but poverty and the other facts, which cause generally social exclusion, and make difficult or almost impossible the enforcement for some excluded groups, minorities. . In addition, the stakeholders for effective and integrated ICT-based services and more specific efforts should be focused on coherent group goals.

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1. Katalin Liptak (2010): The most disadvantaged (LHH) small labor market areas situation in North Hungary region

TABLES

Table 1. Relative income poverty rate by age and sex

Table 2. The material deprivation per item (%)

Table 3. Relative income poverty rate according to age in the EU member countries 2010 (%)

Table 4. Relative income poverty rate by age and sex (%)

All of them from: Statistical Mirror:

<http://www.ksh.hu/docs/hun/xftp/idoszaki/laekindikator/laekindikator11.pdf>

FIGURES –

Figure 1. Most disadvantaged communities in sub-regions

<http://www.nfu.hu/lhh>

Figure 2: Micro-regions' average settlement population

<http://www.ksh.hu/interaktiv/terkepek/mo/nepesseg.html?mapid=WNT002>

Figure 3: NHDP's budget in comparison with the Operational Programme's:

<http://www.gyorsitosav.hu/>

Figure 4-5: Those who never use the benefits of internet/ COQS Index

www.hefop.hu/download.php?PPID=2119

Figure 6: Körös Valley Association for Rural Development Logo

<http://korosokvolgye.hu/index.php?page=bemutatkozas>

Figure 7: Settlements covered by Körös Valley Association for Rural Development activity

<http://korosokvolgye.hu/index.php?page=bemutatkozas>

Figure 8: Strategy of the Leader program

<http://korosokvolgye.hu/index.php?page=leader>