DIVERCITIES
governing urban diversity

Governing Urban Diversity:
Creating Social Cohesion, Social Mobility and Economic Performance in Today's Hyper-diversified Cities

Governance arrangements and initiatives in Budapest, Hungary

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Contents

1   Introduction

This document is a part of a series of scientific reports highlighting the results of the DIVERCI-TIES project The principal aim of DIVERCITIES is to provide evidence for the range of social and socio-economical outcomes that may emerge from greater urban diversity, particularly its positive aspects, and to document and highlight the significant role that urban policy and local governance arrangements can play in developing and stimulating those positive outcomes. In the DIVERCITIES project the focus is on the effects of diversity on three core concepts: social co-hesion, social mobility and economic performance.

The *primary aim* of this report is to investigate governance arrangements, especially those that focus on using diversity in a positive way; that are self-supporting or supported by public authori-ties; and that are related to our selected *case study area* in Budapest (8th district, Józsefváros). De-spite its relatively small territory, Józsefváros is one of the most diverse parts of Budapest. Its population is heterogeneous in many respects (e.g. ethnicity, educational level, employment, life-style). For instance, the share of Roma (Gypsy) inhabitants is around 50% of the total population in some parts of Józsefváros (e.g. Magdolna Quarter). A significant proportion of the local resi-dents has low socio-economic status and different social problems (e.g. homelessness) can also be detected. The district is very dynamic because of in- and out-migration and urban renewal programmes taking place in the area (e.g. Corvin Promenade, Magdolna Quarter Programme). Józsefváros has a heterogeneous urban landscape as well, and it can be divided into 3 main parts (Inner-, Middle-, Outer-Józsefváros) including 11 neighbourhoods with individual characteristics.

We focus on governance arrangements which have an impact on social cohesion, social mobility or economic performance in Józsefváros. For the purpose of the analysis, a comprehensive defi-nition of *governance arrangement* is adopted. In this respect, governance refers to *"arrangements in which public as well as private actors aim at solving societal problems or create societal opportunities"* (Kooiman, 2000: 139). Such initiatives can vary with respect to focus, size, stakeholders, organisational struc-ture or duration, but they have a clear effect on the case study area. Three main *research questions* are addressed in the analysis. (1) How is diversity conceptualised within the chosen governance arrangement? (2) Which are the main factors influencing success or failure of the governance arrangements? (3) Can new ideas for innovative policies and governance concepts be identified?

The focus of this report was shaped by the findings of our analysis on the main *national and city-level policy discourses* on diversity (Fabula et al., 2014). Firstly, the everyday thinking of Budapest-level governmental actors was largely problem-oriented, focusing on disadvantaged social groups by providing equal opportunities or policing these people with legal instruments. Secondly, 'new topics' have recently appeared on the agenda of the municipal government and investigating some initiatives in these themes can result in valuable lessons for the future. Thirdly, although the policy documents of Budapest identify diversity as an asset, mapping policy discourses showed that exploiting diversity for economic purposes is rarely manifested in everyday practices. Fourth-ly, non-governmental actors' attitude towards diversity differed in some respects from that of governmental actors.

Applying a *case study approach*, we chose ten governance arrangements for the sake of analysis. The selection criteria were defined by our earlier results (Fabula et al., 2014) and by the key concepts of DIVERCITIES. Most of the analysed arrangements take place in our case study area but some were initiated at higher territorial levels (Budapest-level). For the analysis, we used primary data – in-depth interviews and roundtable talk (for the list of participants, see Appendices 1 and 2) – as well as secondary sources, including legal and policy documents, project reports and internet con-tents.

Regarding the *structure* of this report, it is divided into three main sections. In the *first* one (Chapter 2) we provide analysis of each governance arrangement and categorise them according to how they relate to social cohesion, social mobility and economic performance. The classification is principally for practical purposes, since some of the projects address more than one of these three core concepts. Each of the analyses consists of four parts: (i) the description of the strategy, focus, organisation and resources of the given initiative; (ii) the understanding of diversity in the arrangement; (iii) an assessment of the main factors influencing its success or failure, and (iv) an evaluation of its future perspectives and innovative potential. In the *second* one (Chapter 3) we synthesise the collected data about the governance arrangements by referring back to the three research questions. *Finally*, we conclude the report by summarising our key findings, discussing the links between the main public policies on diversity in Budapest and the analysed governance initiatives, and providing some recommendations for policy-makers.

2 Governance arrangements

2.1 Arrangements targeting social cohesion

Establishing the Budapest Migration Roundtable

Strategy, focus and organisation

The Budapest Migration Roundtable was a city-wide initiative launched by the Municipality of Budapest as a consultation platform in 2012 and had a one-year duration. Its *primary objective* was to increase the inclusion and integration of immigrants living in Budapest, and hence to contribute to a more cohesive society. The project aimed at establishing a network with the participation of governmental and non-governmental actors working in the field of migration in Budapest, and to facilitate a city-wide dialogue about migration and integration. It was also meant to get the Municipality involved in migration issues and related policies (e.g. social attitude, social participation, public service provision). In general, it aimed at ensuring that future developments (e.g. in housing or economy) would be in accordance with the needs of migrant communities.

The *activities* of the initiative included roundtable meetings and discussions with mapping the problems and dysfunctions of governmental and non-governmental systems focusing on migration issues. The Roundtable was established on 5th December 2012 and in the next 12 months 12 meetings were held in which governmental actors of different levels and immigrants' organisations participated. It provided recommendations for city-wide policies in three fields: social policy, culture and education (Municipality of Budapest, 2012a). The results were highlighted in the Budapest Migration Almanac[1] (Municipality of Budapest, 2013). Besides networking, special trainings were offered for public servants of the Mayor's Office of Budapest such as intercultural communication courses in order to provide equal access to public services and to challenge discrimination (Municipality of Budapest, n.d.). Forty people received intercultural education from civil experts (e.g. Artemisszió Foundation for intercultural communication). Trainings and counselling were provided also for NGOs, for example in tendering or legal issues, to improve their competencies in, service provision and in the representation of immigrants.

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[1] The Almanac contains practical information for individual immigrants as well as governmental and non-governmental actors: for example, profiles of migrant advocacy organisations and public service providers or best practices on the topic of migration.

In its *organisational structure* the key actor was the Budapest Municipality, the organiser of the project. The Budapest Chance Non-profit Ltd. was in charge of collection and systematisation of policy recommendations and preparation of the Migration Almanac. The group of *stakeholders* included almost all the relevant governmental and non-governmental actors since approximately 60 organisations attended at least one of the round table events during the project. The migration platform tried to involve citizens with foreign cultural background and representatives of migrant communities (e.g. Chinese, Vietnamese, Ethiopian, Russian). However, the initiative had very limited human and financial *resources*. The project was financed by the European Integration Fund with about € 50,000. The project staff included a coordinator employed by the City Hall and an external expert with civil professional background from Budapest Chance.

Perception and use of the concept of diversity

Immigrants and migrant communities living in Budapest were the primary *target group* of the project. Immigrants are those non-EU citizens who have a residence permit for more than three months and who stay in the country legally. The second target group is the group of migrant-advocacy organisations, especially the smaller, less powerful ones. The target audience also contained decision makers and actors of public administration (see above). In a broader sense, the project was also expected to have an impact on the non-immigrant 'majority' of the society.

Diversity is an important characteristic of the Migration Roundtable, although this term was not addressed explicitly. Within the framework of the initiative, diversity is primarily understood as cultural or ethnic diversity; and socio-economic integration, cultural pluralism as well as inter- and multiculturalism are also important concepts. The project took into consideration several other dimensions of social difference, for example age, language, religion, health, economic background and housing. Some elements of hyper-diversity can also be identified since the policy recommendations emphasised the importance of individual mentoring in migrants' education or the role of social attitude towards these people.

Main factors influencing success or failure

We can identify a couple of *external success factors*. As at global and European levels, the importance and impact of international migration in Hungary, and especially in Budapest, has turned the attention of professionals and the public towards migrants' communities as well as to the difficulties of their integration. The role of EU-level policies and adjoining programmes with robust funding opportunities can also be evaluated as a positive factor. The *internal success factors* can be linked to the expertise of City Hall and Budapest Chance officials who could use the experiences of former projects like LeCIM or Roma-Net (Municipality of Budapest, 2012b). The good relationship of these officials with non-governmental actors was crucial as it eased communication and organisation. The demand for such a project and the relatively high number and active participation of NGOs were also very important during the roundtable meetings.

One of the most relevant *external failure factors* is that immigrant communities live scattered in different parts of Budapest and – although they have a significant concentration in the 8th and 10th districts –, their proportion within the population of the city is relatively low (approximately 6 percent in 2011). In addition, they have very weak political representation (especially at the district level) with only a few competent local actors (e.g. NGOs). The weak political organisation and civil society hampered the involvement of representatives of immigrant communities in the work of the Roundtable as well. Another external failure factor is the lack of tradition and experiences regarding civil partnerships and networking in Hungary. The most important *internal failure factor* is the weak political interest at the city level. As the project coordinator emphasised, the

one-year operation of the Roundtable was a good pilot project and it should have been continued but it came to an end as the subsidy period was over.

> *"...I do not see the enthusiasm of the municipality for this. Consequently, in this respect I consider it a failure. There were minor achievements: for example, we received compliments for the Almanac and it seemed that immigrants could really benefit from trainings. Therefore, I think it was a perfect pilot-project but it does not have continuation and this is a serious problem".*

The very limited financial resources are also one of the most relevant internal failure factors.

Conclusion

The project was very innovative since it was the first municipal-led initiative targeting immigrant communities on the Budapest-level and its techniques (e.g. inclusive approach) proved to be efficient in intercultural dialogue and policy-making. Roundtable talks were good examples for multi-layered communication between the public and civil spheres as policy recommendations represented not only the viewpoints of academics and politicians but of small grassroots organisations and the immigrants themselves. However, some members of the project staff do not consider it as a success because of its short duration (see above). In conclusion, it can be stated that political will can determine the success or failure of even the most innovative projects and short-term, project-orientated thinking should be substituted with long-term, strategic planning.

For Pupils about Migration

Strategy, focus and organisation

'For Pupils about Migration' was an intercultural training programme for pupils and students accomplished by Menedék Hungarian Association for Migrants between 1st July 2013 and 30th June 2014. The project aimed at *'increasing society's awareness and sensitivity related to migration, as well as strengthening the openness of primary and secondary school-age children'* (For Pupils about Migration, n.d.). Within this general objective, Menedék fulfilled specific goals. For example, it improved the knowledge of students on immigrants and developed their skills in topics like intercultural communication or self-representation. It brought together children of migrant and non-migrant families. It also promoted critical thinking, civic responsibility and consciousness in citizenship among participants, as well as enhanced pupils' communities. In this capacity the initiative actively contributed to social cohesion. The programme also strengthened teachers' motives and competencies, particularly in intercultural education.

The programme was based on three major pillars and each of them had different types of *activities*. Within the first one, groups of upper grade pupils (from the age of 10) of Budapest received training on intercultural issues and different aspects of migration throughout two semesters. The course included five workshops (90 minutes per class) for each group in which the pupils discovered intercultural topics like cuisine or clothing and trainers inspired children to think about the possible positive outcomes of the cultural mix. The programme also contained a thematic tour in the ethnically most diverse parts of 7th and 8th districts of Budapest where different forms of cultural diversity was demonstrated for the attendees (e.g. bars run by immigrants, call-shops). The second pillar was similar to the first one but it was designed for students of five secondary schools. During the workshops the trainers involved students in discussions about immigrants. For instance, participants could talk about the migrants' life courses, their activity in the host society or their representation in the media. At the end of the course each student prepared a

short presentation in an intercultural topic on her/his own choice. Altogether 115 workshops were realised in the first two pillars.

In the third sub-programme a participatory media project was implemented in three schools with a one-year duration. Several topics have been raised in seminars, like self-representation, holidays, introduction of the school and the neighbourhood from pupils' viewpoint. There were also weekly media trainings, where activities included photography, making and processing video contents or writing blogs[2]. A total of 36 students participated in this sub-programme, 16 of which were third-country nationals[3]. Finally, a student conference was organised including an exhibition of the photos made by participatory media project members.

The *project staff* included three employees of Menedék: the programme coordinator, an education organiser and the leader of the participatory media sub-programme. Trainers were also members of the team and their group was diverse regarding qualifications (e.g. teachers, anthropologists). The staff was assisted by several volunteers possessing intercultural or migrant-specific knowledge and teaching skills (e.g. university students). Educational institutions also played a crucial role in the project and particularly those teachers who had direct relationship with the participating pupils. Regarding its *financial resources*, the initiative, like its predecessors, was sponsored by the European Integration Fund with approximately € 80,000 in total.

Perception and use of the concept of diversity

The project directly addressed *diversity*, particularly ethnic-cultural diversity, and considered it an asset and a valuable feature of the society. The diversity of pupils was a basic selection criterion of schools from the very beginning. According to its objectives, inter- and multiculturalism and integration were also key concepts of the initiative. Our interviewee (the project coordinator) divided the *target audience* into a direct and an indirect sub-group. The former covered upper-grade primary school pupils and secondary school students, with special attention to schools with high numbers of migrant children. Altogether 436 pupils were involved in the three sub-programmes with several third country citizens among them. The indirect target group was more heterogeneous. Firstly, teachers involved in the project would transfer intercultural knowledge in primary and secondary education. Secondly, different types of schools (both public and private) were involved, whose common feature was the high proportion of disadvantaged pupils. Thirdly, although parents were not directly involved in this project, Menedék plans to strengthen the cooperation with them in the near future.

Main factors influencing success or failure

Among the *external success factors* of the project it can be mentioned that the European Community supports the integration of immigrants and recent changes (e.g. the introduction of National Migration Strategy or the establishment of Budapest Migration Roundtable) in Hungary show that governmental actors pay more attention to the question. Consequently, it is easier to apply for financial resources in this topic (e.g. for organisations like Menedék). The main *internal success factor* of the initiative was the attitude of the participating pupils: their vast majority showed great enthusiasm towards the various sub-programmes. This might have several reasons, like the general demand for such trainings or the democratic techniques introduced during the project (e.g. open discussions, feedback from pupils, community building through social media). Most of the project partners, like teachers, school-leaders and volunteers were also very motivated. The expertise

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[2] Productions of the participatory media programme and other publications are available on mimedia.hu.

[3] In the Hungarian law the term 'third-country national' refers to (1) stateless persons and (2) those individuals who are neither from Hungary nor from other member states of the EU, the EEA or the Schengen Area (Act II of 2007).

and experiences of Menedék was another important factor since it is an NGO specialised for migration issues[4].

According to our interviewee, the greatest *possible barrier* of the project was the background of teachers. Although they were enthusiastic in general, only a few of them had intercultural competencies since such skills have been completely neglected by the Hungarian educational system over the last decades. Another challenge was connected with the evaluation system of the results. As our interviewee stated, Menedék had received feedback from the participants since the organisation had given opportunity for both pupils and project partners to share their experiences with the project staff. However, the evaluation criteria should be refined in order to get a clearer picture on the real impacts of the project.

Conclusion

The 'For Pupils about Migration' was a successful project, but there is room for improvement. For example, the number of pupils per teacher should be decreased in order to increase efficiency. The project staff should disseminate the 'products' of pupils (e.g. photos, video contents) among the public in order to stimulate more community events similar to the students' conference. The continuation of the project is quite promising as resources of the European Integration Fund will be available for such activities in the next financial years. This provides the opportunity for further innovations, for example approaching not only schools but also nurseries, organising workshops for teachers or employing arts for self-representation.

Leonardo Community Garden

Strategy, focus and organisation

The Leonardo community garden is part of the quite recent Hungarian urban community gardening movement. This civil initiative emerged in the early 2010s and it has several areas in Budapest nowadays functioning as gardens as well as in other Hungarian cities (Hyatt, 2010). Among these gardens Leonardo can be considered as a pilot project and one of the best practices operating in the Leonardo da Vinci Street in the 8th district of Budapest (Józsefváros, our case-study area). It was initiated by an NGO called Foundation of Hungarian Contemporary Architecture Centre (KÉK) in 2012.

The *general objective* of Leonardo is to establish and stimulate bottom-up initiatives through community building and to enhance *social cohesion*. It aims developing the skills and abilities of people regarding gardening in order to inspire the citizens' responsibility as well as to take effective action and leading role in improvements of the residential environment. The initiative includes community capacity building *activities* as well wherein establishing a community garden is a tool (Community Gardens, 2013). As the coordinator of Leonardo also stated:

> *"I always emphasise that the main focus is not on agricultural activities but on the community. It is not a coincidence that its* [Leonardo's] *name contains the phrase 'community garden'.* [Leonardo] *is a good example for this since in the city we hand out little parcels because of the* [great] *demand since the main goal is not large-scale farming... but to give an in-*

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[4] It was the third among the association's school-oriented initiatives. The first one was the 'Familiar strangers' (EIA/2010/3.1.4.3.) project in 2011, the second was the 'We are all alike in different ways' (EIA/2011/1.2.8.) programme in 2012. Both of them aimed at raising awareness among children on migration issues and 'For pupils about migration' followed this path.

sight into this activity on the one hand, and to provide opportunity of participation for as many people as possible on the other."

The Leonardo garden provides a semi-public community space for open-air gardening activities on a 1.400 square metres plot (Leonardo Garden, n.d.). The plot is divided into 88 parcels for gardening and it has common facilities such as water from a driven wheel, sheds, garden tools and composting. The initiative is more than just a vegetable gardening: it organises community events (e.g. open-air cinema, concerts), additional services (e.g. gardening guidance, supervision, trainings), and educational activities (e.g. knowledge development for children, lessons with a hands-on approach for school pupils, workshops for students).

Regarding important *stakeholders,* the project coordinator, who is a staff member of KÉK, plays a key role in the daily operation. In addition, several volunteers are involved in the implementation of different activities. Every twenty parcels are grouped to a sector which is under the supervision of a 'garden master' who supports the communication between the project coordinator and the tenants. KÉK has a contract with an urban developer called FUTUREAL for five years. FUTUREAL Group represents the entrepreneurial side in the implementation of a flagship PPP urban renewal programme of Józsefváros called Corvin Promenade. The central zone of the redevelopment area (where the Leonardo community garden is located) has been affected by substantial intervention including the demolition of dilapidated residential buildings and the creation of new ones. As a consequence of the agreement between KÉK and FUTUREAL, the parcels could be rented only for a five-year period. Approximately 200-300 participants are directly involved in Leonardo because in most cases one parcel is used by more families or a group of friends. The total number of people involved is at least 500 including those who visit the open community events, presentations, etc. The decision making process is characterised by a co-ordinated basic democracy model based upon regular community meetings and daily communications.

The initiative has very limited human as well as financial *resources.* The land owner provided technical support for creating the basic infrastructure at the beginning of the project. The initiative has also income from civic project applications co-financed by Ministries or private enterprises. The bulk of its income is provided by the tenants since each of them pays 10,000 HUF (€ 33) per year as rent for a parcel. The cost includes the fee of using the parcel and common facilities (gardening tools, water, composting, professional guidance, etc.) (Suba, 2013). The community programmes are also available free of charge for the participants.

How is diversity used and understood in this project?
Diversity is not explicitly addressed by the Leonardo gardening initiative, but since the parcels are distributed and utilised through an application scheme, the social background of tenants is very diverse. The only basic requirement for applicants for a parcel is to be at least 18 years old. As a consequence, the community of the garden is very diverse, comprising people with different age, gender and status. The group of tenants is also heterogeneous regarding their occupation: our interviewee mentioned 37 different types of jobs (e.g. teacher, ICT-worker, bookkeeper, lawyer, and carpenter) in addition to students and unemployed. Some of them are citizens of other countries (e.g. Italy, USA, The Netherlands), and small groups of young Roma people also regularly visit Leonardo to learn gardening. The diversity of participants can be noticed not only in socio-economic, cultural and ethnic terms but also regarding their lifestyle (e.g. residency, gardening experiences and civil leadership).

Main factors influencing success or failure

We can identify several *external success factors* at different spatial scales. At the global and EU scales, one of the most important factors is the increasing popularity of urban and community gardening. Based on the new urban renewal decree of Budapest the call for tenders of Urban Renewal Fund includes possibilities for realisation of small-scale investments (e.g. by community gardens) in close cooperation with civil actors. At the Budapest scale a remarkable enthusiasm could be perceived on behalf of the citizens towards the initiative as a new, and genuine project. On the neighbourhood level it can be noted that Leonardo is relatively well-embedded in the local community and the garden has a good reputation in the neighbourhood.

Several *internal success factors* can be directly linked to the organisation and operation of KÉK. For example, the NGO has a comprehensive professional and civic network and as a consequence, they could mobilise significant knowledge and social capital from the beginning. KÉK could also learn from West European experiences and adopt good practices. Effective communication methods were implemented in order to reach as many people as possible (e.g. intensive campaigns, on-line and off-line techniques, social media). The atmosphere of the place (genius loci) can also be mentioned as a special success factor. Our interviewee stated that *"people like to be here"* and community-building is supported not only by common activities and programmes, but also by the physical layout of the garden (e.g. public 'core' with campfire place and home-made furniture).

One of the most relevant *external challenges* of the initiative is the limited accessibility of the plots since the garden is located in a densely built-up inner-city area where there is little room for enlargement. Another external failure factor results from the bureaucratic decision-making system and inadequate regulation. The topic of temporary as well as community use of properties (e.g. urban gardening) is mostly missing from Hungarian law and urban policy documents as well as from governmental thinking. The support of and the cooperation with the municipal governments is very weak. The most important possible *internal obstacle* is, as our interviewee suggested, that the participants are still learning how to organise themselves and how to act as a community. This phenomenon can be explained by the relatively weak status of Hungarian civil society. There are very limited opportunities for mobilisation of financial and human resources. Another challenge is to secure the basic material conditions of gardening (e.g. soil, seeds). Finally, the dependence on FUTUREAL is also a potential threat since the contract with the developer guarantees rental rights for KÉK only for 5 years.

Conclusion

Community gardening in itself has a lot of innovative potentials in Budapest and other post-socialist cities (Community Gardens in Budapest, n.d.). First of all, it offers new approaches for urban land use with alternative and sustainable activity types. Bottom-up initiatives like Leonardo are also able to influence public policies positively (e.g. the number of municipality-led community gardens is constantly growing in Budapest). Moreover, urban gardening is an effective tool in the process of community building (Community gardens – Budapest, 2011). The attitude of people towards urban environment can be improved, and as the example of Leonardo Community Garden shows, democracy and diversity can be strengthened through similar pilot initiatives which can foster social cohesion in a given urban area. The future of the initiative depends on several factors (e.g. real estate market, investor's aims) but the movement has a success as other gardens have been opened recently in Budapest as well as in other Hungarian cities.

Teleki Square – renewal programme of public spaces with public participation

Strategy, focus and organisation

Teleki Square is a public space comprising a traditional open air market and neglected green areas seriously affected by crime in the Magdolna neighbourhood of Józsefváros. During the last two centuries the square has been characterised by a strong social diversity (activity centre of Jewish trade families, Gypsy musicians, rural primary producers, vendors, casual workers) and it is still one of the most diverse areas of Budapest. The participative public space renewal programme of Teleki Square will be accomplished between 2013 and 2015.

The *primary objective* of the initiative is to transform the run down public space – which was used by addicts, homeless people and prostitutes – based on the positive values and rich heritage of the area. The initiative involves both representatives of the (district) municipality as well as local citizens in a cooperative consultation process focusing on community development and the establishment of new public functions. The initiative also encourages the participation of local people not only in the community design period but in the implementation and maintenance phases as well.

The *activities* of the initiative can be divided into three parts running parallel during the implementation process: (i) planning; (ii) physical implementation; (iii) maintenance and management. Firstly, the design process includes 12 meetings over a two months period – held at both the local Community Centre and on the site itself – and a Facebook page[5] serving communication purposes during the preparation and design period. A non-governmental organisation (Association for Teleki Square) was established by local residents in order to participate in the management of the square and its future improvements after the reconstruction will be completed in 2014. The Facebook page of the Association[6] joined soon the project's Facebook page. Secondly, local people will also take part in the establishment of community facilities during the reconstruction progress in 2014 (e.g. construction of an open-air stage on the square; organising community planting). Thirdly, the participation of local residents in the operation of the community park is also expected in the future according to the plans of the district municipality and the Association.

The *organisational structure* of the initiative is multilayered and intersectoral. The whole progress of the initiative is managed by district municipal actors such as the urban renewal and development company called Rév8 as well as the bureau of chief architect and urban planning department of the mayor's office in Józsefváros. The participative design process was realised by the Újirány Csoport[7] (Office for Architecture, Landscape architecture, Form, Media) employing several young architects, designers and landscape architects. The preparation and designing period as well as the physical implementation phase of the initiative are *financed* by the European Union in the framework of the 3rd stage of an integrated urban renewal programme (called Magdolna Quarter Programme) with a total budget of about € 460,000.

Perception and use of the concept of diversity

Cultural and ethnic diversity is a traditional feature of Teleki Square and its surroundings. The *concept* of the initiative explicitly addresses cultural and ethnic aspects of diversity which is interpreted as a positive value and a key factor of local identity. The project staff and representatives of local municipality set up a diverse neighbourhood team during the community design period,

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[5] https://www.facebook.com/milyenlegyenatelekiter

[6] https://hu-hu.facebook.com/tarsakatelekiterert

[7] The name of the association means 'New Direction Group'.

including elderly people who live there for several decades, the young rabbi from the neighbourhood's synagogue, young intellectuals, Roma parents and children, and a horticulture graduate student who grew up in the area.

The new physical layout as well as the *functions* of the public space – an area of 14,000 m^2 – will also be very diverse. An inclusive, tolerant and diverse open space will be developed incorporating the following elements: a forum including an interactive memorial monument; an event space with an open-air stage; a garden for children including playground; a teens' corner providing a site for creative leisure facilities; a garden for recreation, a dog kennel.

The main *target groups* are users of the different functions of the renovated public space. The primary target group of the initiative are local residents, but indirectly all those who visit and use the reconstructed site (e.g. children, teens, students, families, elderly people, dog owners) will be impacted. Altogether 50 people have participated in the process until now.

Main factors influencing success or failure

Related to the *external success factors* we can identify the consecutive realisation of the Magdolna Quarter Programme since 2005 which has had different elements from physical upgrading of buildings to community development and crime prevention. These actions successfully mobilised local inhabitants and generated great acceptance of urban renewal activities among them. The programme also included several 'soft' elements creating a framework for different participative initiatives. One of the most important *internal success factors* is the enthusiasm of the participants (e.g. municipal coordinators, designers, volunteers, inhabitants) and all those people who actively take part in the daily work of the Association. We can emphasise the experience, the know-how as well as the positive attitude of young professionals involved in the New Direction Group as a key internal factor of success (Pásztor, 2013).

Several *external risks* are connected to the quality of the future cooperation between the different actors. Firstly, the attitude of next governments and members of local administration towards the programme can change in the future. Secondly, regarding the operation of the Association for Teleki Square, it can be mentioned that in Hungary there is a significant instability in the financing of civil organisations. Thirdly, the maintenance of Teleki Square can also be hampered by the lack of willingness on the part of the local community or the scarce financial resources of the inhabitants. Among possible *internal barriers* of the programme the conflicts between participants can be mentioned (e.g. tensions between different ideas about renewal). For example most of them are still learning the method of community design since similar democratic techniques have a weak tradition in Hungarian urban planning practice.

Conclusion

The community planning phase of the initiative was successful because the physical implementation is almost completed (will be finished in September 2014) and the participatory consultative forum is operational. However, as the project coordinator also noted, the project still could be enhanced. The staff would like to involve more people in the process and increase the diversity of the participants targeting, for example, young people, the Roma or immigrants. More community programmes are also planned (e.g. festivals). In the long run the New Direction Group intends to transform the programme to the local residents' own self-supporting initiative.

2.2 Arrangements targeting social mobility

LÉLEK

Strategy, focus and organisation

The so-called LÉLEK is a communal programme aimed at securing residence, improving living conditions, providing psychological aid and establishing a livelihood for homeless people (the word 'lélek' means 'soul' in English). The programme was initiated by the Municipality of Józsefváros (8th District) as a pilot project in order to tackle the problems related to homelessness (e.g. illegal economic activities, sanitary problems, public safety). It was launched in cooperation with the Ministry of Human Resources in November 2011. This comprehensive individualised rehabilitation programme *focuses* on the socio-economic reintegration of homeless people through a wide range of personal interventions such as social, employment and housing services.

The *primary objective* of the initiative is to reduce the number of homeless people in Józsefváros. In addition, several specific goals are formulated like: (1) prevention of homelessness; (2) socio-economic reintegration of homeless people, with special attention to employment and housing; (3) comprehensive solution to the problem of homelessness and enabling homeless people to carry out a self-supporting life. The programme provides opportunities for upward mobility and inclusion for the homeless, and as a consequence, contributes to the strengthening of social cohesion.

The homeless care *activities* include housing as well as social components. Within the group of housing components the LÉLEK-house can be mentioned, which is a public institution providing temporary shelter – from at least six months to a maximum of one year – for homeless people and their families. After the first step clients can be accommodated in a 'service apartment' (public housing facility) for a one-year-period. At the third level a public housing can be rented by the participants of the programme for a fixed term. With its comprehensive approach, LÉLEK significantly differs from most of the other homeless-care services, as the programme leader emphasised:

> *"Conventional homeless-care takes care of* [homeless people] *and responds to several problems. It provides accommodation, night shelter, medical care but it does not have real output. Therefore, when this topic comes up, I always argue that in the existing homeless-care system cases are usually closed when the clients die. It is very rare that their homeless status changes due to, for example, marriage, family reunion or a new dwelling. My colleagues in the system almost always close a file when the given homeless person dies. Therefore, this programme in the Józsefváros is really special because its final act is the move of the participants to social rental houses."*

Regarding the social components of the initiative it can be emphasised that the LÉLEK-programme provides employment opportunities for homeless people to safeguard their position on the housing market. Participants receive individually-designed social work (mentoring), health-care and training services at the same time jobs are offered for them. The initiative operates in an interface office called LÉLEK-point which makes contact with homeless people, collects information about them, and cooperates with other institutions.

In its *organisational structure* the most important actor of the LÉLEK-programme is a local municipal institution called Social Service and Child Welfare Centre which is responsible for the realisation of daily activities. Twelve people are directly employed for the operation of the initiative (e.g.

programme leader, social workers, addiction consultant). At the same time the Public Land Maintenance and Urban Operator Service of Józsefváros provides jobs for the participants.

The programme is also supported by other partners, like Józsefváros Police and non-governmental organisations (e.g. Hungarian Baptists Aid). The initiative is financed by the Municipality of Józsefváros and co-financed by the Ministry of Human Resources (the Ministry supported the initiation of the project with approximately 484,000 €). The budget of the LÉLEK-programme (ca. € 104,700 in 2013 and € 219,800 in 2014) contains the financial *resources* for refurbishment and maintenance of dwellings as well as the costs of social programmes. Social housing facilities are provided by the district municipality itself.

Perception and use of the concept of diversity
The primary *target group* of the project are homeless people selected according to the following criteria: at least a five-year residency in Józsefváros before losing their own apartment; having no debt to the local municipality; sufficient physical and mental abilities to work and a cooperative attitude. Families are a special target group: participating families might be those who lost their homes but parents must be economically independent (i.e. they must have regular income) and must be able to take care of their children. Until now 50 clients have been involved in the programme. Although *diversity* is not explicitly addressed by LÉLEK, some elements of the concept can be identified in the initiative. The 'society' of homeless people is very heterogeneous with respect to, for example, age, sex, ethnicity, qualifications and marital status and the programme takes into consideration several of these features

Main factors influencing success or failure
Considering the *external success factors,* the unequivocal support of local political actors is very important: it seems there is a consensus between ruling party and opposition politicians in this question. There is a significant demand for such a programme in Józsefváros due to the high number of homeless people and LÉLEK offers comprehensive solution to the problem. In addition, it does not mean an enormous financial burden for the municipality. Some of the *internal success factors* can be linked to the versatile experiences and expertise of the participating institutions. The personal motivation of homeless people is also crucial for the success and our interview partner emphasised that most of the participants had been very motivated.

The growing socio-economic disparities within Hungarian society can be seen as one of the most relevant *external challenges.* The increasing number of poor people puts more pressure on institutions taking care of homeless people. In addition, there is a lack of adequate public housing due to previous privatisation. We can also identify dysfunctions in the operation of the two-tire local government system of Budapest which contributes to the uneven distribution of homelessness in the city (their large number in Józsefváros is a heavy burden to the local municipality). Limited financial and technical resources can be seen as the most important *internal challenge.* The unilateral dependency on local political interest can also be considered as an internal risk: the withdrawal of governmental financial support in the future, for example, can terminate the programme.

Conclusion
The future of LÉLEK programme seems to be secured for the next 5-6 years due to a contract made with the Ministry of Human Resources. As our interviewee also stated, the programme is *"destined for success"* because of the above mentioned factors. However, some NGOs (e.g. The city is for All group) criticised the initiative, especially its selection criteria like the five-year residency limit (A Város Mindenkié csoport véleménye a LÉLEK programról, 2012), but they appreciated the efforts made by the district municipality. In conclusion, it is an innovative programme and no

other similar initiatives are known in Hungary. According to our interviewee, techniques of LÉLEK should be applied in homeless care in other parts of the country, mixed with 'traditional' instruments.

Mentor programme for pupils in the Glove Factory Community Centre

Strategy, focus and organisation

The Magdolna neighbourhood of Józsefváros is the largest deprived area of Budapest where the educational level of the population is quite low in general. The graduation level of Józsefváros is higher than the Budapest average but figures show an opposite situation in the case of Magdolna[8]. The Mentor programme was launched by the Roma Service of Józsefváros in 2011 and it has been running by the Community Centre[9] of Magdolna neighbourhood called 'Glove Factory' since 2013. The *primary objective* of the initiative is to increase the educational level of the local community and to prepare them for the primary labour market. The initiative fits into the local education system but the Glove Factory provides differentiated tutor services according to individual skills. The main objective is supplemented by several specific goals such as: (1) to reduce learning problems; (2) to assist the pupils with alternative tutorial methods in order to finish elementary school and to improve opportunities for further studies; (3) to strengthen the tutored pupils' identity and foster positive self-image.

The *activities* of the Mentor programme contain catching up courses, caring the talents as well as preparations for examination. The programme combines education tools with free time activities (e.g. dance, sport, music, art). The number of pupils participating in the courses is between 10 and 25 per semester. Most of the tutored pupils are between 10 and 16 years old with anti-social behaviour, special educational needs, weak personals skills and different cultural backgrounds.

Regarding the *organisational structure,* the initiative is part of a far-reaching service package provided by the community centre. The key actor of the initiative is the community centre employing a project leader and two other tutors. Volunteers also play an important role in the realisation of the Mentor programme. According to our interviewee (the programme leader), about 20-30 volunteers participate in the implementation of courses and most of them are students. The tutors cooperate with several institutions such as elementary schools, family care and child welfare centre. However, the initiative had very limited financial as well as human *resources.* Nowadays it is financed by the European Regional Development Fund of the EU as part of the Magdolna Quarter Programme. Its annual budget in the 2013-2015 period is approximately € 28,600.

Perception and use of the concept of diversity

The primary *target group* of the project are pupils with special educational needs between the age of 10 and 16. It is not required to have a permanent residency in the Magdolna neighbourhood. The audience of the mentor initiative can be divided into two parts based on the type of tutorial programme. The first group participates in private education, the second one receives special lessons from tutors.

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[8] Based on Population Census data (2011) – population aged 7 years and over by highest level of educational attainment (Hungarian Central Statistical Office, n.d. a).

[9] The Glove Factory was established in the framework of Magdolna Quarter integrated social urban renewal programme in 2008 in order to provide home and facilitate educational, employment, social and cultural initiatives for local inhabitants (Az oktatás világa, 2013; Glove Factory Community Centre, n.d.).

Diversity is a fundamental component of the initiative, although this term is not addressed explicitly in the project. The group of tutored pupils is very diverse itself and the Mentor programme takes several dimensions of social difference into consideration, for example ethnicity, health status, family background and personal abilities. According to the programme leader, this attitude towards the pupils can contribute to socio-economic integration and the preservation of diversity in the district at the same time. As he explained:

> *"As long as the catching up* [of disadvantaged groups] *is an important question in the Hungarian society, this programme is needed because I think that integration can be supported most successfully if there is a differentiation in education. Someone can be a citizen with equal opportunities – irrespectively of ethnicity, religion or any other differences – only if that person can keep her/his identity."*

About 90 percent of the participants are Roma but lessons are also visited by non-Roma children. Most of the tutored pupils live in disadvantaged families and are affected by extreme poverty.

Main factors influencing success or failure

We can identify a limited number of *external success factors*. The most important one is the initiative's embeddedness in the local community: the Mentor programme has a good reputation among local residents and it has a great popularity. Another one is the support of other actors, like schools and social workers. As important *internal success factors* the expertise of the programme's staff and the inclusive and supportive atmosphere enjoyed by the pupils can be pointed out.

Considering the relevant *external failure factors* it can be emphasised that the gap between the expectations of educational institutions and the capacities of disadvantaged families tends to become larger over time. Related to the external factors of failure it can be highlighted that negative generational legacies (e.g. unemployed parents, low-educated relatives, criminality, antisocial behaviour, substandard living circumstances) have a serious impact on children. For example, the behavioural schemas which are important for social integration (e.g. daily routine of learning and working) are mostly lacking in their families.

Among *internal failure factors* conflicts between tutored pupils can be mentioned. According to our interviewee, these are mainly personal conflicts, but they can jeopardise teaching. The relatively mature age of pupils also causes several difficulties (e.g. they have a mistrust of educational system because of the past failures they experienced in school). Related to the internal barrier we can identify the overburdened staff as well as the limited capacity of the community centre. As our interviewee emphasised, the initiative operates on a year-to-year basis which may obstruct the efficiency of the mid-term progress of the tutorial programme. The very limited financial and human resources can also be mentioned as one of the most relevant internal failure factors.

Conclusion

The performance of the programme is rather contradictory. Our interviewee mentioned noticeable results: for example pupils like visiting the lessons and Glove Factory can provide jobs for people. However, he also stressed that such elements highlight only the *success of the programme but not the success of the pupils*. It would be crucial that the youngsters do not only attend classes but they also make efforts to learn something. Individualised mentoring is a very innovative element of the programme, however, further improvements could be achieved with a more competency-based approach (placing less emphasis on 'orthodox' educational evaluation methods). Finally, cooperation between parents and staff should also be strengthened.

Roma-Net (Integration of Roma people)

Strategy, focus and organisation

The Roma is the largest ethnic minority group in Budapest: their number is at least 19,530 (Hungarian Central Statistical Office, n.d. b), but according to other sources, this figure can reach 75,000 or 80,000 (Morton Hyde, 2010; Budapest Chance, 2012) of the city's 1.7 million inhabitants. A significant part of the Roma community of Budapest lives in our case study district, Józsefváros. Most of them are affected by poverty and exclusion from mainstream society. Their housing situation is worse than the city-average and many of them are still living in segregated neighbourhoods. Such factors give relevance to governance arrangements aiming to integrate socio-economically the Roma population. *Roma-Net* was a thematic network including 10 cities[10] in the URBACT II programme. The partnership was initiated by the Municipality of Budapest in November 2009. The project was the first city-wide local government initiative addressing the integration of Roma people.

The *primary objective* of the initiative was to facilitate the social inclusion of Roma inhabitants in the participating cities. The general aim was supplemented by several specific ones (Roma-Net Consortium, 2011a, 2011b, 2012a, 2012b): (1) challenging the negative social attitude towards the Roma; (2) enhancing communication and cooperation with the Roma community; (3) sharing experiences and good practices among the stakeholders; (4) facilitating better services, through improved access and an integrated approach; (5) strengthening Roma identity among Roma people, fostering social cohesion among them and facilitating their inclusion to local urban communities; (6) supporting the social inclusion of young Roma people and their entry to the labour market. In conclusion, knowledge transfer, networking and the establishment of partnerships were the most important elements of the project, while deeper interventions were scheduled to the next phase of Roma-Net (Roma-Net II) which is now in an early stage.

The Roma-Net project *focused* on three sub-themes (Roma-Net, n.d.). Firstly, it emphasised the importance of active community engagement and empowerment. Secondly, it followed an integrated and area-based approach to tackle exclusion and segregation. Thirdly, it intended to build a transitional labour market for the Roma. In addition, the project partners paid attention to *four policy fields*: employment, education, health-care and housing. Besides these sectoral topics, one *horizontal goal* was also defined which included activities in political representation, legal protection, anti-discrimination, equal opportunities and culture. The *spatial focus* of the initiative was the administrative area of Budapest and especially those parts of the city where the share of Roma people was the highest, including Józsefváros. The main idea was that policy instruments developed in the project would be implemented in as many parts of the city as possible.

Activities of the initiative included the establishment of Local Support Groups (LSGs) in each partner city. These platforms had different tasks at different spatial scales: networking and knowledge transfer among cities; to mediate the needs and demands of local residents; and to make policy recommendations. A Local Action Plan (LAP) has been co-produced in each partner city by the LSGs including an area based and integrated approach to Roma inclusion. The experience of Roma-Net was captured in a series of eight thematic guides concentrating on the following topics: education, health and social care, housing, employability, policing, planning and governance. Roma-Net also introduced the *concept* of P-t-P (people-to-people, place-to-place, partner-

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[10] Budapest (Hungary) as lead partner, Almería and Torrent (Spain), Bobigny (France), Bologna and Udine (Italy), Glasgow (UK), Karviná (Czech Republic), Košice (Slovakia). Nagykálló (Hungary) joined the network later.

to-partner) exchanges. A total of 37 people from seven Roma-Net cities participated in P-t-P activities.

Regarding the *organisational structure*, the Municipality of Budapest was the key actor as project leader. The City Hall employed a small group (2-3 persons) of coordinators for general project management tasks. The Municipality cooperated with Budapest Chance Non-profit Ltd. and two people of the firm were responsible for the professional realisation of the project. Several governmental and non-governmental organisations were involved in the LSG of Budapest (e.g. Community Centres of Józsefváros Non-profit Ltd., Kapocs Youth Self-help Service). The Municipality cooperated with the Budapest Roma Self-government which latter ensured the political legitimacy of the project for the Roma residents. The initiative was financed by the European Union through URBACT II.

Perception and use of the concept of diversity
Diversity was not directly addressed by the Roma-Net initiative. Only the cultural diversity of Budapest was mentioned by the LAP as a value. Within the concept of the project, diversity was primarily understood as an ethnic phenomenon since the initiative focused on the inclusion of young Roma people. There is a broad spectrum of diversity in the framework of LSG because both Roma and non-Roma governmental as well as non-governmental organisations participated in the activities of the platform and were involved in the creation of the Local Action Plan. The activities of participants were also very heterogeneous and included actors working at district-, city- and national levels. Some elements of hyper-diversity can also be identified in the policy guidelines as they emphasise several other factors besides ethnicity that can make a difference of and within the Roma community: for example language[11], class and socio-economic factors behind the lack of social mobility (e.g. discrimination) or weakening 'Roma identity'. The primary *target group* of the initiative was the Roma community living in Budapest but it was expected to affect also the majority of the society. The target audience also contained decision makers and district municipalities in order to build up partnerships between the LSG of Budapest and district municipalities in different parts of the city.

Main factors influencing success or failure
One of the most important *external success factors* was the recently increased attention of EU- and national-level politicians towards Roma integration. This topic is also a priority of the social policy of the Municipality of Budapest (Fabula et al., 2014). Another external factor of success was the 'fast track' status of this initiative in the European Union, which means that the European Commission was involved as an active partner throughout the implementation of the project. Regarding *internal success factors* we can emphasise the creation of city-wide LSG with comprehensive professional and cultural background. Among its members were civil organisations, experts, politicians, representatives of the public administration and individuals. That was the first occasion that service providers and organisations came together at the city level to share experiences and to talk about Roma inclusion actions.

One of the most relevant *external failure factors* was the relatively low number of competent actors (e.g. politicians, NGOs) in Budapest who could successfully represent Roma communities in policy-making. Another important barrier was the two-tier local government system in Budapest which caused dysfunctions of Local Support Group as well as Local Action Plan of Roma-Net. Among the *internal failure factors* the weak interest of local governmental and non-governmental

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[11] Besides Hungarian, the Roma often use their own language (Romani) with different dialects (e.g. Lovar, Beas).

actors involved into the Local Support Group can be mentioned. Another internal failure factor was that the initiative had quite limited financial resources. URBACT supported networking and the making of policy recommendations but did not financed concrete interventions in the participating cities because local actors were expected to mobilise additional resources from their own budgets to initiate such projects. However, in the case of Budapest this never happened in the framework of Roma-Net (maybe Roma-Net II will have more tangible effects). As a consequence, some members of the project staff consider Roma-Net as a failure. As the project coordinator explained:

> „*In my opinion, one of the main deficiencies of Roma-Net was that in spite of international knowledge transfer, publishing studies and the involvement of the target audience through the Local Support Group, 'its legs do not touch the ground'. I mean there are not sufficient financial resources to support concrete interventions for the Roma... I don't say it* [the project] *doesn't make sense but in its current form it rather supports the maintenance of the system than comprehensive solutions to the most urgent problems.*"

Conclusion

The Roma-Net project was an important step towards the socio-economic integration of the Roma in Budapest and it employed several innovative elements like LSG or P-t-P. However, social exclusion of the Roma is still an urgent problem in the city. Similarly to the Migration Roundtable initiative, the municipal government had a project-orientated view on Roma-Net and did not support it to continue. The interview and secondary sources also suggest that new financing solutions are needed at the EU-level. These would be especially important in cities where local governments cannot finance the implementation of those strategies and policy recommendations put forward by 'soft projects' like Roma-Net.

2.3   Arrangements targeting economic performance

Google Ground

Strategy, focus and organisation

Google Ground is an education and community centre for small and medium sized enterprises, start-ups as well as students. It is located in a cultural and entertaining complex called "GRUND" which is situated in the urban renewal area of Corvin Quarter in Józsefváros (the 8th district of Budapest). The initiative was launched by Google Inc. and the site was opened at the end of 2013.

The general *aim* of the centre is to support start-ups and provide common site for creative workers, online marketing agencies, SMEs and students. The rationale behind this aim is to improve the competitiveness of business actors and as a consequence Google Ground can contribute to the economic performance of the district and the city. It has also a potential in fostering social cohesion since it brings together individuals and groups with different social backgrounds.

Several *activities* take place in Google Ground concentrating on three key topics such as trainings and internships, start-up programmes and studios. Academies operated by Google at the GRUND have a very important role in this respect since these institutions provide specific, high-quality trainings for the partners and agencies involved. First of all, the Sales Academy presents the ultimate sales practices in online business. The AdWords Academy's aim is to train AdWords certified professionals and to provide attendees online marketing skills. The Analytics Academy

focuses on online business which has a faster pace than traditional commerce (Google Ground, n.d.).

The initiative *focuses* on providing theoretical and practical training for recent graduates, university and college students every six months including internships. The studios can be used by partners in order to learn the skills of producing high-quality video content and to have a chance to put that knowledge into practice – easily, quickly, professionally in situ. The Ground has community spaces which are appropriate for different social events: a large courtyard, a library and conference rooms.

Regarding its *organisational structure* and *resources,* it must be taken into consideration that Google Ground is an initiative launched by Google Inc. Therefore, the site itself as well as all the operations taking place there belong to the company. As a consequence, the management of the Ground is a task performed by the staff of Google Hungary, including about twelve employees. A wide range of partners and external experts is involved in the different activities. The site is run by Google Inc. and as a consequence the initiative is financed by the company.

Perception and use of the concept of diversity

Taking into consideration the goals and activities of Google Ground it can be concluded that the *concept* behind the initiative fits well to the diversity of the district and can function as a space for work, education and community events as well. Diversity is considered by both the leaders of Google Ground and the management of the GRUND as an important resource. According to our interviewee (founder of Grund Ltd.) for example, the traditionally diverse and dynamic character of Józsefváros was a key motive for Google to choose the GRUND as a site. The primary *target group* of the initiative includes innovative and creative actors in the business sphere like start-ups, online marketing agencies and SMEs as well as students who are interested in the topic. In addition, Google plans to make the trainings available for as many creative actors as possible (Magyarósi, 2014).

Main factors influencing success or failure

Considering the *external success factors* of the initiative, maybe the most important one is the Google brand itself. The company is one of the most famous enterprises of the world and its products are very popular in Hungary. The market-leader status can result in several additional benefits, like high PR value, remarkable opportunities for cooperation or good starting position at negotiations. In addition, Hungary has a significant tradition of IT innovations (e.g. Word, Excel, Leonar3do) and the recent success of Hungarian start-ups (e.g. Prezi, Ustream, LogMeIn) can be a good reference for companies like Google (Csikós, 2014; Pintér, 2014). It is also important that the Ground is independent from governmental actors and resources. Among *internal success factors* Google Inc. again plays an important role: its human capital, institutional and financial background can guarantee the adequate resources for the Ground. In addition, Google Ground operates in comprehensive synergy with the GRUND complex: both establishments are located at the same plot, consequently they can share resources (e.g. maintenance, visitors, marketing). Moreover, they provide a healthy mix of services as a result of their different profiles (Google Ground – education, trainings; GRUND – bar, entertainment rooms, hostel). The creative milieu and large-scale diversity of the neighbourhood is another internal success factor that made GRUND an attractive location for Google.

> *'Because it's an exciting, fast developing quarter* [Józsefváros and Corvin Quarter]. *Because it's buzzing and the people are interesting. Because it serves cold beers and we like the*

large garden. Because it's diverse, unique and vibrant. Because we feel good here (Google Ground, n.d.).*'*

Among the *external challenges* our interviewee mentioned the speed of global economic processes. The life cycle of companies is decreasing and this global phenomenon means a significant factor of uncertainty considering the future of the initiative and Google itself. He also pointed out the weak relationship with municipal actors and thought that governmental interest and support for enterprises is still inadequate. Finally, the unilateral dependency from Google Inc. can be a critical *internal challenge.*

Conclusion

Google Ground can be considered as an innovative and successful governance arrangement. This derives from the Ground's comprehensive and inclusive character: it is a start-up centre as well as an open community space. As a consequence, it targets individuals and groups with very different lifestyles and provides framework for a wide range of activities (e.g. business, education, community programmes), contributing to hyper-diversity. Nevertheless, sustainability and flexibility are crucial because of today's rapid economic changes: the Ground should be able to renew itself and respond to different challenges. The neighbourhood (or the whole district) can help in this process with its diversity and dynamism which factors attracted Google at the beginning. In addition, Google is one of the most innovative organisations globally and can foster economic performance and social cohesion in a given urban area but in the case of Budapest it would also be important that governmental actors of different levels (district, municipality, national) facilitate closer cooperation with initiatives like the Ground.

MÜSZI (Community & Art Level)

Strategy, focus and organisation

There is a renaissance of establishing alternative and temporary community spaces in unused inner city properties in Budapest, for example ruin bars (Lugosi et al., 2010) or community gardens. One of the best examples of such developments is the Community & Art Level (MÜSZI) which was founded in September 2012 as a grassroots initiative. MÜSZI is a complex cultural and community house in Józsefváros (8th district of Budapest) located on the third floor of the former Corvin Department Store (Community & Art Level, n.d.).

The primary *objective* of MÜSZI is to provide inclusive self-supported spaces including community and working facilities for different initiatives in order to facilitate civil activism. It aims creating an independent (e.g. financially, politically) community centre focusing on cultural (e.g. arts, performances, community events) and social issues (e.g. integration of youth). Another goal is to establish a 'creative node' of cultural economy in Budapest attracting young creative entrepreneurs as well as artists. Finally, an important specific goal is to create an art colony and presentation spaces.

A wide-range of *activities* is realised in MÜSZI which has an area of 2,800 m^2 and includes 20 studios, 2 multifunctional performance and exhibition halls, 1 workshop room, a café and bar, a co-working area, a community garden and a greenhouse. It provides home for alternative groups (e.g. artists, designers, architects and other creative workers), NGOs as well as business actors. It hosts, for instance, co-working offices, community arts projects, creative workshops and various cultural and social events. According to its website,

> *'MÜSZi is a meeting place, a new junction in the cultural life of Budapest. It is a fresh and free space; a workshop for independent social projects, a creative environment for artistic work, a presentation and events center. MÜSZi stands as an unprecedented venture in Budapest, a venue attempting to combine its artistic and social mission with business principles in a sustainable manner'* (Community & Art Level, n.d.).

The *flexible organisational structure* of MÜSZI includes a management board with three people, who are supported by the technical staff (2 people) and two programme coordinators. Other persons working there (2 programme organisers, 1 graphic designer, bar workers, cleaners) are also involved in decision-making. MÜSZI is a self-supporting institution, consequently its *financial resources* come from the incomes of different business activities (e.g. renting rooms and work stations, event tickets, bar), tenders and sponsorship. Moreover, non-financial and non-material forms of support are often received from donations and volunteering (e.g. furniture, indoor plants, work).

Perception and use of the concept of diversity

Diversity is a basic feature of this initiative providing home for multiple activities. The primary *target groups* of the initiative are civil movements, non-governmental organisations, grassroots initiatives, artists and creative workers. Through the NGOs the MÜSZI aims to attract young people. The audience of the in-situ organised community and cultural programmes are open for the general public but some alternative and minority groups are overrepresented among the visitors (e.g. foreigners, Roma people). Mobilising different interest groups the initiative actively contributes to the increasing diversity of economic entrepreneurialism in the neighbourhood.

MÜSZI has approximately 35,000-40,000 visitors per year. Among them, about 20-50 highly qualified young intellectuals are renting workstations inside the co-working space every day. A high number of local inhabitants, families and students participate in civil and community events (50-300 people per week). Artists and representatives of other creative activities also rent rooms and studios (70-80 persons per year). The place is often visited by partners and professionals (e.g. NGOs, enterprises): 20-50 of them work here on an average day.

Main factors influencing success or failure

Among the *external success factors* we can emphasise the increasing demand for alternative uses of urban spaces in Budapest which is closely linked with limited accessibility of free community spaces as well as flexible facilities. Several similar places had to close in 2011 and their users did not have many opportunities. Thus, MÜSZI responded well to the changes and became very popular among grassroots movements and young people in general. The main *internal factor of success* is that the initiative is independent from governmental financial resources. Another key factor is the high number of services in-situ (see above). Furthermore, we can highlight the creative and inclusive milieu of MÜSZI. It supports diversity and attracts several socio-cultural groups. Finally a strength of the institution is that it is well embedded in the local society: it has good relationships with local residents.

Considering *external failure factors* the weak relationship with local municipal actors can be emphasised. The initiative is self-supporting but it has limited financial resources and its political connections and lobby power are equally weak. It is also excluded from most of the mainstream communication channels and has to find alternative ways for representation (e.g. on-line social media or printed leaflets and brochures circulated by volunteers). Among the *internal failure factors* the organisational form of the initiative can be mentioned. Since MÜSZI operates as a limited liability company several applications (e.g. tenders for NGOs) are not available for them. We can

also emphasise that the building providing home for it has a good accessibility but MÜSZI itself is on the fourth floor with a side-street entrance so it is not a place where people just 'pop in from the street'.

Conclusion

MÜSZI supports diversity and attracts different social groups with organising art performances, exhibitions, community events (e.g. 'second-hand clothes exchange') or inspiring young people for meaningful activities. Thereby, it fosters economic performance and enhances social cohesion at the same time. Its self-supporting character also makes MÜSZI an innovative initiative, especially in the era of economic crisis. However, managing a self-supporting institution with such a profile seems to be difficult in the long run and innovative solutions from policy-makers are needed, for example new legal forms or more available resources for initiatives like MÜSZI.

One bit of China – Chinese Gastro-Tour

Strategy, focus and organisation

The 'One bit of China' is one of the thematic tours of Hosszúlépés[12], an initiative launched by a couple of young Budapest intellectuals. Hosszúlépés is defined as an urban walking project which organises short trips through different neighbourhoods. These tours discover different parts of the city which are lesser known by the citizens or which are well-known but the majority do not pay much attention to them in everyday routine. The walks put different urban issues in the spotlight like the Jewish heritage, the traces of important 20th century events on the urban landscape and urban society or different segments of the gastronomic potential of the city. The 'One bit of China' belongs to this latter group since its main profile is to present the cuisine of the Chinese colony of Budapest (Hosszúlépés Official Website, n.d.).

The *primary objective* of the Chinese gastro-tour is to provide information for those people who are interested in the topic and attend the tours. First of all, it aims to give an insight to the life of the Chinese community with special attention to its cuisine. Secondly, it highlights the history of a neighbourhood in Józsefváros: the site of the former Ganz-Mávag railway carriage factory, the former workers' colony (Golgota housing estate) attached to the factory, and their surroundings where a Chinese market and several other Southeast Asian shops can be found. This area is a kind of blind spot on the mental map of the ordinary Budapest citizens: it belongs to the outer part of Józsefváros and has a negative image. Another important objective of the initiative is business related: tours can be attended with tickets sold by the organisers, and the initiative is making limited profit for Hosszúlépés.

The gastro-tour is actually a walk in the neighbourhood with stops at different exciting places, taking approximately 2.5 hours. The programme contains sightseeing at the buildings of the former Ganz-Mávag factory and the workers' colony, and includes short presentations about the history of the area and about the connections between Hungarian and Chinese culture. The group also visits the Chinese market, several Chinese shops, street-food stalls and restaurants and even a little food manufacture. During the tour participants can taste and purchase different products of the Chinese cuisine (Egy különös kínai falu Budapesten – józsefvárosi piac és Euro Square, 2013; Egy falat Kína, n.d.).

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[12] The term 'hosszúlépés' means 'long step' in English and refers to a wine cocktail.

The initiative contributes significantly to the *economic performance* of the neighbourhood. For example, the consumption of the attendees generates direct income for the local entrepreneurs. Moreover, satisfied attendees share their experiences with other Budapest residents and some of them return to the area later, often with their friends. As a consequence, it can be observed that the image of the neighbourhood is improving. The range of local services is broadening and their popularity (not only of restaurants and food shops) is rising. Finally, there is a steady decline in the local grey and black economy what results in the growth of government revenues (e.g. taxes).

The *organisational structure* and *resources* of the tour are in close connection with the operation of its host organisation. Hosszúlépés has a staff of five people including the chief executive officer, two content managers (one of them is responsible for HR and the other is for social media), a creative director and a communications advisor. The tour guide managers (about 10 people) have contracts with Hosszúlépés, each of them is an expert of a given topic, and they are helped by assistants during the walks. The leader of the Chinese tour is an expert of Asian gastronomy who has spent three years in China. Hosszúlépés cooperates with a wide range of partners, with a government-owned company, private enterprises and civil organisations among them. The main financial resources come from ticket sales. Hosszúlépés orders the ingredients of tours (e.g. food, drinks) but also can invest in its own infrastructure and operations (e.g. marketing, the development of their website) from this income.

Perception and use of the concept of diversity

The *target audience* of the initiative can be divided into two main groups. In the simplest way these can be called the 'observed' and the 'observer' (or 'producer' and 'consumer'). The first group is the Chinese community of Budapest and particularly those who are living in the above mentioned industrial-commercial area of Józsefváros. The second target group comprises those Budapest residents as well as tourists who attend the walks.

Following this logic at least three spheres can be identified where *diversity* appears in the concept of 'One bit of China'. Firstly, it basically focuses on ethnic diversity and specifically on a particular minority group of the city. Secondly, visitor groups are extremely diverse since everyone is welcome. At the beginning the initiative was popular mostly among intellectuals but nowadays the group of participants is much more diverse (e.g. according to occupation, age). In general, the Chinese tour is visited by those who are open to other cultures. Thirdly, the physical layout of the neighbourhood is also diverse since it is a mix of brownfield sites, housing blocks and commercial areas.

Main factors influencing success or failure

Perhaps the main *external success factor* of the Chinese tour is the growing interest of Budapest residents towards 'other' cultures. Maybe we cannot state that city walks represent a type of mass tourism but, in fact, these programmes attract a noticeable number of people. For example, 'One bit' almost always has a full-house with an average of 20 people (while at other gastro-tours the average is about 10). Recent policy changes in the topic of migration, like the introduction of the National Migration Strategy or the establishment of the Budapest Migration Roundtable, may also have favourable effects. As our interviewee suggested, food itself means a very important *internal success factor*. On the one hand, it seems that gastronomy is a popular topic among urban explorers in Hungary. On the other hand, participants appreciate that they can experience authentic Chinese food (not fast-food type, 'Westernised' meals). Among the internal success factors the competences of the tour guide managers and their good relationship with local (Chinese) people are also to be mentioned.

One of the most critical *external challenges* is the attitude of the Chinese community living in Budapest. The Chinese form a closed minority group and it is very difficult to make contact with them. In addition, mistrust towards visitors is a quite common phenomenon in the neighbourhood because of the high proportion of grey and black economic activities. Language barrier is another obstacle: Chinese is not well known among Hungarian citizens while there are relatively few Chinese people in the area who can use Hungarian language for advanced communication. There are some factors which can be the basis of *success and failure at the same time*. One of the best examples is the fluidity of the programme, since it often changes due to different causes (e.g. shop- or restaurant closures). This always changing character can attract even the former tour-attendees but it can also result in uncertainty (e.g. at unexpected closures). The atmosphere of place can also be mentioned: illegal activities assigns a special feeling to the neighbourhood for some people but can simultaneously deter others.

Conclusion

According to our interviewee 'One bit of China' is very successful. However, this success is derived in part from the high concentration of semi-legal activities at the location and a 'Western' demand for exoticism. It is an important question if an increased attendance could change the character of the place and if it does, to what extent should the initiative grow and develop. In addition, the tour leader suggested that Chinese residents of the area do not want to be a popular tourist attraction what also should be kept in mind. Nevertheless, it can be argued that the tour is an initiative with significant innovative potentials. It introduces a neighbourhood and a community which are not well known among Hungarian people and its possible effects can exceed its direct activities. For example, it can facilitate intercultural connections, strengthen tolerance, foster social cohesion and increase economic performance at the same time.

3   Synthesis and analysis of the results

Synthesis of the investigated governance arrangements

In this chapter we provide some general statements on the selected governance arrangements putting particular emphasis on their main objectives. This summary is structured by the basic concepts of the DIVERCITIES project. Therefore, it is discussed below how the initiatives are related to social cohesion, social mobility and economic performance (Table 1).

Table 1: Contribution of the governance arrangements towards the three main objectives

Governance arrangements	Social cohesion	Social mobility	Economic performance
Migration Roundtable	***	*	*
For Pupils about Migration	***	**	
Leonardo Community Garden	***	*	*
Teleki Square Community Design	***	*	*
LÉLEK	**	***	*
Mentor programme for pupils	**	***	
Roma-Net	**	***	*
Google Ground	*	**	***
MÜSZI (Community & Art Level)	**	**	***
One bit of China – Chinese Gastro-Tour	**		***

 * = low contribution; ** = medium contribution; *** = high contribution

Strengthening social cohesion can be seen as the main goal in four of the arrangements: the Migration Roundtable, the 'For Pupils about Migration' project, the Leonardo community garden and the Teleki Square renewal programme. This is partly the result of our sampling strategy: strengthening social cohesion is an important goal of the Budapest Municipality and the district municipalities, thus we intended to pay particular attention to the question. On the other hand, initiatives in this category as well as some of those from the other groups affect different elements of social cohesion. For example, the concept of cohesion can include interactions between persons and groups and their social participation (Chan et al., 2006). These activities are encouraged by projects like the Migration Roundtable, the Roma-Net, the Teleki Square or Leonardo, and even the Chinese gastro-tour. Integration and inclusion of marginal or excluded groups are of key importance in a couple of initiatives, but they also intend to foster tolerance, multiculturalism and intercultural dialogue (e.g. Migration Roundtable, Roma-Net). The initiatives influence cohesion in other manners, for example through the physical layout of urban space (Talen, 2002; Raman, 2010) as in Leonardo or Teleki Square, or with the employment of community planning practices (Mugnano and Palvarini, 2013) as in the case of Teleki Square.

The second category (*social mobility*) includes three initiatives: LÉLEK, the Mentor programme and Roma-Net. In general, social mobility refers to the temporal change in the socio-economic situation of a person or a group and the concept can contain several factors (Tasan-Kok et al., 2013). In our examples, different aspects of mobility are addressed, like employment (Roma-Net), education (Mentor programme) or housing and independent life (LÉLEK). Moreover, some of the arrangements also contribute to the generation of social capital through the establishment of governance networks and the involvement of target groups in these structures. This is a notable statement because accumulating social capital can enhance the social mobility of a person or a group (Tasan-Kok et al., 2013).

The '*economic performance*' group also covers three initiatives: Google Ground, MÜSZI and the 'One bit of China' tour. In the DIVERCITIES project, economic performance mainly refers to entrepreneurs whose success contributes to the performance of the city. In this respect, urban diversity can foster economic performance (Tasan-Kok et al., 2013). Positive effects can be identified in the cases of our selected initiatives which have remarkable potentials. Google Ground and MÜSZI, for example, support start-ups, enterprises, ICT-workers and creative labour. They also facilitate interactions amongst entrepreneurs and between entrepreneurs and other members of the society. The Chinese gastro-tour generates income in the neighbourhood where it takes places and improves the image of the area. Several unique enterprises operate in this neighbourhood and the tour can contribute to the growing diversity of these firms. What is particularly important is that the initiative enables local entrepreneurs to 'link their activities, behaviours, and lifestyles to their action spaces (work, living or activity areas) to create better opportunities for themselves' (Tasan-Kok et al., 2013: 59-60) since experiencing authentic Chinese culture in situ is the essence of the tour.

Conceptualisation of diversity

In order to answer this research question we categorised the selected initiatives according to their connection to the concept of diversity. This means that we took into consideration their focus, primary aims and target groups. We can say that the analysed initiatives show a wide spectrum according to (1) *how they address* diversity, (2) *how they define* the concept and (3) in which of *their elements* can diversity be recognised.

(1) Diversity appears with different emphases within the *objectives and focuses* of the analysed initiatives. The first group of governance arrangements *explicitly addresses diversity* by their *primary goals* (e.g. MÜSZI; 'For Pupils about Migration'). Moreover, they basically consider diversity as an as-

set and a valuable feature of the society which can contribute to the social cohesion, social mobility and/or economic performance of a particular urban area. Consequently, these projects organise activities in order to maintain or increase diversity to some extent. Fostering diversity is not a primary objective of the second type of initiatives but one of their *specific goals* which support the achievement of their general aims (e.g. Google Ground; Teleki Square). Finally, in the third group of projects diversity is addressed implicitly (e.g. LÉLEK; Leonardo; Mentor programme).

(2) There are several understandings of diversity across the selected initiatives. Firstly, it is often defined as *cultural-ethnic* diversity (e.g. Migration Roundtable, Roma-Net, One bit of China). Secondly, it is considered by other arrangements as an asset or *resource*, mainly for economic purposes (e.g. Google Ground, MÜSZI, One bit of China). The third main interpretation of diversity is connected to the *socio-economic* composition of the local society (e.g. LÉLEK, Leonardo, Migration Roundtable).

(3) The concept of diversity can be recognised in various ways in the studied initiatives. Firstly, in several cases their *audience* (actors, participants, stakeholders, target groups) includes people with a wide-range of differences in lifestyle, age, gender, health status, cultural and economic background, educational level and qualification (e.g. Leonardo, Teleki Square, MÜSZI, LÉLEK, One bit of China). Secondly, another field wherein diversity is palpable in the initiatives is the wide spectrum of their *activities* (e.g. MÜSZI, Leonardo, LÉLEK). We can also highlight that in some cases the physical implementation of the initiatives results in the establishment of different *functions* and facilities in order to support diversity (e.g. MÜSZI, Teleki Square, Leonardo).

Different elements of *hyper-diversity* can also be recognised in the analysed governance arrangements. In some cases one core activity (e.g. gardening) connects people with different (e.g. socio-economic status, age, lifestyle) backgrounds. In other cases the diversity of activities (e.g. MÜSZI) leads to the mixing of different social groups. The bonding power of initiatives among individuals and groups varies; it can be weaker (e.g. One bit of China) or stronger (e.g. Leonardo), yet, all of them contribute to an increasing relationship of very different population subgroups. In some initiatives the attitudes of the participants is a very important factor. Particular projects aim to improve the attitude of the local residents (e.g. Mentor programme, For Pupils about Migration, Roma-Net), while others can achieve similar results in an indirect manner (e.g. One bit of China). The Chinese gastro-tour is special from this perspective since the walks are usually attended by those who are interested in the diversity of the neighbourhood, especially in the habits and lifestyle of the local Chinese community. Therefore, this initiative is a good example of how different elements of hyper-diversity can be employed to foster the economic performance of a particular urban area. Finally, some of the initiatives address hyper-diversity by providing activities and programmes which focus on the attendees' personal skills, abilities and interests (e.g. LÉLEK, Mentor programme).

Main factors influencing success or failure of the governance arrangements

Considering the *external success factors*, it can be concluded that the selected initiatives respond to *real demand and social need*. It can be seen, for example, that some of the projects focus on the integration of the most marginalised social groups. Several initiatives follow *global* economic tendencies (e.g. Google Ground – IT) or reflect on global social processes (e.g. Migration Roundtable, For Pupils about Migration). The adaptation of *good practices*, from abroad in several cases, is another important external success factor (e.g. Leonardo – community gardens, One bit of China – thematic guided tour). The available financial resources from the *European Union* and different governmental levels of Hungary (national, Budapest, district) also play a key role in the realisation of several initiatives.

Among the most relevant *internal success factors* we can emphasise the influence of the *enthusiasm and strong commitment* of the actors and stakeholders who participate in the implementation of the arrangements. As several interviewees suggested, *independence* from governmental finances as well as municipal and district schemes can be one of the most important factors of effective work and success (e.g. Google Ground, MÜSZI, Leonardo, One bit of China). Being 'independent' means, for instance, that the initiative can be *flexible* and more innovative. Nevertheless, another result of such freedom is that the managements of the initiatives have to finance their projects from alternative (i.e. non-governmental) resources. *Experience and know-how* also form a significant factor of success with other benefits (e.g. personal relationships, networking). From our point of view, *strategic thinking* plays a key role in the success of an initiative: several arrangements belong to *long-term* processes or the step-by-step realisation of bigger projects.

Considering the main *external failure factors,* the lack of political interest or support can be mentioned as a major possible obstacle. Difficulties of cooperation with governmental (especially municipal) bodies can also undermine successful implementation. Moreover, the operation of the public sector in Budapest (e.g. two-tiered local government system; attitude of some officials) is another critical factor of failure. Representatives of some initiatives miss adequate official *guidelines and recommendations* or more effective legislation at national or local level in some policy fields (e.g. Google Ground – entrepreneurship). The weakness of civil society and deficiencies in the *legal representation* of marginal social groups are significant problems as well.

Limited available financial as well as human resources are key *internal barriers*. As one of the most relevant factors of failure we can also highlight the lack of long-term perspectives and project-orientation. According to our analysis, weak individual responsibility and anti-cooperative attitude can also cause the failure of an initiative (e.g. Mentor programme) with even the most qualified project staff.

New ideas for innovative policies and governance concepts

The analysed arrangements can be labelled as alternative, unique and pilot initiatives. This is supported by the fact that most of them do not fit to the mainstream governance arrangements according to their contents and methods. Their innovative features are also related to their *management* and *communication* mechanisms. Some initiatives, for example, demonstrate that interdepartmental and intersectoral platforms or bodies can improve the efficiency of interventions (e.g. Migration Roundtable, Roma-Net, Teleki Square) by strengthening the cooperation *with and between* governmental and non-governmental actors. An inclusive and comprehensive approach is also a noticeable strength of such projects as it can enhance the representation of different (often marginal) social groups in policy-making. Moreover, some of the initiatives introduced new forms of democratic participation in the planning, regeneration and management of public and semi-public spaces (e.g. Teleki Square, Leonardo). Sharing the tasks, competences and financial sources between public and private actors can also be interpreted as a useful idea in the management of future governance initiatives.

The *issues* and *target groups* some of our initiatives focus upon can also be considered innovative. For instance migration was incorporated in the Budapest level policies due to the Migration Roundtable initiative. Beforehand there was no comprehensive migration policy in Budapest. The establishment of start-up centres (e.g. Google Ground, MÜSZI) is also very innovative as they enhance the development of the most dynamic creative branches (e.g. ICT sector) of the economy, thus, contributing to the increasing competitiveness of Budapest. Regarding the target groups, perhaps the most innovative arrangement is 'For Pupils about Migration', as intercultural education is carried out among children of school age.

Some initiatives are innovative regarding the *use of urban space*. Leonardo provides a good example how vacant urban plots can be used in an environmentally friendly and sustainable way and how social cohesion can be simultaneously strengthened. Google Ground and MÜSZI are successfully mixing business space and community space, and in addition to start-up centres and incubation facilities they provide spaces for a wide range of education programmes, workshops and public events, hence they can be considered nodes of hyper diversity in Budapest. The 'For Pupils about Migration' and 'One bit of China' use certain parts of the urban space (e.g. call-shops, ethno-buffets, restaurants operated by migrants) to foster intercultural connections. The latter is especially innovative as it mixes the approach of traditional (historical and cultural) urban walks with gastronomy; moreover, it positively contributes to the economic performance of the neighbourhood. Finally, Teleki Square uses the renovation of a public space for community building which had positive impacts on social cohesion also in other cities (e.g. Mugnano and Palvarini, 2013).

Regarding *resource mobilisation*, maybe the most innovative example is MÜSZI. It does not receive any governmental support and its opportunities in tenders are limited (because officially it is a private company). Nevertheless, they can involve alternative resources derived from their activities (e.g. rents, incomes of their bar). Moreover, they can mobilise considerable human resources: their guests and local inhabitants often contribute to the operation with donations (e.g. pieces of furniture, assistance). This supportive attitude is partly a result of the cooperative and community-oriented approach of MÜSZI because the staff always requests the help of their partners for task which motivate these people. As a result, MÜSZI is mainly self-supporting and quite resistant to external challenges like economic decline or governmental budget cuts.

4   Conclusions

After the analysis of the selected initiatives, some general statements can be made about the governance structures of Budapest in general and Józsefváros in particular. First of all, similarly to other major European cities, there has been recently a shift from classical hierarchic decision-making structures towards features of the New Urban Governance. This process is highlighted, for example, by the increasing significance of *networks and partnerships* in control, resource mobilisation and service provision, what is a common characteristic of the governance structures in contemporary European cities (Rhodes, 1996; Peters and Pierre, 1998; Stoker, 1998; Elander, 2002; Tasan-Kok and Vranken, 2011). In Budapest and Józsefváros, formal and informal connections, partnerships and cooperation play an important role in the everyday operation of different public (e.g. Migration Roundtable, Roma-Net) and private (e.g. MÜSZI, One bit of China) initiatives. The existence of 'interactive governance mixes' can also be observed. These networks are intended to control particular sub-systems of the urban life, addressing the most urgent problems and involving a specific set of actors, responding to 'ever growing societal diversity, dynamics and complexity' (Kooiman et al., 2008: 2). Similar networks exist (or existed) also in Budapest, for instance related to the Migration Roundtable, the Roma-Net, the LÉLEK, the Mentor programme or in the 'For Pupils about Migration' initiative.

Secondly, *austerity politics* can have a serious impact on the governance arrangements and on the institutions behind these initiatives. As a consequence, governmental and non-governmental actors often mobilise external resources (e.g. EU funds, expertise and connections of other organisations) and this is one of the main reasons behind short-term, problem-orientated projects (e.g. Migration Roundtable). Another effect of the scarce resources is the growing dependency of non-governmental actors on public finances (see e.g. Martin, 2004). However, our analysis indi-

cated that innovative solutions could enable non-profit or private actors to operate without significant public support (see e.g. the 'community financing' of MÜSZI or Leonardo).

Thirdly, there is a significant emphasis in the arrangements on the *integration* of marginalised or excluded social groups. This general objective is often supplemented by the strengthening of local (city-, district- or neighbourhood-level) communities and by the fostering of social participation. These intentions can also be observed in initiatives like the Teleki Square or Leonardo. Such activities can often involve 'new' groups, for example immigrants, in planning and policy-making (see e.g. Garcia, 2006). It can be stated that after the former non-policy approach towards migration, the Budapest Municipality turned its attention to the phenomenon what is showed by initiatives like the Migration Roundtable.

Fourthly, existing *political structures* and their *territorial manifestations* play a crucial role in the shaping of urban governance practices. Tensions between administrative units and functional areas, or conflicts related to the division of competencies are of particular importance (see e.g. Hohn and Neuer, 2006; Tosics, 2011). In the case of Budapest, such problems are often exacerbated by the two-tier governance system of the city (Tosics, 2005; Dövényi and Kovács, 2006; Enyedi and Pálné Kovács, 2008). As one of our interviewees suggested, for example, in the Roma-Net project some district municipalities rejected the help of the Local Support Group. Nevertheless, political structures can also positively influence governance, for example by encouraging civil actors' participation or eradicating the barriers to their involvement (Maloney et al., 2000; Jouve, 2005; Kooiman et al., 2008). Good examples can be mentioned from Budapest and Józsefváros as well: institutions of the Migration Roundtable, the Roma-Net or the Teleki Square programme clearly enhance inclusion and social participation.

After the presentation of our main findings, some *connections between the analysed initiatives and Budapest-wide policy discourses* on diversity need to be discussed. For this assessment we return to our former statements made in the introduction. (1) Problem-orientation can be observed in citywide policies as decision-makers put significant emphasis on disadvantaged or excluded groups. This attitude is also reflected in several public and non-profit initiatives, for example the Migration Roundtable, 'For Pupils about Migration' (immigrants), Roma-Net (the Roma), LÉLEK (homeless people) and Mentor programme (disadvantaged pupils with special educational needs). (2) Maybe the most important amongst the above mentioned 'new topics' in policy-making is immigration. Before the establishment of the Migration Roundtable, the city government had a non-policy approach towards this question. As a consequence, one of the most important results of the Roundtable was that it brought this topic to the agenda of the Budapest Municipality.

(3) Since exploiting diversity as an asset is rarely considered by municipal decision-makers, we chose the initiatives Google Ground, MÜSZI and 'One bit of China' which are commercial in focus and address diversity. These arrangements demonstrate the potentials of the diversity of Budapest as these are amongst the most successful initiatives of our selection.

(4) Non-governmental actors' attitude towards diversity, social cohesion, social mobility and economic performance differs in some respects from that of the governmental actors. This contrast can be felt in a couple of cases. For instance, private and non-profit organisations seem more likely to address diversity explicitly (see e.g. MÜSZI, 'For Pupils about Migration') and to exploit it for economic purposes.

Finally, the selected governance arrangements provide several *lessons for policy-makers* that should be taken into account in the future. First of all, as some of the initiatives (e.g. LÉLEK, MÜSZI, Roma-Net) demonstrate, an integrative and complex approach can be very efficient in govern-

ance. On the one hand, most of the phenomena what these arrangements intend to handle (e.g. homelessness, integration of Roma people) are also complex. On the other hand, such programmes have several advantages comparing to conventional sectoral policies (e.g. more effective resource mobilisation, involvement of relevant actors). Secondly, for the sake of success it is important to involve a broad spectrum of stakeholders (public, private and civil) in such initiatives and it is also important to strengthen the cooperation among them. The pivotal role of civil and private stakeholders in the analysed governance arrangements shows the potentials of non-public sphere in local programmes in general and the necessity of the involvement of these stakeholders in particular. In addition, in several projects (e.g. Migration Roundtable, LÉLEK, Mentor programme, Teleki Square) the willingness and positive attitude of stakeholders from Budapest municipality was crucial in success.

An optimal and efficient framework for the operation of initiatives should be sought by governmental and non-governmental actors. In many projects key element of sustainability is the independent operation from local government and distance from everyday politics (e.g. MÜSZI, Google Ground, Leonardo). However, these non-governmental stakeholders expect assistance from the governmental sector (e.g. more flexible legal environment). As far as projects initiated by the public sector are concerned often there is a lack of long-term perspectives, such initiatives depend very much on local politics and financing (e.g. Migration Roundtable, Roma-Net).

In terms of institutional frameworks and financing of initiatives there are also some lessons for policy-makers. Imperfect institutionalisation is often an obstacle to success. For example, even though Migration Roundtable was very positively evaluated by the participants it was not continued. In Budapest coordination between the city wide local government and the district governments is weak, which is also a source of potential failure. This should be strengthened in order to promote the successful implementation of future projects. In terms of financing, strong dependency on EU funds is also palpable in the analysed projects. In the future local (national) sources should be more built upon (e.g. resources allocated for Roma integration, funds for NGOs).

Finally, even though diversity does not belong to the top priorities of national, city-wide or district policies right now but this topic has a great relevance because of the diverse character of the Budapest society. Our initiatives demonstrated that diversity is present in many different ways in ongoing governance arrangements and there is a strong need towards it on behalf of the public, what should be taken into account more seriously by policy-makers.

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6   Appendices

Appendix 1: List of the interviewed persons

- Project coordinator – Migration Roundtable, Jövőkerék Foundation, former Budapest Chance employee

- Project coordinator – 'For Pupils about Migration', Menedék Hungarian Association for Migrants

- Coordinator – Leonardo Community Garden, Hungarian Contemporary Architecture Centre (KÉK),

- Coordinator – Teleki Square community design, Újirány Group (Office for Architecture, Landscape architecture, Form, Media)

- Programme leader – LÉLEK

- Programme leader – Mentor programme for pupils, Glove Factory Community House

- Project coordinator – Roma-Net, Budapest Chance Non-profit Ltd.

- Founder of Grund Ltd. – Google Ground

- Art director – MÜSZI (Community & Art Level)

- Programme coordinator - MÜSZI (Community & Art Level)

- Chinese gastro-expert, tour guide – 'One bit of China', Hosszúlépés

Appendix 2: List of the participants of the round-table talk

Date: June 16, 2014
Place: HQ of MÜSZI

- Art director – MÜSZI (Community & Art Level)

- Chinese gastro-expert, tour guide – 'One bit of China', Hosszúlépés

- Head of department – Department of Social Statistics, Hungarian Central Statistical Office

- Managing director, architect – Hungarian Society for Urban Planning/Hungarian Urban Knowledge Centre

- Zoltán Kovács – University of Szeged

- Dániel Horváth – RÉV8

- Szabolcs Fabula – University of Szeged