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**REGIONAL DEVELOPMENT AT
THE BORDERS OF THE
EUROPEAN UNION**

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INTERCULTURAL DIALOGUE AND CORPORATE IDENTITY. TOOLS FOR PROMOTING CROSS-BORDER EMPLOYMENT IN THE ROMANIAN-HUNGARIAN CROSS-BORDER REGION

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Abstract: *As the EU takes on new members and its external boundaries gradually shift, socio-economic and political transformations are taking place at the borders that not only adumbrate new regional development opportunities but also many potential problems and tensions. In an enlarged Europe there are necessary long-term commitments to support local and regional initiatives of cross-border cooperation. Geographic labour mobility within EU member countries – both in terms of trans-national migration as well as cross-border commuting has remained at a relatively low level until now. The topic of labour market mobility is of particular importance in border regions, as it is part of the every-day life of citizens to cross the border, either to get to their work places or for leisure purposes. Whereas much research activity has been devoted over the years to different kinds of migration, the other type of geographic labour mobility, cross-border commuting has been to a much lesser degree object of research studies. The paper explores the significance of the state border in the daily life of the border landers, the inhabitants from the Hungarian-Romanian border, focusing in details on data collected from the Bihar-Hajdu Bihar Euroregion.*

Keywords: *intercultural, labour, employment, cross-border, Euroregion*

The European model and its institutionalization by creating the European Union was both Europe's answer to the material and moral disaster caused by the Second World War and the project meant to promote freedom, prosperity and justice, including social justice too.

Having in view these objectives which have never been subsequently amended or abandoned, European Union has built a set of functional values, among which freedom has taken the role of polarizing all normative and institutional approaches of the European Union.

European Union and integration in the European Community developed itself on three basic ways, creation of a common market, development of common institutions and several common policies. Market integration has progressed a long way, although it stops and restarts again. The institutional integration is left behind,

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but the most difficult of all is represented by the common policies, especially where they have required founding.

With the reform of the Structural Funds, regions have gained a key role in the design and implementation of regional policy. Yet some of the weakest regions were not equipped with appropriate institutional structures and have struggled to benefit.

While the reform may have given regions an entitlement to participate, we argue that some have lacked the capacity to do so effectively. In this context, enlargement raises questions over the future of the Funds, and how far a commitment to cohesion and convergence can be maintained.

As the EU takes on new members and its external boundaries gradually shift, socio-economic and political transformations are taking place at the borders that not only adumbrate new regional development opportunities but also many potential problems and tensions. In an enlarged Europe there are necessary long-term commitments to support local and regional initiatives of cross-border cooperation².

All this can be achieved through comprehensive cooperation that transcend political, economic and cultural dividing lines and that address socio-economic disparities, political tensions and potential conflicts of interest. The new research perspectives have contributed to the fact that borders are now largely understood to be multifaceted social institutions, rather than simple markers of state sovereignty.

Analysed through the economic lens, the “national state” in its classic sense is perceived both by the local investor, as well as the foreign investor as an obstacle to the smooth exchange of goods and consequently, a source of diminishing of profit. “Europe without borders” could provide the ideal space in which inputs could freely cooperate, in real conditions of competitiveness, and trade might move towards a market free from customs duties, excise or other protectionist means³.

National economies have proved incapable of responding within parameters of maximum efficiency to world market demands, to global exchange and to capital movement, therefore the latest solutions recommend the adoption of “borderless world” concept, developed by Kenichi Ohmae in 1995.

Regional economic policies offered for a while solutions to microeconomic problems, but not to the macroeconomic ones. However, they were the first form of cross-border cooperation and brought coherence and synergy to different economic and equity instruments⁴.

² Alexandru Athanasiu, “Foreword”, in *The Frontier Worker – New Perspectives on the Labor Market in the Border Regions*, edited by Adrian Claudiu Popoviciu, Dana Cigan, C.H. Beck, Bucharest, 2013, p. 7-8.

³ Weber, Renate, *Un concept românesc privind viitorul Uniunii Europene* [A Romanian concept regarding the future of the European Union], Polirom Publishing House, Iași, 2001, p. 58.

⁴ Aurel Iancu, Eugen Simion, *Dezvoltarea economică a României: competitivitatea și integrarea în Uniunea Europeană* [Romania’s economic development: competitiveness

However, the procedure for accession to the European Union is extremely difficult today because it is conditioned by a long line of institutional and economic parameters which optant states must meet in advance; there are also subjective reasons that go beyond the statutory framework of the European Union.

Along with states targeting their entry into the Union, there are countries on the continent that fall within the institutional and economic standards claimed by the Union but which are not interested in joining the organization, such as Switzerland or Norway. This does not mean that they would fall outside the circuit of cultural and economic values. It is obvious that we are dealing with two kinds of community aspirations.

It is also obvious that migration is not a modern-era phenomenon, it is the 21st Century's globalization that has rendered it a truly global topical issue. On a relatively small scale, one of the priorities of the European Union is to remove barriers to professional mobility issuing from its on integration processes, as long as workers mobility is essential for the proper operation of the internal market itself. The EU aims to raise public awareness of this right and to support jobseekers in their search at regional level through the European employment service network, the vast job database and the EURES portal are in the forefront of the EU's efforts to promote work mobility. Facilitating mobility also helps out the labour markets and therefore the workers who choose mobility should not be penalized as a consequence⁵.

The mobility of labour, both in the way of trans-national migration and cross-border commuting has been identified as a key element for the achievement of the revised Lisbon strategy and the implementation of the European Employment Strategy. Meantime there is broad political consensus, also on national and regional level that the compensation of the lack of competence, qualification and the demographic change is a highly crucial challenge to ensure future competitiveness and prosperity. For the EU-27 as a whole, cross-border labour mobility is likely to offer a number of advantages, by allowing a more efficient matching of workers, skills with job vacancies and facilitating the general upskilling of the European workforce⁶.

The topic of labour market mobility is of a particular importance in border regions, as it is part of the every-day life of citizens to cross the border, either to get to their work places or for leisure purposes. The problems related to different social security and tax regulations are particularly challenging in border areas that

and integration in the European Union], Romanian Academy Publishing House, Bucharest, 2005, p. 6, 625.

⁵ Claudia-Ana Costea, "The Free Movement of Workers, Challenges and Trends", in *The Frontier Worker – New Perspectives on the Labor Market in the Border Regions*, edited by Adrian Claudiu Popoviciu, Dana Cigan, C.H. Beck, Bucharest, 2013, p. 13-16.

⁶ Gernot Nerb, Franz Hitzelsberger, Andreas Woidich, Stefan Pommer, Sebastian Hemmer, Petr Heczko, *Scientific Report on the Mobility of Cross-Border Workers within the EU-27/EEA/EFTA Countries – Final Report*, MKW Wirtschaftsforschung GmbH and Empirica Kft., Brussels, 2009, available at https://ec.europa.eu/futurium/en/system/files/ged/mkw_workers_mobility.pdf, [accessed in January, 19, 2021], p. 7.

are confronted with complex and steadily changing legal, administrative, social and economic conditions. Information on standard solutions is in this case not sufficient, as individual situations require individual information and advice⁷.

If the free movement of persons is one of the four pillars of the European Union (EU), then we can say that the worker is one of the most important integrator factors of the European project. The structural development cannot be done unless by a unique, unitary and social vision upon the legislative assembly that norms the worker and his family. In the context of social and economic development of border areas, of deepening of policies determined by Schengen, the border worker is a determining factor in the cohesion of the border area⁸.

Geographic labour mobility within EU member countries – both in terms of trans-national migration as well as cross-border commuting has remained at a relatively low level until now.

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Whereas much research activity has been devoted over the years to different kinds of migration, the other type of geographic labour mobility, cross-border commuting has been to a much lesser degree object of research studies.

In the process of EU-integration the Hungarian-Romanian state border is becoming even more permeable as well. Despite the fact, that Romania is not member of the Schengen Agreement, crossing the borderline between the two neighbouring countries is much easier than a few years earlier. The growing permeability of the European borders contributes to the unification of the economic potentials of the neighbouring areas supplying benefits on regional and local level.

Even if Hungary joined the European Union on 1 May 2004 and Romania on 1 January 2007, by the common European destiny of the two states, they are obliged to achieve a strengthened partnership focused on increasing their welfare and harmonious economic development⁹.

The border between Romania and Hungary has a total length of 448 km, of which 415.9 km land and 32.1 km river (the Mureş, Criş, Someş rivers)¹⁰. On the Romanian side there are four counties, Satu Mare, Bihor, Arad and Timiş, and on the Hungarian side there are Szabolcs-SzatmárBereg, Hajdú-Bihar, Békés and

⁷ Association of European Border Regions, *Overall Report on Information Services for Cross-Border Workers in European Border Regions*, Gronau, 2012, available at https://borderpeople.info/site/wp-content/uploads/2014/10/aebr_cb_information_provision.pdf, [accessed in January, 19, 2021].

⁸ Adrian Claudiu Popoviciu, "The Frontier Worker. Romania-Hungary Study Case", in *The Frontier Worker – New Perspectives on the Labor Market in the Border Regions*, edited by Adrian Claudiu Popoviciu, Dana Cigan, C.H. Beck, Bucharest, 2013, p. 25-27.

⁹ *Ididem*.

¹⁰ National Institute of Statistics, *Statistical Yearbook 2011. Geography, Meteorology and Environment*, available at http://www.insse.ro/cms/files/Anuar%20statistic/01/01%20Geografie_ro.pdf, [accessed in February 19, 2018], p. 11.

Csongrád. All the 8 counties are classified as NUTS III and are integrated in 4 regions of level NUTS II¹¹. The Romanian Hungarian Border covers the South-Eastern and Eastern part of Hungary and the North-Western and Western part of Romania. The eight counties have a total surface of 50,454 km², of which 43.7% Hungarian and 56.3% Romanian area. The Hungarian territory is 23.7% of the total surface of Hungary, and the Romanian part is 11.9% of Romania. The total population in 2004 was more than 4 million, of which slightly less than half lives in Hungary, and slightly more than half lives in Romania¹².

Figure 1. *The location of counties along the Romanian-Hungarian border*



Source: <http://www.huro-cbc.eu/en/download>

The issue of the border is becoming an interesting phenomenon for a European continent struggling to reduce social and economic disparities. The concept of working across the border, working abroad, but living at home is relatively young in the Eastern European countries.

¹¹ The counties Szabolcs-Szatmár-Bereg and Hajdú-Bihar belong to Észak-Alföld Region; the counties Békés and Csongrád are part of Dél-Alföld Region; counties Arad and Timiș belong to West Region; counties Satu Mare and Bihor are part of the North-West Region. For further details it can be seen Eurostat, *Regions in the European Union, Nomenclature of Territorial Units for Statistics, NUTS 2006 /EU-27*, available at http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-RA-07-020/EN/KS-RA-07-020-EN.PDF, [accessed in February 19, 2018].

¹² *Programme Area. Hungary-Romania Cross-Border Co-operation Programme 2007-2013*, available at http://www.huro-cbc.eu/en/programme_area, [accessed in November 12, 2020].

The economic development of Romanian cities was heavily driven towards a massive industrialization, most of the time against its natural course or history. The forced industrialized process created mammoth state owned companies that employed large volumes of workers. The collection basin of the work force was mostly from the inhabitants of that certain city or its surrounding, depending on the size of the company, the collection area for labour force being of sometime 60-90km but always stopping at the national border. As it was the case with many Romanian cities Oradea, located at 5 km from the national border with Hungary, had gone through the same socio-economic development process developing 3 main categories of industries: aluminium production industry, chemical industry (paint and other chemical based products) and construction of agricultural machines and parts.

The economic environment of the city absorbed most of the available work force and imported part of the necessary higher skilled work force. Due to a communist regime and its tight locked border policy the frontier worker concept would have been limited to a worker living in a region that was located next to a national border. The only scattered cross-border phenomenon found in various border regions in Romania, Oradea included, was related to small scale commerce across the border restricted to a limited number of persons, usually middle and high members of the society generally linked in some way to the communist regime. The cross-border exchange in the western part of Romania, Oradea in particular, until the 1990's is limited to small border exchanges mainly related to consumer goods inaccessible in one of the two countries¹³.

The fall of communism brings into broad day light, for the first time in decades, the concept of diversifying the one's offer and possibilities in obtaining the usual necessities. In the case of Bihor County (north-western part of Romania) and its neighbouring Hungarian county Hajdú-Bihar the frontiers begin to lose their attribute as impenetrable and dangerous physical barriers towards a somewhat better living and a more liberal society.

The frontier has gone through allot of changes in terms of understanding the space of a culture, race, religion, city or nation. Growing from physical walls, intense militarized areas to a formal understanding of regions with no physical boundaries or restrictions of any kind, the frontier or the border, has been an area of the utmost importance to the different branches of science. The border region is the collision point of cultures, religions, languages, administrations, legislations and economic influences. All these factors have substantial contribution to the phenomenon of people working in or over the border region¹⁴.

The Romanian – Hungarian border is located in a category of borders where we can find a free flow of goods and persons, even if Romania is not yet a

¹³ István Süli-Zakar, "Successes and Failures in the CBC History of East Europe (Retrospection to the three decades of my CBC activities and researches)", in *Eurotimes*, vol. 21/Spring 2016, p. 183-190.

¹⁴ *Ibidem*.

member of the Schengen area. In this case the labour-mobility in some cases is still under control.

At the Romanian – Hungarian border there is still a permanent custom control, personal being present in the customs points. The control point has changed and are now common, customs officers making up joint teams reducing thus the control point from two to one. This ensures a more flexible flow of persons over the national border. The customs control in case of persons is quickly processed even if the customs officers still request the traveling documents.

This is an important aspect when analysing the frontier worker phenomenon in the area of Bihor and Hajdú-Bihar counties. The border activity, even if it functions under national and international laws, is adapted to a certain context and cultural relation. It is important to mention that due to cultural differences and/or recent history the idea and the existence of the frontier workers may be a taboo subject.

Figure 2. *Map of the Bihor and Hajdú-Bihar custom points*



Source: *ArcGis base map edited for the purpose of this paper*

The most important and transited customs point in Bihor County is Borş border point. Being a border point on E60, a major European road, this is one of the most important customs points in Romania. E60 is the correspondence of

National Road 1; the most transited and busy road in Romania according to the traffic study of the National Road Authority (CNADNR)¹⁵.

The other custom points are low transit areas with a micro regional impact in terms of person mobility. These aspects are very important when considering labour force mobility over the border. Being a big customs point, Borş, is obviously the first choice for most of the traffic entering the country, but also the chosen point for possible frontier workers because of distance and cost efficiency reasons.

The other customs points presented in **Figure 2** are located at a consistent distance from Oradea, the main economic centre that may absorb the border workers.

In the opposite way frontier workers that would consider the opposite development pole, Debrecen, have two possibilities: Borş and Valea lui Mihai customs points. In this case even if the map presents a more direct route through Valea lui Mihai, the facts present that a crushing percentage of people from Oradea a surrounding area have chosen Bors as the main exit point towards Debrecen. This is mainly caused because of road and customs infrastructure. The main customs point (Borş) benefits from a 4-lane road that eases traffic inflow and a big number of customs officers that will process a large number of vehicles hourly. These assets will cause in some points waiting times or a longer route for a frontier worker, for whom the time and economic efficiency are essential.

The prototype of the border worker:

In order to establish a common level of understanding while analysing cross-border issues, a definition of basic terms is essential. Although often subsumed under one coherent paradigm “mobility of workforce”, cross-border commuting as a social phenomenon has to be considered as quite different from trans-national migration¹⁶.

There are different kinds of cross-national workers, mobility generally subsumed under the designation of job migration, but we can declare that cross-border commuting between neighbouring countries takes place within smaller geographical areas and in short, regular periods up to a weekly level, migration mainly describes a wide-ranging process of permanent relocation of workers residence with a view to improve both income and the standard of living¹⁷.

Because there are a multitude of definitions for the term “cross-border commuter” therefore, a unified description of cross-border mobility is only possible to a limited extent. Using the EU-terminology, cross-border commuters or

¹⁵ *The data from the prefeasibility study for construction a Metropolitan Ring Road for Oradea Metropolitan Area*, official letter of the regional point of the National Road Authority, 2016, p. 245.

¹⁶ Gernot Nerb, Franz Hitzelsberger, Andreas Woidich, Stefan Pommer, Sebastian Hemmer, Petr Heczko, *op. cit.*, p. 7.

¹⁷ *Ibidem*.

cross-border workers are characterized on the basis of two criteria, a political and a temporal one¹⁸.

Leaning on these principles, cross-border commuters are workers including the self-employed who pursue their occupation within the territory of a Member State and reside in another neighbouring Member State.

Compared to the place of residence, nationality cannot be taken as a significant indicator classifying cross-border workers because there are cases where workers from one country move to a neighbouring state by reason of lower costs for renting and living and commute back to their home state virtually as in-commuting nationals.

Basically, the border worker or cross-national workers is mainly summarized by a short definition: national of country A, living in country A, but working in country B. In general terms this is the most common form, of a border worker. This aspect is found and valid in most of the areas where the phenomenon of working abroad but living at home happens¹⁹.

Factors for the movement of the border worker

There are a various number of factors that contribute to the mobility across the border. We can speak of factors that are perceived and generated at the level of individuals (real estate prices, shopping prices, etc.) and factors that generate mobility or support it²⁰.

This last category is generally governed by local or national authorities that want and invest in creating a more familiar space in border areas. Nevertheless, private companies can also be part of this category by creating cross border services and service infrastructure.

One of the preliminary needs when speaking of the frontier worker is a certain familiarity with the border itself and with the neighbouring culture. Going from a physical boundary an insurmountable obstacle to a psychological barrier is the evolution of the border in most cases. Even if the European Union is the integrated border land area the border retains in a mental perspective the former barriers and contributes to a cross-border immobility situation.

The cultural differences and what people see as an acceptable unfamiliarity are key ingredients for increasing the cross-border mobility²¹.

The border activity between Bihor and Hajdú-Bihar in terms of border mobility has a particular history. Immediately after 1989, and also before, the majority of traffic was towards Hungary. This is because of the fact that the

¹⁸ Eliasson Kent, Urban Lindgren, Olle Westerlund, "Geographical Labour Mobility: Migration or Commuting?", in *Regional Studies*, Vol. 37, p. 827-837.

¹⁹ *Ibidem*.

²⁰ Oscar J. Martinez, *Border People. Life and Society in the U.S.-Mexico Borderlands*, The University of Arizona Press, Tucson, 1994, p. 73-150.

²¹ Bas Spierings, Martin van der Velde, "Consumer Mobility and the Communication of Difference: Reflecting on Cross-Border Shopping Practices and Experiences in the Dutch-German Borderland", in *Journal of Borderlands Studies*, Vol. 25 / 2010, p. 191-205.

neighbouring country is the natural course towards Western Europe, because of its proximity to western cultures and values was to a certain extent more relaxed concerning public policies and public availability of goods. In the 1990's there was huge volume of border traffic driven by commercial or shopping purposes from Romanian settlements to Hungarian commercial area. The same situation happened after 2005 but in the opposite way. Due price reorganization after accessing the European Union in 2004 Hungarians living near the border reoriented towards the Romanian market²².

Conclusions

Starting from the observation that apparent abolishing of borders has not led to the expected cross-border interaction and those borders are not only tangible barriers and other concepts and factors like cultural differences, previous historic happenings and lack of infrastructure, can be a trigger or a stop button for the border worker phenomenon.

Cross-border marketing, evolution of economies, better understanding markets have limited a lot the unacceptable, the unfamiliarity and contributed to transform unfamiliarity as an acceptable barrier, therefore creating and supporting the border movements from Bihor and Hajdú-Bihar.

In order to get the people mobile, especially across borders, there should be a reason to do so, in other words, some kind of attracting force is needed. Efforts for stimulating and enhancing European integration have had not reached their set bar.

Cross-border programs and development are relevant to the extent that they do not consider the borders as almost exclusively barriers that have to be overcome. What has to be done is to make the inhabitants of the border-regions aware of these differences along the border, and consequently of each other. The other side should stay and/or be made relevant and attractive. In that case people should be encouraged to change their mental disposition towards the border, or to be more precise, towards the other side. To consider the other side, including its differences and unfamiliarity, is as relevant as it is a necessary, albeit insufficient, precondition for interaction.

Freedom in all its forms, freedom of movement of persons, goods, capital, services, in time has integrated a double function, on one hand, a fundamental value that has established all other organizational principles of the European Union and, on the other hand, an essential premise in improving the normative framework of the European Union. Of course, freedom is neither at community nor at individual level a value by itself, not even a negation of national identity or any

²² Mihai Jurca, "Frontier Worker. Isolated Phenomenon or Regional Economic Asset", in *The Frontier Worker – New Perspectives on the Labor Market in the Border Regions*, ed. Adrian Claudiu Popoviciu, Dana Cigan, Bucharest, C.H. Beck, 2013, p. 25-27.

other human needs²³. The European Union must not be built as a model of social and political organization upon the ruin of the nation states. On the contrary, the European model founded on the basic value of freedom is enhanced by re-joining freedom with social solidarity and human rights²⁴.

²³ Alexandru Athanasiu, "Foreword", in *The Frontier Worker – New Perspectives on the Labor Market in the Border Regions*, ed. Adrian Claudiu Popoviciu, Dana Cigan, C.H. Beck, Bucharest, 2013, p. 7-8.

²⁴ Anthony Giddens, Patrick Diamond, Roger Liddle, *Global Europe, Social Europe*, Polity Press, Cambridge, 2006.