FROM GOVERNMENT FOCUS TO CUSTOMER FOCUS: THE CHALLENGE FACING CHAMBERS OF COMMERCE IN CENTRAL AND EASTERN EUROPE

Robert G. Vambery and Peter Mayer

ABSTRACT

Chambers of commerce in the Central and Eastern European (CEE) countries that were recently granted membership in the European Union have an important role to play in helping to realize the economic opportunities that these countries bring to the European Community. This means assistance with the identification and realization of business opportunities available domestically for local as well as foreign companies. Chambers of commerce had and will continue to have an important role in the economic development process and in helping to find a way to fit together the pieces of the economic development puzzle. The CEE chambers will have to restructure along the lines suggested in this paper in order to be equal partners to the Western European chambers and to be able to fulfill their role within the European economic puzzle.

THE NEW CHALLENGE TO CENTRAL AND EASTERN EUROPEAN CHAMBERS OF COMMERCE

Chambers of commerce in the Central and Eastern European (CEE) countries, that were recently granted membership in the European Union, have an important role to play in helping to realize the economic opportunities that the new countries bring to the European Community. This means assistance with the identification and realization of business opportunities available domestically for local as well as foreign

Robert G. Vambery – Ph.D. Columbia University, Professor of Marketing and International Business at the Pace University, Lubin School of Business. He is a former Managing Editor and Editor at Large of the Journal of International Business Studies. He is co-editor and co-author of the book International Business Knowledge: Managing International Functions in the 1990's, and is the author of the book Capital Investment Control in the Air Transport Industry. He is the writer of numerous articles and monographs on industrial competition, balance of trade issues, debt defaults and the international marketing of large size loans. Previously he served on the faculties of the Rutgers University Graduate School of Management and the Columbia University Graduate School of Business.

Peter Mayer – Ph. D. New York University, MBA, MS, BS Columbia University, Managing Director of Econova Consulting, Hungary and Adjunct Professor at The University of Solothurn, Switzerland. He has held leading domestic and international executive positions with multinationals such as Sr. Vice President Ted Bates Advertising, US; VP Marketing Wyeth, US; President Consumer Pharmaceuticals, Ciba Geigy/Novartis, US; President, CEO, Isomedix, US; Managing Director J&J, Romania; and Director Business Development, Vistakon, J&J Europe, UK. He has guest lectured at several universities in the US and Europe and, more recently, has had papers presented at academic conferences. His focus is on helping businesses and researching and developing tools to anticipate and leverage change in the areas of global strategic management and marketing.

Robert G. Vambery and Peter Mayer

companies. They should also encourage, assist and enable domestic firms in taking advantage of international opportunities especially within the EU as well as in other high business opportunity countries in the rest of the world. [World Bank 2004]

Small and medium enterprises (SME's) especially in the rest of the world need help to understand that after becoming part of the EU the borders of their markets expanded far beyond their own country borders. Conversely, the borders of their competitors from other member countries have also expanded. Domestic SME's will find themselves on an international playing field where their opportunities will not be limited by domestic borders, nor will their borders protect their markets. Thus the primary new mission of chambers is to assist firms, especially SME's, to survive and thrive in the internationalized, *sans frontieres* business environment.

This overall role for the CEE chambers would not be a new one. It parallels the current role of the Western European chambers. In fact, an important part of the role of CEE chambers is to serve as effective counterparts and equal partner organizations to the already existing EU wide chambers, thereby being able to fulfill their EU mandate. [Schifner 1999]

The model therefore for an effective chamber system already exists. What is required then is to reform and revise the existing CEE chamber system based on the existing model. To do this successfully, it is essential to identify and address the differences in the state of development of the CEE SME's as well as of the existing CEE chambers relative to their Western European counterparts.

The Internal Challenge to Chambers

Changing an already existing organization has its own unique set of challenges that can be more daunting than starting and building completely new organizations.

One key factor impacting on CEE chambers is the highly politicized environment in which business and economic activities are pursued. Many conflicting political parties, regional and ethnic frictions battle for thin slices of a relatively small economic pie. While this is not completely different from circumstances in several Western European countries, it is more widespread and more extensive in the CEE and, importantly, there are few well-established precedents to viable *modus operandi*. [Shields 2004]

Chambers and Governments

Chambers are by definition politicized since their roles and legal status are government defined and approved. In addition, one of their key roles is to serve as conduits to the government to represent the interests of their members (especially SME's) and to facilitate business activities through the maze of government bureaucracies, rules and procedures. The current EU harmonization process has rendered this role significantly more difficult but more necessary at the same time. While the chambers' mission is to serve the needs and interests of their members, governments look to chambers to gain their (and their members') support for government policies and measures. The closer chambers work with the government, the more effective they are likely to be in representing and lobbying for the interests of their members. The government is going to be more likely to want to consult with the chambers regarding policy matters which could impact on business, especially SME's. Governments are also going to be more likely to trust and to want to accommodate the concerns and suggestions of the chambers if they regard the chambers as friendly and supportive. [Robson, Bennett 2000]

By the same token, close cooperation with the government can lead to real as well as perceived conflicts of interest. Chambers can become suspect of being or behaving like an arm or instrument of the government rather than true representatives of their members. In addition, close ties to a particular government

or ruling party is likely to place the entire chamber or its management in a suspect, if not downright adversary position *vis-à-vis* a new government. This in turn, could render a chamber ineffective or it could force a chamber to replace its management every time a new government comes to power thus creating instability and undermining strategic and operational continuity.

Though the inherent conflict of interest is unavoidable, it is manageable as shown by the Western European experience. The problem, however, is significantly more severe and more intractable in the "over politicized" environments which characterize the post communist, "early" democracies of CEE countries. [Berko, Gueulette 2003]

Bureaucracy and Instability

In an over politicized system there are two contradictory trends toward instability and exaggerated bureaucratization. The greater instability is due in part, to the large number of political parties, to the extreme range of political and economic views they tend to represent, to the frequent changes in government, to heightened reliance on populist political tactics, to wide spread corruption (or suspicion of corruption) and, importantly, to lack of experience with how to forge compromises and how to work together in pragmatic ways. [Szeleny, Townsley 1997]

The exaggerated bureaucratization is a holdover from the old, communist system as well as a defensive mechanism to avoid the potential chaos that can be caused by political instability. Communist regimes were highly bureaucratic because this provided an effective defensive and self-preservation system. In the unstable environment of the over-politicized, post communist system, bureaucracies can insure continuity in daily governmental activities. In sum, in an over politicized system bureaucracies are a necessary evil, because they can provide a structural stability needed to prevent chaos and maintain functionality and at the same time create a rigidity which resists needed changes.

Chambers in an Environment of Democracy

Chambers of commerce tend to have a long history in all CEE countries. Their transition from communist, governmental institutions to democratic, Western style and membership-based institutions can vary significantly from country to country. As a result, their current status and the hierarchy of the challenges they are facing also vary. Their overall mission and long term standards of performance are similar and are based on those governing the Western European chambers of commerce under the umbrella of the central organization called the *Eurochambres*. This is both desirable and necessary to achieve EU wide harmonization. [Bennett, Robson 2002]

The Harmonization and Integration of CEE Chambers into the EU Chambers Network

The CEE chambers became full participants in the *Eurochambres* at the same time as the CEE countries became full EU members. The Mission and Vision statement of the *Eurochambres* offers a good overview of the service opportunities that all *Eurochambres* members can in turn offer to their own corporate members in their own countries. Conversely, it also reflects the interaction which must exist between the individual national chambers on the one hand and the *Eurochambres* as the umbrella organization on the other hand in order to be able to take advantage of service opportunities these institutions were mandated to provide.

Mission and Vision for Chambers of the Expanded European Union

EUROCHAMBRES forms one of the key pillars of business representation to the European institutions. Its mission is to represent, serve and promote European Chambers of Commerce and Industry [www.eurochambres.be].

- To strengthen the voice and position of European Chambers as significant, respected, valued influencers of EU affairs on all major economic issues.
- To develop the participation of European Chambers in projects of value to business.
- To work as a network, delivering network services to our members, developing a European network of services for enterprises, and to strengthen the European Chamber network through linkages and joint programs.

The vision of EUROCHAMBRES is an enlarged competitive European Union

- Where entrepreneurial behavior is promoted and rewarded
- Where the legislative and physical environment for profitable business is the best in the world
- Where SME's are encouraged and supported
- Where competition is free but fair
- Which is open to free and fair trade with the rest of the world.

THE CASE OF CHAMBERS OF COMMERCE IN HUNGARY

Background

In order to gain insights into the current functioning of chambers of commerce in the CEE, Union Camere, the Italian umbrella chamber organization, recently sponsored a study of the Hungarian chamber system. The study provided instructive examples of challenges facing CEE chambers. More importantly, it provides guidance for what they need to do to fulfill their EU mandated roles and to optimally serve the needs and interests of their current and future members.

OBJECTIVES OF THE STUDY

There were several considerations which lead to the writing of this paper to address what the authors felt were unmet needs of growing significance. It has been recognized that:

- a) Chambers traditionally had important roles to play in assisting SME's in exploring an exploiting business opportunities. This has been a major and useful role for chambers given the limited resources of SME's
- b) There have been accelerating trends, such as globalization and *internetization* or the emergence of the *marketspace*, which opened both new opportunities for SME's and created new competitive pressures. These developments require additional incremental resources which individual businesses could not afford. As a result, chambers have a growing role which can be viewed as a resource supermarket or cooperative from which an SME can purchase or receive the incremental resources as needed.
- c) The expended scope and complexity of the services chambers are asked to provide has been challenging even for the better established and well endowed chamber systems such as Union Camere, the Italian chamber system.
- d) The chambers of the ex-socialists, new EU member countries have three challenges to face:

- e) -The first is related to the difference between the role the chambers were expected to play during the
- f) socialist regime and the new role they have been called to assume as part of the process of
- g) harmonization among EU chambers.
 - The second is related to the strongly ingrained attitudes and prejudices which exist within the chamber organizations, and among chamber members and the government.
 - The third is the challenge of having to provide ever more comprehensive and more sophisticated services in order to be of assistance to members in the emerging internet fueled, globalized business environment.

Table 1: Chambers of Commerce in Hungary		
COUNTRY		HUNGARY
MEMBER OF EUROCHAMBRES		Hungarian Chamber of Commerce and Industry (Magyar Kereskedelmi és Iparkamara)
ISO Qualification	Association	None
	Members	None
ORGANISATION at local level		4 City CCIs
at regional level		19 County Chambers
at national level Decision-making bodies and mandate		 Hungarian Chamber of Commerce and Industry General Assembly (re-elected every 4 years) Inspection Committee (every 4 years) Board (every 4 years) Ethical Committee (every 4 years)
ACTIVITIES		 Representing the general interests of business Information / Advisory Service Promotion of economic development Training Internationalisation Advisory role vis-à-vis public authorities and regions Support of business internationalisation
Performed under government mandate		 Arbitration services* Issuing of certificates* Export documentation*
(*Exclusive tasks for Chambers)		
Financing (% of total revenue)		 Members' contributions (10%) Sales of Services (66%) Government subsidies (12%) Interest rates (12%)

Table 1: Chambers of Commerce in Hungary

Source: www.eurochambres.be (2005)

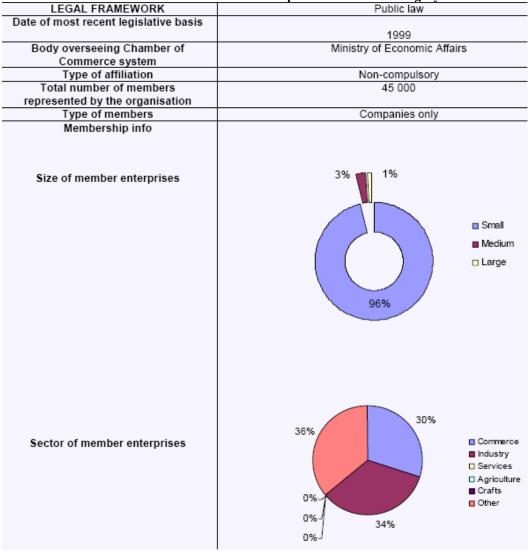


Table 2: Structure and Membership of Chambers in Hungary

Source: www.eurochambres.be (2005)

The primary objective of this study then is to expand the understanding of the specific and unique challenges faced by CEE chambers to fulfill their roles in accordance and in harmony with the role of the chambers in Western Europe within the local political, economic and social environments. Secondly, the authors attempt based on the expanded understanding gained, to generate recommendations on how CEE chambers could improve their effectiveness in fulfilling these roles.

The study is focusing on Hungarian chambers. It is felt that the insights gained here can be applicable to other CEE chambers, based on the similarities in the socio-political and economic histories of these countries under the communist system and then during the period leading up to their EU accession. At the same time, it must also be recognized that there could be significant differences among the countries in terms of these specific issues and challenges facing their own chamber systems.

RESEARCH METHODOLOGY

The research was based on a thorough review of the available literature on the subject combined with in-depth interviews of 40 percent of the existing chambers in Hungary. It included the National Chamber, which is the umbrella organization for all the Hungarian chambers, the Budapest Chamber (by far the largest of all the local chambers and which includes 60 percent of all chamber members in Hungary) and the chambers of three other large cities. In short, the study covered the chambers that included the overwhelming majority of the country's chamber members. In depth interviews were also conducted with key industry associations in Hungary as well as the Italian and British chamber representatives in Hungary.

Based on the interviews with chamber managements, industry associations, chambers of other countries and current and past chamber members in Hungary, a comprehensive list of significant issues facing chambers has been compiled. Some of these issues are a result of new legislation and of subsequent restructuring. Other issues find their roots in the over-politicized state of the CEE chamber system, the absence of a customer and service oriented culture and the deep rooted suspicion and skepticism SME's tend to have toward government supported or mandated organizations.

THE SITUATION IN A HISTORICAL PERSPECTIVE

While the Hungarian Chamber system originates in the 19th century, it lacks continuity. Its evolution has undergone drastic changes in response to the equally drastic social, political and economic changes taking place over the years.

The current system was created in the mid 1990's, financed with generous government star-up grants complemented by compulsory membership fees and lucrative service contracts provided on behalf of the government. [Lengyel 2000] The Chamber mandate was broadly defined along "traditional" chamber roles:

- responsibility for certain government functions
- interest representation on behalf of the members
- business assistance services
- international business contacts

While the new "reborn" organization successfully fulfilled some of these responsibilities, it failed to satisfy the expectations of its key stakeholders. In fact, it managed to make itself many enemies in a lot of places including among its members. This was due in part to shortfalls in the level of performance of the chambers, in part to lack of clear and realistic expectations of chamber functions and in part to abuse of the power and privileges of the professional staff and the elected executives. Some of the specific problems included:

- Given ample funding, large organization structures were established with a generous compensation system for full time staff and elected, "voluntary" officials. In the resource- poor, post communist environment, this created envy and resentment by reminding people of the privileges party and government officials granted themselves during the previous regimes.
- Required membership insured funding continuity but also created significant problems. It created resentment and suspicion towards the chambers among members and it was not conducive to developing a sense of responsiveness and loyalty among chamber employees and officials towards the members.
- In post communist societies service levels are known to be very poor in general. This problem was exacerbated by a chamber system which was not service oriented, a fatal flaw for chambers which should be service oriented by their very nature.
- In Hungary voluntary industry associations generally found themselves in competitive, noncooperative, conflicting relationships with local chambers. In Western Europe, these different

organizations have learned to separate their roles and define their mandates and spheres of activities in ways that they could promote coexistence and complement one another and prove their usefulness to their shared memberships.

- Distrust arose when some chamber employees and elected officials became involved in party politics creating conflicts within the chamber as well as with government officials as a new party came to power.
- There were indications that some chamber employees and elected officials used their positions to serve their own financial interests unfairly and often at the expense of the organization.

In response to the widespread and growing dissatisfaction among chamber stakeholders, when a new government or political party came to power, it passed revised chamber legislation which made membership voluntary and also required new elections for chamber officials.

A major consequence of this legislative change has been a dramatic reduction in membership (up to 90% in some chapters) and, therefore, in chamber revenues. As a result, chambers had to go through a drastic downsizing and restructuring process, which also included substantial reductions in the services the chamber could offer. The process shattered employee morale because of the size of the cuts and because the cuts were not implemented using objective, transparent, "best in worst out" criteria.

FINDINGS

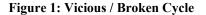
Key issues identified included:

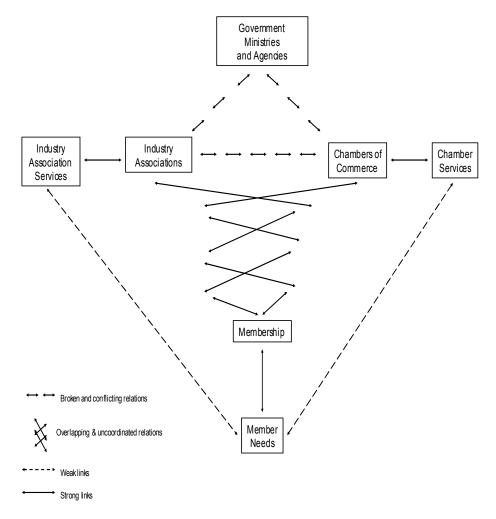
- The upheavals caused by changes (attention was diverted to addressing internal issues almost exclusively).
- Management structure was still too large relative to realistic revenue expectations and curtailed service levels.
- Some elected officials' efforts continued to reflect more self-interest than chamber member interests.
- There were no chamber wide, clear, accepted definitions of chamber responsibilities and services which factor in all the key variables such as different local chamber sizes and resources, member needs and expectations, available industry association services, government expectations and opportunities for cooperation, foreign chamber activities and cooperation platforms, current staff abilities and limitations.
- Poor image prevailed among current and, especially, past members.
- Lack of understanding and appreciation by current and potential members of the benefits and services chambers can or could provide. This reflects the limitations of SME's which, if not addressed, will hurt their viability in emerging internationalized and increasingly more competitive, sophisticated and demanding business environments.
- Many SME's focus is too narrow, short term and "survivalist". SME's also tend to suffer from insufficient financial resources and know how. This in turn creates a cycle of inability and unwillingness to consider anything that does not promise immediate benefits or that may require incremental resources. The attitude also applies to chambers and the services they are trying to provide.
- Lack of clearly defined, institutionalized relationships and mode of cooperation (1) with various government offices whose activities are aimed at enhancing small business development, (2) with industry or professional associations and (3) with the Hungarian offices of foreign chambers. As a result, such relationships tend to be people dependent and inconsistent, ranging from productive cooperation to disinterest, mistrust, rivalry and infighting.
- Lack of marketing skills and lack of appreciation of the need to "sell" current and potential members as well as all the stakeholders on the benefits of chamber membership and the value of the services provided.

- There is no formal benchmarking process for best practices and there is no formal evaluation/review process of chamber performance.
- Some of the assistance provided by Western European chambers and the International Chamber of Commerce, although well intentioned, is ineffective or even counterproductive, because it is not tailored to local needs, it is too limited in scope to make a difference or it requires more local resources than the benefits are worth.

A Breakdown in the Chambers System

The key players described in the vicious/broken cycle involving chambers of commerce are the government, industry associations and chambers of commerce. The chambers' memberships include representatives from a variety of industry associations. This implies that there is a great deal of homogeneity among members of a particular industry association while there is considerable heterogeneity among members of particular chambers of commerce. Because there may be overlaps in the memberships of the industry associations and the chambers of commerce, some members may have dual or conflicting interests. As a result of conflicts a vicious/broken cycle may develop in the relationships of chambers. This vicious/broken cycle is depicted in Figure 1.





Explanation of the Vicious Cycle/Broken Cycle Diagram

The processes involved in the interactions among the players (government, industry associations, chambers of commerce and members) include industry association services, chamber services, government program enforcement efforts and services to meet member needs. Organizationally, therefore, there are three sets of institutions but only one set of humans whom it may be possible to identify as the "members." The vicious cycle situation is generated by the weakness in the interaction between the different institutions. Its significance lies in the negative impact that such weak interactions have on the quality of the services provided to the members.

The link between chambers and government are strong but, as pointed out earlier, are fraught with potential conflicts of interest.

There are also strong links between the chambers and chamber provided services, between the industry associations and industry association services and the members and the expression of member needs.

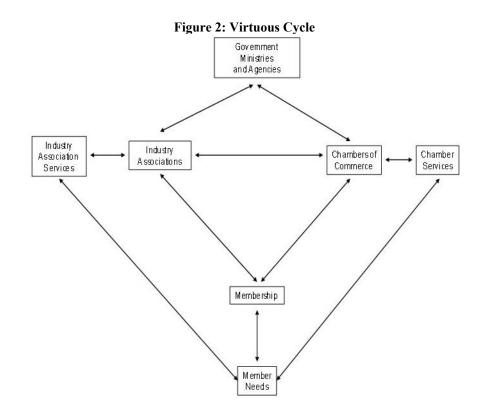
However weak links exist between government and industry associations, because these two organizations often have conflicting needs and they do not have a servant-beneficiary relationship. They try to extract benefits one from the other at each other's expense. Contrasting with this situation the relationship between the government and the chambers is somewhat more constructive, because the government tries to communicate with the members of the chambers through the chambers organization and the members try to use the chambers to communicate their need and wishes to the government. Nonetheless, in our diagram we observe and depict two important weak links: the link between the government and industry associations and the chambers.

Therefore:

- (1) In our diagram we show a primary link between the government and the chambers. The weaknesses remain because it is unclear whether the chambers represent the government's interests or whether the chambers are a conduit for the expression of membership needs to be communicated to the government. Thus a chamber can represent the government's interests or it may be a mediator between the government and the chamber members. Conflicts may be faced by chamber officials between their tasks of representing government interests to members and member needs to the government. Insufficient focus seems to be given to membership needs.
- (2) A weak link exists between government and industry associations, because their interests are often competing rather than complimentary. The industry association members' importance is diminished and the importance of their needs is not fully recognized.
- (3) A weak link exists between industry associations and chambers because their goals often have only limited complementarities. Furthermore, poor communications between them can give rise to overlapping efforts as well as to unnecessary competition between them.
- (4) A strong link exists between industry associations and industry association services; yet here again, members often serve the association rather than vice-versa.
- (5) Finally, the critical issue remains that members, especially chamber members, are not at the center but rather at the bottom of the cycle. Therefore, the virtual cycle breaks down into the vicious/broken cycle in which the membership needs are inadequately represented and served.

Constructing an Effective Chambers System

To repair the breakdowns in the relationships of chambers a virtuous cycle for chamber relationships needs to be created. This desirable cycle is shown in Figure 2.



Explanation of the Virtuous Cycle Diagram

The virtuous cycle depicts strong and constructive relationships among the government, industry associations and the chambers, because the members are at the center of the cycle and both communications and services are designed to a large degree to serve their needs.

- (1) The industry associations tell the government of the needs of their members.
- (2) The chambers are designated and mandated representatives of the businesses that make up their memberships.
- (3) Industry association services and chamber services are both geared to meet membership needs. The services are divided so that they complement each other.

Therefore:

- (1) Relations should evolve so as to emphasize the complementarities of services rather than competing or conflicting goals and to avoid mutually competing or conflicting activities. This could be best achieved by grouping shared member needs together.
- (2) Members are in the center of the virtuous cycle. The central aim is to identify and to satisfy their needs.

CONCLUSIONS

The conclusions reached based on the above observations provide useful directives to the future efforts for developing a vibrant, EU conformed chamber system in Hungary. Depending on the extent of the

Robert G. Vambery and Peter Mayer

relevance of the specific issues identified in conjunction with the Hungarian Chamber system, the conclusions reached could apply correspondingly to the other CEE countries:

- In Hungary, like in the rest of the CEE and Western Europe, there is a need for a chamber system that helps to promote industry and commerce and represents primarily the needs and interests of SME's.
- Chambers must be responsive to the felt needs of their members. Yearly performance evaluations with actionable conclusions and follow-ups are necessary.
- Chambers have to create a well-defined, productive complimentary mode of cooperation with industry associations, relevant government agencies and local branches of foreign chambers.
- Chamber systems need to be streamlined and organized to be consistent with EU region administrative guidelines, their financial resources and services provided.
- The active marketing of the benefits of chamber membership and of the value of the services provided is an effective tool for improving chamber image, encouraging the utilization of chamber services and for gaining public support. If membership is voluntary and the chamber revenues are primarily from membership dues, as in Hungary currently, such marketing activities become critical to the very survival of the chamber.

The development of an effective and efficient chamber system capable of serving the needs of SME's, fully utilized and recognized for the quality of the services provided, is an evolutionary process which requires significant time and resource commitment from local stakeholders as well as from Western European chambers and EU development agencies. [Bennett, Robson, Bratton 2001] The process could be facilitated and accelerated if the Western European chamber model would be adopted and adapted to local needs and resources and if the specific chamber which will serve as a model would be willing to play an active role in the process.

The EU, even before enlargement, could be seen as a quilt work of economies in different stages of development and in need of different policies to achieve optimal performance. The enlargement expanded the size and the heterogeneity of the EU economic quilt, creating a giant economic puzzle. Finding a way to fit the different pieces of this puzzle together is critical if the EU is to progress and thrive. Chambers of commerce have had and will continue to have an important role in the economic development process by providing the assistance needed by SME's in Central and Eastern Europe to become successfully integrated into the economy of the enlarged EU. Given that SME's represent the backbone of the EU member countries' economies, their integration is necessary in order to be able to fit the pieces of the enlarged EU puzzle together. The CEE chambers will "have to become what they must be" in order to become equal partners to the Western European chambers and to be able to fulfill their role within this larger and more complex puzzle.

Accordingly in Hungary, like the rest of the CEE, there is a need for a chamber system that helps to promote EU harmonized industry and commerce and represents primarily the needs and interests of SME's.

The development of an effective and efficient chamber system capable of serving the needs of SME's, fully utilized and recognized for the quality of the services provided, is an evolutionary process which requires significant time and resource commitment from local state holders as well as from Western European chambers and EU development agencies [Bennett, Robson, Bratton 2001]. The process could be facilitated and accelerated if the Western European chamber model would be adopted and adapted to local needs and resources and if the specific chamber which would serve as a model would be willing to play an active role in the process.

EXECUTIVE RECOMMENDATIONS

- Facilitate and accelerate the transformation of the Hungarian Chamber of Commerce into an EU harmonized chamber based on the quality of service provided and its ability to respond to the needs of its customers, its SME members.

- The Western European chamber model should be adopted and adapted to local needs and resources. The specific chamber which would serve as a model should play an active role in the process.
- Develop and maintain a well defined, productive, complimentary mode of cooperation with industry associations, relevant government agencies and local branches of foreign chambers.
- Streamline the Hungarian chamber system and insure that its organization is consistent with EU region administrative guidelines, their financial resources and the services the chambers provide.
- Actively market the benefits of chamber membership and the value of the services provided in order to improve chamber image, to encourage the utilization of chamber services and to gain broad based public support. If membership is voluntary and the chamber revenues are primarily from membership dues, as in Hungary currently, such marketing activities become critical to the very survival of chambers.

REFERENCES

Adam, Zoltan. Nemzetgazdaságtan Figyelö (National Economy Watch). May 2002. p.23.

- Bennett, R. J., Robson, P. J. A. and W.J. Bratton, Government Advice Networks for SME's an Assessment of the Influence of Local Context on Business Link Use, Impact and Satisfaction. Applied Economics, 2001. pp.871-885.
- Bennett, R. J. and P.J. Robson, "The Use of External Business Advice by SME's in Britain." Entrepreneurship and Regional Development, 2002 Vol. II, pp.155-180.
- Berko, Lili and Agota Gueulette, "Policy for Support of Small and Medium Size Enterprises in Hungary: the Case of the Central region." *Post-Communist Economies.* June 2003. Vol. 15, No. 2, pp.243-257.
- Bryant, C. G. A. and E. Mokszychi, The_New Great Transformation? Change and Continuity in East-Central Europe. London:Routledge, 1994.
- Lawrence, Craig, Park, William and Jan Paulsson, *International Chambers of Commerce Arbitration*. New York: Oceana Publications, 1990.
- Lengyel, Imre. Regionális és Kistérségi Gazdaságfejlesztés: a Versenyképesség Javitása (Economic Development of the Regions and Small Areas: Improvement in Their Situation to Face Competition). Szeged: Szegedi Tudomany Egyetem (Scientific University of Szeged), 2000.
- Marshall, Robin. "Good Business Getting Better." *The Budapest Sun.* 5 March 2001. Vol. 9, Issue 18, pp.1-11.
- Robson, P. D. and R. J. Bennett, "The Use and Impact of Business Advice by SME's in Britain: an Empirical Assessment Using Logit and Ordered Logit Models." *Applied Economics*. 2000, 32, pp.1675-1688.
- Schifner, Marianna. Az Europai Unio Kis és Középválalkozási Politikája, Harmonizácios Feladatok. (The Policy of the European Union towards SME's, Tasks of Harmonization). Ipari Szemle (Industrial Review), 1999. Vol. 5, pp.55-57.
- Shields, Stuart. "Global Restructuring and the Polish State: Transition, Transformation, or Transnationalization?" *Review of International Political Economy*. February 2004. pp.132-154.
- Smirnov, S. "Industrial Policy Problems and Prospects". Problems of Economic Transition, 2001, Vol. 44, pp.78-95.

Szeleny, Eyal and E. Townsley, "The Theory of Post-Communist Managerialism." New Left Review. 1997. Vol. 222, pp.60-92.

"The Chambers of Commerce and Industry." Euro chambers. January 2005.

World Bank, Global Economic Prospects 2005. Washington, D.C.: Nov. 16, 2004 pp.27-29, pp.57-58.