

# Assessing the innovation capacity of alternative food networks – two cases from Hungary

**Gusztáv Nemes PhD**

Hungarian Academy of Sciences, Centre for Economic and Regional Studies, Institute of Economics  
Budapest Corvinus University

[nemes23@gmail.com](mailto:nemes23@gmail.com)

## Abstract

This article presents the practical implementation of a framework for the analysis/evaluation of the *innovation performance capacity* of alternative networks in the agri-food sector in their quest to realise, maintain and spread inclusive innovation. Our analysis is based on a combination of elements from the scholarship on European rural development and the inclusive innovation literature and we build on the theoretical and empirical results of the SOLINSA FP7 research project. The central point of our reflection is the LINSAs (learning and innovation network for sustainable agriculture), that we consider as the informal setting for innovation in the context of the European Agricultural Knowledge System (AKS) (Brunori et al 2013). Thus, we concentrate on inclusive innovation for sustainable agriculture, developed in informal settings and interacting with the incumbent socio-technical regime. For the analysis we introduce: (1) *organisational dynamism* – that is the capacity of a network to develop and maintain adequate knowledge and community to support the development and spreading of innovation; and (2) *relational dynamism* – that is the capacity of a network to position itself in relation to (and interact with) the incumbent regime to reinforce and spread innovation.

For the purpose of this paper, we focus on two LINSAs case studies, giving an in-depth insight into the topic in the particular context of a transition country, Hungary, and its AKS. **G7** – an informal and voluntary network of local actors in the city of Gödöllő, a major city of the Budapest agglomeration. G7 was committed to establish a sustainable and healthy local food system, through both social learning and political action. **NATURAMA Alliance** – a loose, informal network involving 9 Hungarian LEADER Local Action Groups (LAGs). NATURAMA was first aimed at creating knowledge, learning from each other and from best practices in the EU, but soon became a strong community of practice. By today, both networks ceased to exist. However, one of them disappeared almost without a trace, while the other left a significant mark through its added value within Hungarian rural development.

Applying our analytical framework we will show what were the main factors of success and failure. We found that LINSAs are complex systems, thus there are no simple answers for our questions. However, concerning organisational dynamism, the most important factors seemed to be the individual capacities of network members, the governance system of the LINSAs and the inclusiveness of the innovation they intend to achieve. At the same time, concerning relational dynamism, the most important factors were the mode of interaction (the common ground) between the LINSAs and the AKS, the mode of innovation (radical or incremental) intended by the LINSAs and the type of actions (aimed at social learning or direct policy learning) undertaken by the LINSAs.