

An analysis of the Hungarian major cities and their territories and their opportunities of development

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1 ABSTRACT

The main focus of my research is the major Hungarian towns and their territories. „Europe needs cities and regions which are strong and good to live in” (Leipzig Charta 2007). The Charta’s quotation shows the path of urbanization’s development. The European cities are at the centre of economic development and innovation, in addition to having the concentration of population.

Development has problems like migration, disparity, crime, changes in demographic indexes, housing situations and environmental factors. The leaders of every town and major territory must be conscious of these factors when working to create adequate equality in towns and between towns in the long term.

I am using Lengyel’s competitiveness pyramid as the basis for comparing the major towns, measuring their competitiveness, and analyzing their territories.

Hungarian major towns are regional centres when compared internationally. Hungary has seven neighbouring countries; all of the major towns are close to the borders. The historical antecedents and their geopolitical placing influence these towns; and in their area people can feel the inequality in economic and living standards increasing in the country (from the east to the west). The goal of my research is not only to compare these towns, but the relationships between the towns and their territories.

2 THE DIRECTION OF CITY DEVELOPMENT – EUROPEAN TRENDS

Analysing the direction of city development using regional and sectoral approaches can shed light on the topic. Equal development of the territories is a key issue in the European Union. Many documents contain several strategies and directions. The European Spatial Development Perspective (*ESDP, 1999.*) is one of these documents, which formulates common aims and concepts for the European Union’s policy for future regional development. Spatial policy guidelines are the following:

- Development of a polycentric and balanced urban system, and strengthening of the partnership between urban and rural areas, so as to create a new urban-rural relationship.
- Promotion of integrated transport and communication concepts, which support the polycentric development of the EU territory, so that there is gradual progress towards parity of access to infrastructure and knowledge.
- Wise management of the natural and cultural heritage, which will help conserve regional identities and cultural diversity in the face of globalisation.

As a response to the challenge of globalization the ESDP was enriched with some new elements. The Lisbon-Strategy (2000) described the aim of the EU to become the most dynamic and competitive knowledge-based economy in the world; capable of sustainable economic growth with an increased number of jobs, better quality jobs, a greater social cohesion, and a respect for the environment by 2010. In the Göteborg Strategy (2000) these aims were expanded to include the requirements of sustainable development. Ministers responsible for regional development for the European Union adopted three important documents in May 2007 at an informal meeting in Leipzig:

- Territorial position, perspectives, tasks of the European Union
- Regional Agenda of the EU
- Leipzig Charta on sustainable European cities. (Magyar településhálózat.2007, 19-21).

The European Commission’s bulletin (COM (97) 1997) the „Towards an Urban Agenda in the EU” published standard concepts in reference to the development of urban areas. This document described clearly the controversial role of cities: which provide well-being, increased social development and cultural centres, but at the same time they have high unemployment, increased environmental impact, criminality and poverty. Two important objectives stand out: (1) to create the conditions of liveable cities and (2) to enhance

the role of the cities for regional development in and over their territories. This document had an issue regarding missing data related to European cities, thus it was necessary to create the Urban Audit. „*Cities for Cohesion – The Urban Dimension of European Policy*” (2002) is a policy intended to address urban development guidelines. The material clearly takes the position that the development of cities and regions is of equal importance, but also drew attention to new challenges such as unemployment, social exclusion: the position of youth, minorities, problems of migration, urban rehabilitation, safety, environmental degradation and congestion). The document also included recommendations on the basis of these findings for the period following 2006.

The professional report of the task force on *Spatial and Urban Development* (2003) did not only deal with questions of current urban development but emphasized that regional policy should pay more attention to the issues related to urban development after 2006. The substance of the ESDP highlighted the importance of the findings of the urban problems of enforcement related to the post-2006 cohesion policy, the Lisbon strategy, also emphasized that political approaches need to be taken into account.

The Leipzig Charta (2007) on the European sustainable cities summarized the principles of European urban development. The document supported an integrated urban development policy, which is the holistic approach for urban planning and the implementation of coordinated plans. The Charta declared that urban development policy must encourage innovative solutions at all levels including at a national level.

“Our cities need enough scope for action in order to perform local tasks in a responsible manner and a sound financial basis which provides long-term stability. Therefore it is important too that Member States have the opportunity to use the European structural funds for substantial integrated urban development programs. The use of these funds should be focused closely on the specific difficulties and potentials as well as take into consideration the opportunities, difficulties and specificities in the Member States. If not already provided for, local authorities should develop the necessary skills and efficiency to implement integrated urban development policies, also with a view to achieving overall quality and sustainability in the built-up environment.”(*Leipzig Charta 2007*). In virtue of the regular and structural exchanges of experience and know-how about sustainable urban development are indispensable to establishing a “best practice platform” to help the participants of urban development on all levels and in all departments. All of these objectives including the EU's Sustainable Development Strategy, the Lisbon Strategy and the European Employment Strategy are important in order to strengthen the urban dimension.

3 HUNGARY IN THE VIEW OF URBANIZATION

In the course of Hungarian history there has been a dominance of the capital. Since the 19th Century the importance of urban function has been concentrated in Budapest. After WWI territorial separation drew a new map affecting the major Hungarian towns. The most important major cities fell got outside the country's borders. Thus the dominance of the capital became even higher. In the fifties the regime changed and towns were supported mainly by the deployment of industries in particular the centres with mining and heavy industry grew quickly. The growth of these regional centres such as Miskolc, Pécs, Debrecen, Tatabánya, Salgótarján, Ózd, a bit later in Győr –, and the so called socialist towns was spectacular. The depletion of Budapest's capacity (means of production, infrastructure, and labour) brought on the necessity of moderate growth and also purposive development of the other cities.

In the early sixties these concepts were formulated in the documents of the “settlements networks planning”– and become a developmental category called “accentuated higher centres” which are now the regional centres in Hungary. The regional centres with “county status” – Miskolc, Debrecen, Szeged, Pécs and later Győr – could only manage with subsidies. These conditions caused the growth of capitals of counties that were much higher than the growth of regional centres. The capitals of these counties become the more developed towns (in particular Zalaegerszeg, Veszprém, Nyíregyháza, Kecskemét, Székesfehérvár, Salgótarján, Tatabánya) of the Hungarian framework (*Beluszky 2007*). Following the change of regime in 1999 the number of towns and subsequently the number of townspeople increased. The new towns were unevenly distributed geographically and the municipal governments were fragmented and expensive to maintain. In 1990 there were only 166 towns in Hungary and in 2007 this number was 298. In one and a half decades the number of settlements with town status increased by 79,5%; this upswing means more quantitative changes (*Magyar településhálózat..2007*).

The framework of the Hungarian settlement network in regards to population size is unilateral due to historical and geographical reasons. Given that the most of settlements' sizes are in the category of "maximum 1000 persons", but only 8% of the population is living in settlements like this. The number of villages in the category of "1000-2000 persons per village" is very high, which also represents a small population comparatively. There are only 8 major towns, which have a population greater than one hundred thousand, classifying them as a major town. Finally 10% of the population lives in a major town, and 5% inhabit small and medium size towns (with a population of approximately 10.000–50.000 persons).

Budapest's concentration of population is the obvious result of historical, geographical and economical factors. The new towns are dynamic elements of the settlement network, but cannot manage due to their size and function and their own settlement infrastructure indexes are less than they should be in relation to urban centres. The population of only 61 towns is less than five thousand persons; 54 of them received town status after the change of regime. Every fifth township has a population of more than ten thousand persons; these are all in the agglomeration of the capital of Hungary.

Roles of the borders are highly important. Most of the major Hungarian towns are close to borders. Before the change of regime borders had a role of separation, especially between the countries of the East and West blocks. Since Hungary's economy has become more open, external trade has risen and cross border connections have been renewed. There are several financial supports given to solve the problems around the borders-lines, especially for supporting co-operative programs.

4 THE PYRAMID MODEL AND THE MAJOR HUNGARIAN TOWNS

The Lisbon Agenda of the European Union describes, that knowledge and transfer of knowledge can be the key to the competitiveness of Europe. Cities are the focus of knowledge and innovation. The competitiveness of a region and area is to increase the standard of living. Lengyel worked out the Pyramid model to measure competitiveness of regions. The Pyramid model contains three interacting levels for the factors, which have effects on competitiveness (*Lengyel 2003b*).

Identification of the key determinants or 'drivers' of the competitiveness of places and designing appropriate policy interventions to shape them have become central tasks in local and regional development thinking and policy. Competitiveness has a potentially positive relationship with economic viability for geographical economies: enhanced competitiveness suggests greater economic viability (*New Horizons Programme..., 2006.*). Conceptually, there has been little consensus about the competitiveness of localities, cities and regions and their particular geographical scales of operation. Shares of export markets, the attraction of capital and labour and, most importantly, productivity have been used as measures. Gardiner et al have developed the pyramid model to break down the target outcomes, revealed competitiveness and sources or determinants of competitiveness (*Gardiner, B., Martin, R. and Tyler, P. 2004.*) This model is useful to inform the development of the determinants of economic viability and self-containment for geographical economies.

The pyramid model shows a logical structure built on regional competitiveness. The model is essential for long term development of social, economical, and environmental factors in the settlement framework. In the middle of pyramid are the basic factors for economic development. Basic categories (indexes of competitiveness) are the next steps in the pyramid model. At the apex are the ultimate objectives: standard of living and quality of life of the region's population.

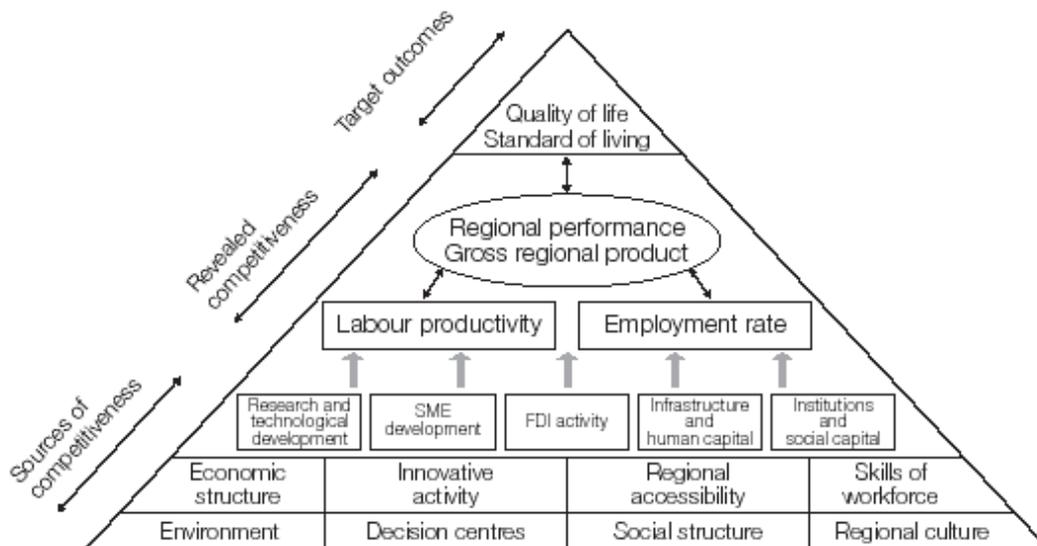


Fig. 1: The pyramid model of regional competitiveness
Source: Lengyel 2000.

This model uses categories and factors for measurement that seems to be suitable to compare counties and regions. Simple comparison is possible because of territories and basic categories basic factor indexes and long-term success factors. This method contains multiple indexes and helps measure competition; not only categories but direct and indirect factors are also important to get a complex result. The goal of this review is to get research on the competitiveness between the 18 rural capitals of counties in 2006. Figure 2 analyses the basic categories of the pyramid model (labour productivity, employment rate, etc.), which are the direct causes of success. Figure 2 shows how Hungarian towns are doing in these categories.

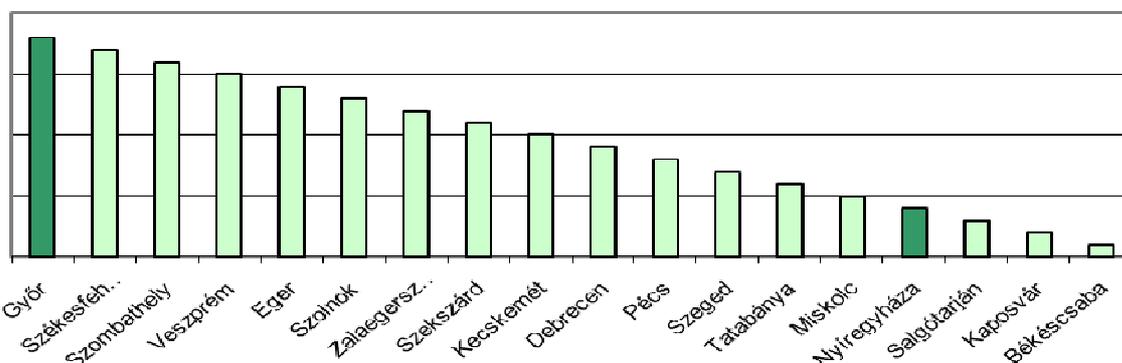


Fig. 2: Ranking of county capital cities based on basic factors of competitiveness, 2006

Obviously we can see from Figure 2 that cities in the west of Hungary did better in regards to the basic categories, and cities on east and south-east did not do as well. Henceforth in my research I am analyzing the capitals of counties in Hungary based on the other categories of the pyramid model.

5 CASE STUDY: GYŐR CITY AND SZÉCHENYI UNIVERSITY IN THE REGION

The strengths of Széchenyi István University in the Region are the following: quality training for students, the location of the University, good contact with the industrial economy of the region, and good opportunities for the students to get jobs in the region. It is really important, that the dynamically developing young University of Győr with its practice oriented engineering instruction has a close connection with the industry of the region. The University serves the area and the region, so most of the young people have got quality training and the University promotes the Life Long Learning. Besides the twelve thousand students attending university full time there are more than five thousand students learning in correspondence training or distant learning courses. E-distance learning is the newest program offered by the university. As a dynamically developing university programs are constantly being improved and contact with the companies

in the region remains a high priority. The successful applications and scientific-research programs, which include many companies of the region show that the connection between the University and the regional economy is very close. The labour market rewards the efficiency and the educational efforts; it makes it easier for graduates to get jobs. The City of Győr and the region is a motivating place for study. Széchenyi István University does not only have to demonstrate its quality on the national market but to multinational companies such as Audi, Nokia, and Philips. Due to the low amount of R&D in the region the University is taking part in more and more R&D projects. In addition the University institutes a lot of cultural programs and concerts for the citizens of Győr and the Region.

In the last few years a strong regional cooperation among the actors of the region hasn't been set out, this could have been a disadvantage for the region. To solve the problem and to develop the region an agreement was signed in 2007. The cooperation partners established the **AUTOPOLIS** involving the following partners: the Local Government Town Győr, The Chamber of Commerce and Industry for Győr-Moson-Sopron County, Regional Development Board of the West-Transdanubian Region, Local Government of the Győr-Moson-Sopron County, and Széchenyi István University. The main strategic goals of the cooperation are the following:

Aligning strategic planning and joint realisation; finding the most effective solutions to problems; starting joint development projects; ensuring the regional cohesion of the projects; raising sectoral funding; sustainable economic development (building an active town, making companies value added, and developing horizontal business); involving the social and economic actors in the regional networks; urging best-practice to realize the goals more efficiently; participating national and international cooperation networks; and effective communication.

Széchenyi István University had an important role in the establishment of AUTOPOLIS and it plays a proactive role in its coordination. Examples in foreign countries have shown that these are two important conditions for regional growth: partnership and the knowledge economy. Based on this it is clear that the establishment of AUTOPOLIS is the key to success in the development of the West Transdanubian Region and Széchenyi István University has built closer relations with the partners in the Region.

6 CONCLUSION

Cities have very important roles in the future in this quickly changing world. Most of the people are living in cities and these are the centres of economic activities, and knowledge. The Hungarian big cities are not even considered medium cities in Europe. Only the capital has 2 million inhabitants, and there are 8 other “big” Hungarian towns with more than 100.000 people. The Pyramid model shows us that major towns in the west part of Hungary and close to the motorway are more developed than other towns.

The Hungarian biggest towns needed to be in cooperation with universities, and with all the regional participants to have advantage in the world. The aim of “glocalization” plays an important role to remain competitive. This is a good example in Győr in the West-Transdanubian of Hungary, with the strong automobile industry (AUDI Hungaria Motor). What can the future hold? The answer is uncertain but what is definite is that the actors have to work together in strategic planning and constant communication with each other.

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