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## **Hungarian Spaces and Places**

Györgyi Barta, Éva G. Fekete, Irén Kukorelli Szörényiné and Judit Timár (eds.), *Hungarian Spaces and Places: Patterns of Transition*, Pécs, Centre for Regional Studies, 2005, 595 pp.

This collection of thirty three articles is a cross between a *Festschrift* for György Enyedi and a showcase for the researchers at the Centre for Regional Studies of the Hungarian Academy of Sciences. Enyedi, the founding father of the Centre and 'grand old man' of Hungarian social geography, was 75 in 2005, while the Centre itself celebrated its twentieth birthday in that year. It is difficult to do justice to so many contributions in a short review, but something of an organising theme can be constructed around the linked ideas of the 'changing slope' of spatial inequalities and the importance of the micro-region. The 'changing slope' binds together the articles which investigate changing patterns of spatial inequality as a centrally planned economy was marketised. The micro-region theme links not only articles which investigate the origins of the term in EU regional policy prescriptions but also those articles which make use of the new statistical unit to discover sophisticated nuances within the 'changing slope' of spatial inequalities. The book is divided into five sections, and it is easiest to consider these in turn.

Section One addresses regional policy and regionalisation. In Enyedi's own contribution, he begins by identifying the specificity of market-based inequalities. In socialist Hungary regional disparities in per capita GDP were not so different from today's, what is different is the social consequences of disparate economic performance: then the weaker regions had lower than average incomes but still full employment, whereas today the weaker regions have 15 per cent unemployment and 35–40 per cent of the population living under the poverty line. He then describes the rapid re-emergence of the traditional Budapest-Vienna axis and a new Budapest–Balaton axis, while warning that a 'country split in two' is an oversimplification. Zoltán Hajdú describes Hungary's position in the socialist camp and the challenges of NATO and EU membership, while Gyula Horváth

describes how the whole of the twentieth century failed to induce a paradigm shift in the socio-spatial imbalances in the Hungarian economy, despite regional planning measures with this as a goal since 1971, and the European-style Regional Development Act of 1996. He concludes that only regionalisation can modernise Hungary.

The section also contains three discussions of the origins of regions and regionalism in Hungary, by László Faragó, Ilona Kovács Pálné and Edit Pfeil Somlyódyne. While different in scope and approach, all three agree that they are an external imposition driven by an EU agenda. The first adopts a strongly theoretical perspective, the second focuses on domestic political issues and continued state centralisation, while the third dates the first regional development policy as early as 1958 and identifies legal uncertainties and overlapping responsibilities that exist within the system. Tibor Dóry discusses the importance of regional innovation strategies for regional development in this section also.

Section Two focuses on spatial processes in the economy during the era of transition. Gábor Nagy contrasts the socialist-era North Easterly-South Westerly industrial zone (which created a North-South divide) and the new Budapest-Vienna zone of attraction (which creates a West-East divide). His analysis of changing potentials between 1995 and 2001 suggests little change, the result, he argues, of the absence of a complex spatial policy at government level. Györgyi Barta returns to the change from a North-South slope to an West-East one, but through the prism of foreign direct investment (FDI) which peaked in 1995 and has declined relatively as Hungary lost some of its comparative advantage. Unsurprisingly she reports that FDI is highly concentrated (85 per cent) in the quarter of the country covered by Budapest and Northern Transdanubia (the Budapest-Vienna axis) with service sector investment more prominent in the capital, and industrial green-field investment in rural areas. Erika Nagy by contrast investigates emerging spatial patterns of consumption and in particular the determining role of the multi-national retailers. Although developments were patchy and investment was based on the purchase of existing privatised assets until about 1995, once there were clear signs of growth out of post-socialist recession, the multi-national retailers too saw the attraction of green-field investment and expanded from West to East and from provincial centre to market town.

Zoltán Raffay investigates the spatial distribution of business services, Boglárka Barsi *et al* parallel this with a study of the ICT sector, and Zoltán Gál does the same for the banking system. All reflect the West-East divide, although banks are gradually extending their (highly centralised) branch networks throughout the country, but not down to villages. Interestingly, the 'digital slope' is shown to be one of computer access only; Eastern Hungary

has quite high numbers of ICT companies. Ferenc Erdősi investigates some aspects of Hungary's new position in the European transport space following the change of system, the consequence of reorientations in trade and Hungary's distance from the super-axis of the Polish plains, Germany and the Channel Tunnel. Teréz Kovács concludes the section with a study of agriculture, both the peculiarities of its strategy for privatisation and its structure at the turn of the millennium. Her analysis of regional trends up to 2003 leads her to the conclusion that, despite a reduction in the numbers of both individual and corporate farmers, in regions lacking more adequate sources of income (such as northern Hungary and the Great Plain) individual farms producing for the market will continue to play an important role even after EU accession.

Section Three moves from economic to social trends. Krisztina Jász and Zsolt Szoboszlai focus in particular on the social land programme as a means of reintegrating the socially excluded, particularly the Roma, after establishing a spatial dimension (the familiar one) to both risks of multiple poverty and the likelihood of Roma finding new employment opportunities. Their assessment is positive, although given the disproportionate extent of Roma exclusion, it seems strange that only 50 per cent of the beneficiaries of the social land programme are Roma. Monika Mária Váradi examines the labour market disadvantage of women and the Roma at the micro-regional level: women experience disadvantage on informal labour markets and are increasingly active in the household; local authorities tacitly condone the black economy because it spares them the chore of organising public works programmes, but when they do, they cherry-pick the better workers. Judit Timár's discussion of gender, by contrast, is at a higher level of generality, but no more optimistic. Women's economic activity displayed greater regional differences than men's, and the spatial distribution followed the familiar slope: female economic activity was lowest in the most backward regions. Women were also underrepresented in politics, and businesses run by female rural entrepreneurs were based wholly or in part in the home.

The final two papers in this section focus on organisations rather than sex and ethnicity. Márta Nárai discusses the non-profit sector, pointing to some of its idiosyncracies in Hungary and identifying the same slope: most are located in Budapest and Central Hungary, most are social and cultural rather than economic, and most of the employed who are paid rather than volunteer labour are located in Budapest. Irén Kukorelli Szörényiné by contrast introduces the lowest tier of the formal planning structure in her analysis of micro-regional associations. They have been through three key incarnations in their relatively short life-span: spontaneous associations in 1989–1992, responses to PHARE and other funding initiatives in 1993–

–1996, and maturity but incorporation after the passing of the 1996 Act on Regional Development (amended in 1999) and the formal expectation that settlements within a statistical micro-region should establish an association.

Section Four, entitled 'Changing Places and Spaces,' begins with a contribution by Zsuzsanna Bihari and Katalin Kovács which convincingly demonstrates the value of analysis at the level of the statistical micro-region. Their investigation of employment opportunities and settlement category found that, while the 'settlement slope' continues to operate in favour of larger settlements, the geographical location of settlements, in particular their distance from and accessibility to dynamic centres, determined current conditions and future prospects. This results in a nuanced ten-category typology of micro-regions, extending from Budapest to regions undergoing segregation (ghettoisation) via centres with municipal and regional impact zones, commuting zones, compact regions of various kinds, regions with spas and health resorts, and crisis zones.

The next five contributions deal with urban settlements in one way or another. Pál Beluszky and Róbert Györi focus on the relative stability of the urban network, while noting that the winning and losing towns reflect the West-East slope, as does the knowledge-based innovation potential of towns examined by János Rechnitzer *et al.* Balázs Molnár and Ákos Szépvölgyi consider the impact of the global economy on Székesfehérvár, Tatabánya and Miskolc, and the same slope is revealed. Székesfehérvár in the West is a clear winner. Miskolc in the North-East is a clear loser. Tatabánya, in the West but highly industrialised, initially declines but then restructures and recovers after 1995. Viktória Szirmai and Gabriella Baráth and Krisztina Keresztély examine Budapest, the former two its architects and its global position, the latter the role of cultural investments in the capital now that shopping malls and office block developments have reached saturation.

The final contributions to the section return to the rural scene. Bálint Csatári examines rural micro-regions, identifying in particular those with small villages and those with tanyas (scattered farmsteads). Again, the same West-East slope is apparent. Éva G. Fekete focuses on Hungary's increasing numbers of small villages and their problems. Local level research permits her too to present a nuanced typology of small villages which differentiates traditional villages, those undergoing ghettoisation and resource depletion, holiday home settlements, touristic settlements, 'manorial' villages where a few entrepreneurial farmers predominate, suburban villages, 'eco-villages,' and those in transition.

Section Five of the book, on cross-border co-operations is, however, rather disappointing. The final two papers, by István Fodor and Imre Nagy,

deal with issues of environmental protection and their relevance to cross-border issues is tangential. They describe initiatives that happen to be located in border regions rather than address genuinely cross-border problems. The preceding three certainly engage with cross-border issues, but their approach is problematic. For a book that is printed in English and clearly directed at the international community, it is unfortunate that certain myths of national victimhood have not been excised from the account. All three (but Tamás Hardi's at excessive length) begin with what might be called the 'Trianon mantra': Hungary suffered an injustice in 1920 because its new borders were drawn up without consideration to the ethnic composition of the regions. This historical gloss hinders rather than helps: it is factually incorrect (ethnicity *was* taken into consideration, but it was not the only factor that was considered, and the allies did not accept Hungarian interpretations of ethnic predominance in regions which were indisputably ethnically mixed),\* and it unnecessarily antagonises readers from countries which benefited from this 'injustice.' It is sufficient to know that the ethnic composition of border regions today is complex, with minority populations on either side of the border, and that the history of how this came about is contested.

More worrying still are the findings of one study, and the subtext of a second. The contribution on Hungarian-Romanian and Hungarian-Ukrainian relations by Béla Baranyai *et al* reveals that, while contacts overall are limited, most are between Hungarian settlements in Hungary and ethnically Hungarian settlements in the neighbouring country. István Mezei's analysis of Hungarian-Slovakian relations similarly only makes sense if the reader accepts his implicit underlying premise that the purpose of cross-border contacts is for Hungarians in Hungary to talk to ethnic Hungarians in Slovakia. Much of the paper is an attack on Slovakian regional policy. Nobody disputes that Mečiar reoriented Slovakian local government on a north-south axis to minimise the number of units with an ethnic Hungarian majority. But this has nothing to do with cross-border co-operation *per se*. There is no need for Hungarian-dominated local authorities to exist on the Slovak side for cross-border co-operation to take place. Cross-border co-operation can take place between ethnic groups too; many might believe that it is precisely this sort of contact that should be encouraged. Both local actors and academic researchers, it appears, experience difficulty transcending the Trianon mindset, although, to be fair, once the mantra has been recited, the Hardi contribution concludes with some case-study mate-

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\* This view is based on the materials presented in Ignác Romsics, *A Trianoni Békeszerződés*. Budapest, Osiris Kiadó, 2001. Romsics's own interpretation is closer to the 'Trianon mantra' than his evidence suggests.

rials which well illustrate the sensitivities associated with cross-border contacts on the border with Austria.

Overall this is a fascinating compilation of essays on Hungary's regions and its spatial divide. We get both the broad sweep of the 'changing slope,' and nuanced adumbrations to complicate the picture, the changing capital, changing towns, changing villages, impacts on specific economic sectors, and impacts on social exclusion. Most impressive, perhaps, from the standpoint of rural sociology, are the papers based on local or micro-regional research that provide the complicating nuanced adumbration. As Szörényiné's paper reminds us, a planning tier has been established at the micro-regional level. But effective planning requires detailed knowledge of local complexity, such as that provided in the contributions of Váradi, Bihari and Kovács, and Fekete in particular.