

Regional policy and planning in Hungary

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In the management system of regional development decisive role is played by regional policy. The regional policy determines the long-term, strategic goals, the main directions of development and the most important instruments to be applied.

All types of regional and settlement planning should be devoted to the implementation of policy issues. This system or division of labour characterizes the basic lines followed in several European countries. However, there are essential differences both in policy-making and planning.

In most of the West-European countries regional policies are formulated by the governments and regional planning of any level is characterized mainly by physical approach. As to the East-European it can be stated that the basic issues of regional policy are primarily initiated by party bodies. In the planning system dividedness can be observed. It means that socio-economic aspects are handled separately from physical ones. This is, of course, a simplified description of the existing systems, which can be take as a frame, only. Thereafter an attempt will be made for inserting the Hungarian practice into this frame.

I. The first regional policy

In Hungary, like in several countries of Europe the necessity of formulation of regional policies, first was felt in the 60s. After a few years of preparation in 1970 and 1971 highly important documents were issued. The most important of these was the resolution of the Political Committee of Hungarian Socialist Worker's Party. It was made in 1970 and therefore this year should be taken when the first comprehensive regional policy was born in Hungary. This resolution was followed by government measures of 1971:

- Principles of Spatial Development
- Development Scheme of the Settlement Network

The first document is of socio-economic character, while the second one bears basically physical signs.

If we look at the period of the seventies and two-three years of the eighties, we can ascertain several results of the regional policy.

During the 1970's the decrease of regional differences was a marked process.

The implementation of industrial decentralization policy —combined with the decrease of labour reserves in the Central Region— resulted in a drop of Budapest's share from national industrial employment from 34.5 % to 25.8 % between 1970 and 1980. As the development of labour intensive industries (manufacturing of machinery, textiles, etc.) was given special support in the under-developed, rural regions, the regional differences in terms of the number of industrial workplaces decreased to a realistic and acceptable rate.

In consequence of this latter, long-distance commuting significantly decreased: by the end of the 1970s 70 % of all commuters could cover the distance between the settlement of their residence and that of their workplace within less than three quarters of an hour, 44 % within less than half an hour. In the mean time, agriculture underwent significant advancement and increase in profitability, thus contributing to the improvement of living standards in rural areas.

The change of the urbanization pattern was by large in line with the assumed trends and strategies aimed at a spatially balanced urban growth. Significant development took place in the major regional centres, medium-size and large provincial towns, centres of administrative counties, important industrial concentrations. The evolution of a spatially balanced urban pattern was enhanced by the special development of small towns in rural regions, including a dozen of former rural municipalities, which were raised to urban status during this period.

These trends were inter-related with a change in the migration pattern: long-distance moves involving the transformation of the broad regional structure of population during the previous periods gave way to migration at a mezo —and micro-regional scale. It resulted in a net migration gain of urban municipalities, the spatial mobility of population, however, took a new trend. The growth of the capital practically stopped between 1970 and 1980 (it was below 3 %), and was coupled by the further, substantial growth in its agglomeration ring. The growth of the five largest provincial cities (those over 100,000 population in 1970) continued, but at a much lower rate than before. The fastest growing elements of the urban system were the middle-size towns, in two of which the number of population exceeded 100,000 by 1980. Growth rate increased in the small towns - the medium-level centres of the settlement hierarchy - too, although in this category there were considerable variations.

In short, while migration of the population proceeded at a lower rate than before, it contributed to a decentralization process of the urban pattern, signified by the low rate of population growth in the capital, and a gradual shift of the destination of moves from the larger to the smaller centres. It also needs mention that the bulk (55.8 %) of total natural growth (itself no more than 3.8 % at the national total) was the share of the urban municipalities. The rapid decrease of natural growth in the rural settlements was the consequence of the deteriorating - aging - age structure of their population, resulting in turn from the large scale rural exodus of the 1960's continuing, at a lower rate, during the 1970s.

Although the rural settlements had net migration loss (and decrease in the absolute number of population) between 1970 and 1980, this general trend was a net outcome of a concentration process within general trend was a net outcome of a concentration process within the rural settlement network. Whereas there was substantial population decrease around the fast growing middle-size towns and in some, small peripheral regions, population growth began or, at least, decrease stopped in rural municipalities where small industrial concentrations were evolving, furthermore, in resort settlements, as well as around the largest cities, especially in the extensive agglomeration ring of the capital.

During the 1970s great efforts were taken to improve the services —infrastructural supply— especially in the urban areas. Housing conditions improved, and so did the quality of the existing dwelling stock. As for its size structure, the ratio of dwellings with one room+kitchen dropped from 46.1 % in 1970 to 27.8 % in 1980, and that of larger-size dwellings (with 3 or more rooms) increased from 10.7 % to 23.8 %. The supply of such basic amenities as electricity was practically 100 % in 1980, and that of running water 68.5 % (42.0 % in 1970). By the end of the 1970s all new dwellings —both urban and rural— had running water. The majority of new housing construction —both state and private— took place in urban areas, whereas in the rural settlements the renewal of the existing housing stock was the dominant tendency. The rapid increase of the number of “second homes” (weekend houses), a marked process of the 1970s also took place predominantly in the non-urban areas. The development of services such as kindergartens, nurseries, schools, medical centres, hospitals, shops, etc. was differentiated: in line with the strategy to develop local and regional centres of the settlement pattern, the majority of such developments took place in fast growing towns as well as in villages performing local central functions.

Planned urban and regional development of Hungary, side by side with its numerous, obviously positive achievements, has left unsolved —and even re-created— several problems, which became intensified by the 1980s, when urban and regional problems have become major social issues, and when the effectivity and efficiency of planned development have become of critical national economic importance.

The problems are centred around the issue of urban-rural dichotomy. The planned development of the national settlement system has been focused on the growth and development of central places, towns and cities of various size, while the surrounding rural settlements have been given little consideration. The consequence of this strategy has been that while macro-regional differences of development substantially decreased, those at the micro-regional scale prevailed. Thus, out-migration from rural communities continued, many of their services —schools, shops, etc.— got centralized. It is an additional, serious problem that this concentration tendency has not been coupled by the sufficient improvement of accessibility from the rural hinterland to the central places. The social consequence of this process has become the contrast between urban and rural living —settlement— conditions, inducing rural population to move to towns from rural settlements, which thus gradually lose their human resources. It also drawbacks from the economic point of view, as with the out-migration of the local work-force the local resources are left under— or even unutilized.

At the same time, for all the development centred on towns and cities, urban infrastructure has been inadequate to accommodate the growing population, and to provide appropriate living conditions. Although most of the resources for the development of urban infrastructure has been used for new housing construction, housing problems prevail, as new construction could not keep pace with the growth of population, and with the deterioration of the existing stock.

II. The second regional policy

In spite of the significant achievements in regional development, the early eighties brought the rise of contradictions, tensions within the regional and settlement processes.

This was partly due to the transformation of regional structures, the very rapid spatial

concentration, the increase of serious problems in certain rural areas. However, the most important effects originated from the society and economy, e.g.:

— Demographic processes changed essentially, the number of the population began to decrease, ageing continued

— preferences changed, e.g. environment came into the fore

— economic development slowed-down, the financial conditions depreciated.

The scientific community and different public forums criticized the old concepts and the situation of regional development, claimed the change of goals etc.

Parallel with these discussions, professionals—as they felt the problems, too— began the evaluation of processes and the preparation of a new regional policy.

The resolution of the Political Committee of the party was taken in 1983. The new policy was adopted by the Parliament in 1985. And that was an event of historical importance as the supreme body of the country dealt with regional policy problems. Another peculiarity was that in the resolution taken by the Parliament regional and settlement development issues appeared together, and so hopefully, the practical activities also were form a unified entirely.

The objectives and priorities of the new regional policy are the following:

The territorial and settlement development should facilitate the more affective and coordinated realization of the economic tasks, it should moderate further the territorial disproportionalities. It should contribute to the development of a more proportionate space structure of the country.

During the realization of the main objectives of the regional and settlement development it is necessary to create main points adjusting themselves to the changing conditions and to assign regional, temporal and sectoral priorities. When selecting them, the social political aspects, the material, personal conditions of the realization are to be considered.

The following main objectives and priorities can be selected:

— The space structure of the country should be formed more decentralized, the concentration processes of the productive forces and of the population should be moderated. The division of labour, the cooperation between the individual parts of the country, minor regions and settlements are to be strengthened and together with it the space attitude in the decisions of central, county and local levels as well.

— A territorially differentiated development of the productive forces and production adopting themselves to the possibilities of the given space and based on the effectiveness, innovation and selection and strengthening the local cooperation and organizational connections should be realized. The more and more valuable natural resources, the different possibilities of the individual regions of the country are to be better utilized. The infrastructural conditions and intellectual background of the production are to be essentially improved.

— The conditions of the entire and effective employment are to be improved considering the territorially different demographic circumstances. The approximation of jobs and living places and the moderation of great distance commuting should be facilitated. It is justified to create the regional conditions of a greater mobility of the labour force, the more effective employment adopting itself to the changing requirements and of its planned re-grouping and re-training.

— Improvement of the social public feeling and equity, the unjustified regional differences in the living conditions of the population should be further reduced in order to preserve the social and living security. This should be made by approximating the basic infrastructural services between the individual districts and settlements and by improving the

access of the secondary services. The wide-spread general use of healthy way of living and awaking the demand of the population in this direction should be facilitated.

An urgent task in the first half of this period is to reduce the quantitative housing shortage, to create the conditions of the healthy drinking-water supply and of education of large cohorts, to develop in more rapid pace the telephone supply of the settlements and of the population, to improve the basic health and social supply of the aged.

In the second half of the given period the wide-spread improvement of basic supply and the moderation of the qualitative and level differences between the towns and villages can take place. An important task in the beginning of the 90's will be the creation of conditions connected with the entering jobs and of founding a family of large cohorts. The conditions of the middle and high level supply can be widened and modernized in more settlements and the reconstruction of towns and urban districts can be accelerated. The more proportionate location of the intellectual life should be facilitated also by improving the infrastructural supply of small towns and villages and the conditions of transport and communication as well.

— The requirement of environmental and natural preservation should be enforced consistently when developing the production and the infrastructure. An important task is the conservation and restoration of the ecological equilibrium in spaces and settlements critical from the point of view of environment protection. The resources and tools should be concentrated to protecting the surface and ground water supplies, to draining and cleaning sewage, to alleviating the heavy conditions of strongly contaminated settlements, to utilizing the wastes and placing them in damage-free places and to reducing the environmental noise loads.

In the first half of the period an urgent task of the environment protection is the reduction of the disproportionalities between sewage drain and cleaning, the prevention of deterioration of water quality in the southern part of the Great Hungarian Plain, at the lake Balaton and in the karstic districts and its qualitative improvement later, the improvement of conditions of harmless placing of dangerous wastes.

In the second half of the period the more wide-spread improvement of the environmental quality and the essential reduction of backwardness in sewage draining and treatment can be accelerated. In most villages the placing of solid and fluid wastes by rendering them harmless will be possible.

— The settlement system should be developed proportionally in accordance with the economic requirements and the development of local independence while the medium and small towns and villages should be laid stress upon. The urbanization and the modernization of living conditions should comprise an ever increasing circle of settlements. It should be gradually attained that the settlement conditions mean no disadvantage in the employment, in selecting life careers and in the social mobility. The population retaining capacity of rural spaces and/or of villages suitable for it should be strengthened and at the same time the flow into towns should be reduced. The towns and villages, centres of attraction should be developed on the basis of dependence and coordination taking the strengthening of the demand of moving out from the towns into account as well.

— The development of special regions: territories with small villages, scattered farms, agglomerations, areas with unfavourable conditions and those in the proximity of borders, and last that of the recreational districts should be treated as a very important task. The moderation of the relative social and economic backwardness of spaces with small villages of unfavourable conditions is a continuous task demanding state support as well. The experiences gained in regions of more favourable conditions —like the Budapest agglomeration area and similar complexes of settlements— should be utilized to a maximum extent.

— In order to meet the demands occurring in the field of social and economical conditions as well as qualitative development, regional and settlement development should pay more attention to the safeguard of the already existing values, to the harmonized development of settlements and their surroundings, to the reconstruction of settlements, houses and institutions, and to the modernization and reasonable utilization of this network.

— Both management and scientific basis of settlement and regional development should be improved; the system of planning, administration and structure should be adapted to the new tasks and requirements. In accordance with the modernization of economic management and public administration systems the harmony between economic and physical planning, the role of local councils, bodies and the population should be strengthened. That's why the new system of management of councils should be introduced even in the first place.

III. Some insights into regional planning

Basic tool of the implementation of regional policy should be considered regional planning. The role of other means —e.g. regulation, incentives, institutional background— in the formation of regional development is also important, however we devote our attention in this paper to regional planning only.

not introduced. The old principles remained, some cosmetics were made mainly in connection with the relations between socio-economic and physical planning. The improvement of the interrelations was expected by the introduction of socio-economic concepts for physical plans.

The division of responsibilities remained as before: the development planning of socio-economic content is directed by the National Planning Office; the physical-ecological planning is governed by the Ministry of Building and Urban Development. The same dividedness can be observed at regional and local levels.

The planning system can most easily be presented in the below table.

	Plans made by councils	“Development” planning	Physical planning
period	long-term medium-term	long-term medium-term	long-term (partly perspective)
area	county city and more important village	country	country county special area ensemble of settlements settlement

Conclusion

Hungary has a well-prepared, adopted on a high-level regional policy, which was discussed by scientific and other bodies. The policy is well-defined and structured, flexible and clear. The system of regional planning is obsolete in many respects, it should be modernized.