REGIONS IN HUNGARY AFTER THE MILLENNIUM

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Abstract: Due to Hungary’s accession to the EU, the reduction of economic disparities is seen as a standard, widely researched topic. Several studies have been published since, focusing on the strengthening of regional cohesion and the reduction of regional differences. It is not only geography, but a variety of different disciplines that have been trying to pinpoint the roots of the problems of regions. The aim of our current study is to further clarify the notion of the region and also to identify some of the most significant elements of regional differences. In the meantime, some other important questions have been asked. Have regional differences in Hungary been leveled off or reduced in the last few years? Can we expect a significant change in this respect? Will the existing differences disappear? Research into this topic may get further impulses when the New Hungary Development Plan will be evaluated; the EU funds, their distribution, utilization and actual impact will give new topics for regional research for the times to come.

1. INTRODUCTION

The term ‘region’ is of Latin origin and it was in the 19th century that it was used for the first time as part of geographical terminology. It was then used to describe part of a larger area, a district, a zone, a province. These latter terms are synonymously used today both in colloquial and in specialist language. On the other hand, when expressing the hierarchy between them, as well as their semantically difference, their meaning is mostly defined by the special spatial terminology, used in the given discipline. Usually there is no reference as to the size of a region, but while some spatial terms may have a universal
meaning (region), some others may denote a geographical-ethnographic entity (area), some others may rather refer to an economic-administrative unit (district or province). On the other hand the term ‘region’ would be extremely difficult to allocate to any of these categories. First, because the term is rather general in itself with some hidden specific meaning, and it also expresses some degree of comprehensiveness in the background. In addition, the notion of the region is a complex one and it may denote an area, bound by its historical, economic, geopolitical, administrative, planning-statistical, ethno-linguistic or ecological characteristics.

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2. THE INTERPRETATION OF THE NOTION OF THE REGION

In the second half of the 20th century spatial research, when using mathematical and physical models, was able to demonstrate that space is structured by the internal spatial relations between settlements. These relations are reflected in the notions of centres, zones of attractions, the relationship between centre and periphery and the hierarchy of settlements as well. Consequently, regions represent complex systems, which, in addition, may include internal contents, like agricultural, industrial, cultural, and touristic spaces. Their unique and special internal characteristics cannot be directly concluded from their general characteristics; the singular (unique), the special and the general form is dialectically bound to one another in them. (F. PROBALD 1999)

Consequently, the region is the unity of settlements, which are bound together by optimal spatial and temporal accessibility, as well as by intensive cooperation on economic and cultural level. Regional centres as a rule have medium-level zones of attraction, covering parts of a country. A country comprises several permanent regions. (J, TÓTH. 2007)

József Tóth (2003) pointed out that uncertainties, misconceptions and misinterpretations, that relate to the notion of region, are mainly due to the fact, that the system of administrative regions, characterized by a top-bottom approach and reflecting power interests contradicts the notion of functional regions, which are characterized by organic spatial structures as well as a bottom-up approach.

The boundary between regions is not clear-cut, it is more of a zone than a line... From a functional and physical geographical point of view the border zone represents an isolated area with sparse population, and fewer settlements. In a functional sense countries are also separated from each other by similar areas, like mountain ranges, dry areas or swamps. Quoting the words of Gulag Print (1944) „countries’ borders are in most cases broader strips of land (limes), the joint border zone of two areas, and the borderline (finis)
between them is defined in and by political struggles. Natural borders between countries and regions and the artificially drawn national as well as administrative borders, which were brought about by political powers, often are not identical. The planning-statistical regions of Hungary, which had been brought about from the formerly exiting units, the counties, have nothing to do with the country’s natural regions, all of which have their roots in history and culture. This way the regions are only quasi regions, since they do not rely on any organically shaped region. True regions come into being as a result of geographical division of labour and so they have their own development, structure and future as well as developmental problems of their own. (TÓTH, 1906)

At the same time, it is important to create spatial units (regions) of similar size on different levels for legal, administrative and executive functions. It may lead to the situation, when in order to have the appropriate population number or spatial structure, the requirement of the optimal accessibility of regional centres may be sacrificed. It means that territorial impracticality may arise. This is why several researchers consider the ‘softening’ of internal boundaries and the establishment of medium-level, larger-than-counties regions a more appropriate solution. The questions relating to the number, the boundaries and the centre of these regions, have been discussed for a long time and these debates were especially heated prior to Hungary’s accession to the European Union. The aim of the administrative reform was to draw up regions, which met NUTS 2 requirements, preferred by the European Union’s policy of regionalism and cohesion.

Attempts for regionalization were strengthened by the opening up of European financial funds as well as by the country’s favourable internal political developments. In order to comply with regional objectives, the majority of the Member States of the European Union established a regional structure based on administrative structure. Since within the EU the region represents a framework as well as a tool for the re-distribution of money from European funds, and also because there are no specific rules as to the administrative structure of member states, the developed countries tended to establish a NUTS 2 network of administrative units, which consisted of a larger number of smaller-size regions. On the other hand, less developed countries were in favour of a smaller number of larger regions, since it made it possible for their central regions to merge with less advantageous regions and thus be eligible for funding. (NEMES NAGY J. 1998a)

By the definition of Act XXI of 1996 on regional development and regional planning, the region is a unit covering one or more counties (the capital), or a particular area thereof, bordering on the administrative borders of those counties and which is managed jointly from social, economic or environmental aspects. Also, it represents a level between the national and the local levels (regional level) and it can be examined from administrative and non-administrative (statistics and planning) point of view.

The research into the regions as economic units has always been expedient and society-oriented. Its basic aim has been the complex analysis of geographical processes, the exploration of their interrelatedness, and the temporal and spatial investigation of the relationship between humans and their environment, as well as the qualification of environmental factors. A basic requirement of regional research is to monitor real-life spatial organizations and to make the results comparable and easy to manage. It is impossible to disregard the fact that there is a unique environmental system for each social phenomenon. Regional research cannot restrict itself to identifying the individual factors,
since they investigate the interrelatedness of social, economic, infrastructural and natural spheres from the point of view of the already existing regions.

3. TOOLS AND METHODS

Our survey, relating to the early years of the new millennium, focused on the seven regions, which had been identified by Hungary’s Central Statistical Office (KSH) in 1998. These regions include Southern Transdanubia, Western Transdanubia, Central Transdanubia, Northern Hungary, and the regions of the Northern Great Plain as well as the Southern Great Plain. Maps were used to investigate regional differences in a 10-year period, and basic indicators were considered. This paper will focus on the most significant indicators. Considering data, published by VÁTI (Hungarian Public Nonprofit Limited Liability Company for Regional Development and Town Planning), possible changes were investigated in relation to the GDP/capita in the period from 1997-2007, as well as differences by settlement in personal income tax/capita by settlement. Finally, the rate for permanent unemployment was considered by settlement.

4. RESEARCH RESULTS

Economic and social development has proven uneven both in space and time. The differences, concerning regional development, go back to numerous factors, including the availability of natural resources, the density and the educational level of population, the presence of innovative labour force, the development of transport and cultural heritage. After the changing of the political system the role of spatial dimensions, as well as of regional and local characteristics have strengthened, a fact, that contributed both to the dynamism of economy on the one hand and to the appearance of elements of crisis on the other.

First our attention was focused on changes in the GDP/capita on the regional level in the period from 1997 to 2007 (figures 1 and 2). The relevant maps indicate the persistence of existing social and economic differences. No change could be detected as to regional differences. It was only two regions that changed position, but the main trends remained the same. On a short-term basis there is no chance to reduce the disparities. Central Hungary is in a disproportionately advantageous position in the service industry; two thirds of industry’s total gross added value was supplied by the three regions of Central Hungary, Central Transdanubia and Western Transdanubia. (VAJSZ T and PUMMER L. 2004)
In the period of social and political changes after the changing of the political system in Hungary the influence, that the artificially sustained and subsidized branches of economy and the homogenous system of salaries and wages exercised on regional processes, ceased to exist. This situation led to the growth of regional differences. (J. NEMES NAGY 1998b) There is interrelatedness between the population’s financial
situation and their personal income tax. Consequently the changes concerning the income tax by settlement can describe regional processes (figures 3 and 4). According to former investigations, the period, following the changing of the political system was characterized by the economic dominance of Budapest, western Hungary and the larger towns. (É. RUTTKAY 1997)

Fig. 3 Personal income tax per capita by settlement in 1997 (Source: VÁTI TeIR. Edited by B. Horváth)

Impozitul pe venit/loc. pe așezări, în 1997
Our maps illustrate that the external peripheries along Hungary’s eastern border, as well as the inner peripheries, which are distant from the dominant spatial centres, feature a low level of income tax and a high rate of permanent unemployment. In accordance with the former ideas on this issue, our research also concluded that the advantageous geographical location, as well as an appropriate road network will have a favourable impact on the relative income level of inhabitants. (J. NEMES NAGY et al. 2001)

As it is attested by the maps, from the group of regions with economic and social disparities the most prominent ones are those agricultural areas, which consist of small settlements and have no nearby centre in their vicinity. Parallels with the decline in employment in agriculture, unemployment figures were rising and neither industry nor services were able to offer workplaces. Such an area can be seen — among many others — in the western and northwestern parts of Veszprém County, in the eastern section of Vas County and in the northeastern corner of Zala County. The ‘ordinary’ peripheries, that is, the border zones (Á.PÁL 2003) can also clearly be identified, as well as the areas with small-size settlements and those, struggling with transport inadequacies. Those areas, which formerly had benefited from their border zone location, were getting into an unfavourable situation; examples include the southern and southwestern microregions of Zala County. (Situational advantages tend to ‘dissolve’ with time). Significant changes can be seen in the southwestern and western regions of Békés County, where the relatively unfavourable situation is getting even worse.

Fig. 4 Personal income tax per capita by settlement in 2007 (Source: VÁTI TeIR. Edited by B. Horváth)
In summary, on the basis of the above figures it can be stated that the position of backward regions has been worsening, or it is stagnating at best. Inner peripheries can be found on various levels, but no change for the better has been detected on the level of microregions.

Recently several studies have been conducted in order to identify the possibilities for the elimination of regional differences. In this respect it was the national and European financial resources and the ways of their utilization that have been focused on by researchers. Regarding national resources, decision makers have tried to consider regulations, specifically dealing with the situation of backward regions. Despite this attempt, as it is attested by the maps, no significant change occurred. True, the time frame of the research has been limited; consequently the synergies of all developmental processes cannot yet be fully identified. Regarding EU funding, it can be stated, that backward regions cannot as fully and efficiently utilize European resources as their more developed counterparts. This situation poses the question whether or not EU funds have the desired potential for eliminating differences. Research into this topic may get further impulses when the New Hungary Development Plan will be evaluated; the EU funds, their distribution, utilization and actual impact will give new topics for regional research for the times to come. The analysis of impacts, the counterbalancing of regions, the strengthening of regional cohesion are all tasks, experts need to deal with in the future to make it possible for
the decision makers to see the endeavors for the lessening of regional differences as priority.

REFERENCES


