# OPPORTUNITIES OF NEW TOWNS - THE EFFECTS OF GAINING TOWN STATUS ON THE SETTLEMENT SYSTEM IN NORTHERN HUNGARY

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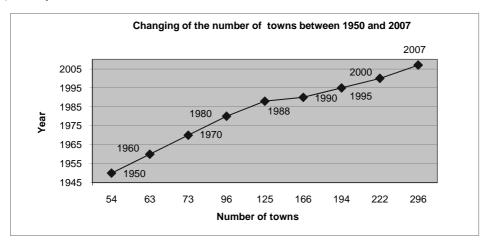
### Abstract

The paper discuses an important process related to urbanization – the granting of town status for village-type communities from Northern Hungary and assesses the implication of this process for local economic development. The paper presents several mini case studies of different communities which have applied for town status and discusses the steps taken by those communities. The conclusion of the study is that despite non-questionable benefits for those communities and the entire region which is under-urbanized, the situation is far from simple. The entire process is highly political and future developments are not completely predictable.

### 1. Introduction

When analyzing the situation of the settlement-system of Hungary, the most obvious change can be seen in the field of towns. According to 1995 data, 62.8% of the population lived in settlements that had the rank of a town (Beluszky, 1999, p. 310). It meant 6.43 million people at that time. The changing of the ratio of urban inhabitants has been continuously noticeable since the XX century, it has started for several reasons at the beginning of the century. In the end of the 1940s, forced urbanization commenced by means of socialism that resulted in a significant growth of the number of towns. There was no overall urbanization, according to Pál Beluszky after the system changed; Hungary was moderately urbanized compared to the rest of the Eastern Europe (Beluszky, 1999, p. 311).

For the authorities it had always been a strategically important issue to form towns, at the same time competitions started among settlements to gain the rank of a town. In 1945 there were only 52 towns in Hungary, in 1984 there were 109, and in January 1990 there were 166.



**Figure 1:** The change in the number of towns in Hungary between 1950 and 2007 **Source**: Based on Szigeti (1997, pp. 69-70)

The process of granting town status has been reformed after the system change. According to the XLI Law of 1999 on the methods of location planning, the representative council of a *large village* can initiate granting town status, and it has to assume the tasks of an urban local government. For that, the council makes an "application" to present the development and regional role of the settlement in different aspects: the role of the settlement in the region, cultural and historical traditions possessed. Furthermore the society, the economic state of development and the institutions must be examined too. Then the settlement presents the application directly to the competent minister. The ministry commonly analyzes the criteria of the regional role and the development of the area. It is very important to illustrate the support of the

local society. In several occasions the process of granting town status resulted in a controversy of the local society, for a long time (often 5-6 years) the mayor and the council of representatives, who initiated the process, had the to reach overall support and convince the inhabitants.

The struggle to get the rank of a town was justified in light of the benefits the settlement could gain: urban institutions, administration and a certain level of decision-making. In the socialist era assigning the rank of a town to a community had strict requirements. At that time the number of settlements with the rank of a town was lower, than the ones with the role of a town, because several villages possessed urban functions, some of them were district centers. In the middle of the 80s, the number of settlements with the rank of and the role of a town was nearly equal. However after the system changed with the high number of donating town status the balance had disappeared. Nowadays several settlements with the rank of a town hardly have urban functions. Pál Beluszky calls these settlements "village-towns" (Beluszky, 2006, p. 65). According to Pál Beluszky and Róbert Győri (2006, p. 68) the town-system is remarkably stable in Hungary. On the basis of their surveys we can say that the number of towns in the different hierarchical levels has hardly changed.

Winning town status was an important step in the life of a settlement. It was a gauge of development, and the settlement got new opportunities to develop. The aim of my study is to analyze the regional role of those settlements, which have won town status since 1990 in Northern Hungary, particularly their effects on settlement-system and on local (settlement, district and region) society.

Main fields of analysis:

- a) The process of granting the town status in Northern Hungary. Town status: acknowledgement of development so far, or a new period of development?
- b) Granting the town status: was it catalyzing and/or multiplying for the economy and the society of the settlement? Has the life of people and communities, and organization of society changed?
- c) Has the relationship of the (new) town and its periphery changed? (Faragó, 2006, p. 83). Has the earlier presented (in an application) regional role of the town really strengthened?
- a) The process of granting the town status in Northern Hungary. Town status: acknowledgement of development so far, or a new period of development?

The area of Northern Hungary is 13430 m²; it makes 14.4% of the country (based on KSH data, KSH, 2007). On January 1, 2007, 39 of 605 settlements had the rank of town. In 2007 this number increased with one more, so now the region has 40 towns. It is a special fact that among the regions of Hungary the ratio of urban population is the lowest in Northern Hungary, only 51%. Grantings of town status have concerned several settlements with low population. At the beginning of 2006 more than half of the towns had less than 10.000 inhabitants on one hand because of granting town status to settlements with low population and on the other hand due to the decrease of population of settlements already possessing town status.

In Northern Hungary from 1990 to 2007, 15 settlements had been granted town status. Eleven in Borsod-Abaúj-Zemplén County, three in Heves County, one in Nógrád County (Table 1). As in the other regions of the country, in Northern Hungary it is a tendency that in the first year of an electoral term only a small number of settlements won town status, while in the last years this number is much higher. In 1991, 1992 and 1993 only one town was "made" in each year, so was in 1996 and 1997. In the region the number of communities which received town status has increased after 2001, but particularly after 2003. While during the time of the Orbán-cabinet only 3 new towns appeared (in the end of the term), during the time of MSZP-SZDSZ cabinet(s) there were 7. Analyzing only the data does not make a clear point, but it is sure that the decision of the President of the Republic was made only after the proposal of the minister and the opinion of the counties. (Note: the last mentioned is more or less symbolic, and makes formal opinions.) On the data and the implementation of law we can draw the conclusion that winning town status still needs the grace of the central power (Trócsányi, Pirisi, and Malatyinszki, 2007, p. 18).

In fact the opinion of the professional committee (supported, worth considering, not supported) does not constrain the minister. This procedure generated numerous debates in the region. Researchers have found out that granting of the status must be unique. But it makes it subjective (and suggestible). Further research is needed to found out how much the application was supported by interest-influence and lobbying of MPs, famous people who were born there, known patrons etc. This study does not cover it.

**Table 1**: New towns of Northern Hungary

Borsod County	Year of granting town status
Abaújszántó	2004
Alsózsolca	2007
Borsodnádasd	2001
Cigánd	2004
Emőd	2001
Fels <b>ő</b> zsolca	1997
Gönc	2001
Mez <b>ő</b> csát	1991
Nyékládháza	2003
Pálháza	2005
Szendrő	1996
Heves County	Year of granting town status
Bélapátfalva	2004
Kisköre	2005
Lőrinci	1992
Nógrád County	Year of granting town status
Rétság	1993

The granting of town status was initiated in much more settlements. Studies revealing urbanization processes considered several settlements to be a probable

winner of town status in the region. This prognosis was not the same order in the three counties. While in Borsod-Abaúj-Zemplén and Heves counties there were (are) numerous aspirants to town status, in Nógrád County it is almost impossible to grant town status for a settlement. Not only the difference of population causes it, so we cannot say that the cause of the difference of granting's town status is that the settlements in Nógrád County could not became large villages, because Pálháza (Borsod-Abaúj-Zemplén County), which is a town since 2005, hardly exceeded the number of 1000 inhabitants (1114 people). In the case of this settlement the regional role and central functions were the main reasons for winning town status.

Based on a 1996 survey (Beluszky, 1999, p. 310) granting town status was recommended to more settlements in the region. In the Heves County, in the case of Parád, they were referring to its central role for traveling, in the cases of Recsk and Kál due to their central roles. The peculiarity of the situation is that Recsk and Kál are neighboring settlements. It was the earlier practice on a national level that if two or more settlements depend on a similar level in a given area, and supplies the central lines divided, the commission recommended to declare both settlements to a town. From among these - based on the ministry's proposal and the decision of the President of the Republic - only one may have been town finally. This developed some other way in the case of Parád and Recsk, neither of them finally obtained the town status. Earlier Kál had a common large village council with Kápolna and Kompolt, which were totally been built into Kál. The three settlements separated after 1990, and this onto long years yielded the multitude of the lawsuits of property distribution. In the other county of the region - in Borsod-Abaúj-Zemplén County - already in 1996 more towns were found probable winner of town status. Most of them obtained the rank, but Tállya, Rudabánya and Tolcsva. These three settlements according to Pál Beluszky belong to the so-called other type (Beluszky, 1999, p. 311). Specific of the situation is that near the settlements, other settlements with agglomeration and configuration character (Abaújszántó, Gönc, Szendrő) were granted the status. In 1996, in Nógrád County no (large) villages were found to be proposed for town status.

The settlements that obtained town status between 1990 and 2007 emphasized their development turning up already in their applications. It was emphasized that their settlement picture is town-like, the standard of their services and their institution supply are good. Additional developments were wished to be started with the gaining of town status, newer service areas would be possible to be accomplished. From the text analyses and to the databases attached to them, on one hand the development and on the other hand the areas which can be developed and development intentions should be highlighted. In this sense the town status is rather a springboard and a possibility to strengthen their centre situation in their area. That is why their wish was to be developed already as a town. The regional central role, which promoted the settlements turning into a town, is not simply a tool, but an existing contact area. Nowadays it is less and less possible to create an objective town concept, in which they become a town for the surrounding settlements.

b) Granting the town status: was it catalyzing or multiplying for the economy and the society of the settlement? Has the life of people and communities, and organization of society changed?

The motivation for initiating the process of granting town status was often the aim of creating additional development possibilities. A study (Trócsányi, Pirisi and Malatyinszki, 2007) argues that the aim is more important than the beaten path, indicating whether the settlement was granted town status or not, during the process transformations were done, that are achievements themselves and they can be catalysts of additional developments. The experience indicates that real results appear after winning the town status. I would like to illustrate the image of the settlements that changes itself and affects the society.

For Bélapátfalva, which was a market town already before 1761 the real development has come with its mills, and paper factories. You can feel the influence of the industrial character from that time on the settlement. Since 1910 a cement-factory worked here, and since 1980 a new cement-factory (closed in 2001) provided job opportunities for the residents. CSR activity of the factory was considerable. From 2001 the future of the closed factory (and the area) was uncertain. After winning town status in 2004 the Bélkő Regional Development PC came into existence, and the industrial park was opened in 2005. Three proprietary groups appeared there: Local Government of Bélapátfalva, another 7 local government of the district and the Bélkő PC. The local government developed an entrepreneur-friendly face with its numerous orders, for example: collects trade tax exclusively, and provides a charge free investment area for those new undertakings, that provide jobs. Beside these it provides a good infrastructure to the undertakings. So in the settlement several producers and service provider units appeared with different industrial activities: food industry, metallurgy, wood processing, or printing industry. The closed cement-factory meant a serious problem for the local society; the chances of employment were very low. The struggle for town status got a general support hoping that a town can lure additional investors much more easily into the area. The new undertakings made new workplaces, and they contributed to the reduction of the high unemployment rate. There were no big transformations experienced in the society of the town after 2004, but the inhabitants claim that their stirring from the deadlock was the grant of town status. There is a primary school in the settlement, since 2007 an affiliated department of foundation high school of Eger. There are foundations, associations according to the Hungarian actualities, educational, traditionalist and sports clubs.

The situation of another settlement in Heves County, Kisköre, differs from the previous. Lake Kisköre was made a town by Lake Tisza in fact. The peculiarity of granting town status was that another settlement at Lake Tisza raced for town status: Abádszalók. These two settlements are considered as rivals for a long time, and it was questionable which one will be the capital of the lake, and with it the capital of local tourism. Finally both of them became towns. Kisköre is the most visited at Lake Tisza due to its campsite, and its free beach is always kept in order. Winning town status

did not contribute to the increase in the number of the services significantly; we may experience the earlier tendency then. Most undertakings are food and catering trade investments, 82% of them work as an individual undertaking (Publication of KSH Directory of Miskolc, 2006). However, there is no doubt that the inhabitants are proud of on the fact that their settlement won the town status; the developments would have been achieved anyway. The summer cultural and free-time events (angler competition, bicycle competition, international triathlon, motorcyclist meeting, folk-festival etc.) are related with the geographical position of the settlement, not with the town status. The town status was rather a matter of prestige. Its school provides educational opportunity not only for local children, but for ones from neighboring settlements. Apart from this there is an active organization of civil society: 15 organizations have worked already on the settlement according to 2004 data, the town status did not bring growth.

Alsózsolca (Borsod-Abaúj-Zemplén County) is the youngest town of the region. Nearness to Miskolc always affected the settlement significantly. The nearby settlement, Felsőzsolca has already been granted town status in 1997, it happened with Alsózsolca 10 years later. The privatization of firms also happened here after the change system. In the factories, which were workplaces as well, had been closed: the house factory ERDÉRT, just like the concrete element manufacturer company as well. So unemployment was moderate until the end of the 90s. The change has come in 1999, the foundation of the Miskolc-Alsózsolca Industrial Park Ltd. forecasted the town status. Primarily middle and big companies settled down here. The reason for granting town status was the perceptible claim from the local population for additional development of the services (KSH, Directory of Miskolc, 2007). An important aim was to have an own determining image. The local society felt the benefits deriving from the town status an increased number of workplaces and services.

The smallest town of the region is Pálháza since 2005. The population always felt that the settlement possesses a central role. Despite the fact that there are only 1100 residents, the number of primary school students moves around 270, of course with those who arrive from the surrounding settlements. The infrastructure developed significantly after winning town status. Currently several indicators are higher than the district and county average. For example: number of cars, number of telephones. The real development has come with the growing number of undertakings. Ninetyfour (!) undertakings can be found in Pálháza (KSH, Directory of Miskolc, 2005); the majority of them are not individual undertakings, there are 7 which employ less than 10 people, and there are 7 firms that employ more than 10 workers. The different services of the settlement are developed. There are 26 retail businesses, a petrol station, a restaurant, and a commercial accommodation with more than 100 beds. All of these helped the settlement to strengthen its earlier regional position and to legitimate its decisions on the behalf of the society.

c) Has the relationship of the (new) town and its periphery changed? (Faragó, 2006, p. 83) Has the earlier presented (in an application) regional role of the town really strengthened?

Town status affects the direct and indirect environment on several areas. László Faragó mentions in another concern of the urbanization, that: "towns concentrate and use development sources in an increasing measure, at the same time to the content of the country changes" (Faragó, 2006, p. 83). It can be found in the transformed relationship between the town and the country. A rustic town character is more and more perceptible in new towns, so is in the related rural settlements and the manifoldness of the relationship with the surrounding villages.

Most of the new towns in Northern Hungary were regional centers. Rétság (Nógrád County) was a traffic, commercial, administrative, cultural and medical centre for its surrounding settlements. Lőrinci (Heves County) was in central situation in the field of employment and vocational training. The special situation of Bélapátfalva (Heves County) had come with cementfactory existing since 1910. Several commercial firms were in connection with the factory through decades, so the central character of the settlements was expressed in both the producer and service sectors. The regional central role was quasi-necessary for Borsod-Abaúj-Zemplén County for town status. One of the most typical examples is Pálháza, in which hardly more than 1000 residents live, while it gives educational opportunity for 270 children. Before 2005 the attraction of this settlement expanded on 17(!) settlements with its industrial, commercial, traffic, travel, educational, medical and social services. The development of settlements near Miskolc (Emőd - that was a market town until 1871 -, Nyékládháza, Alsózsolca, Felsőzsolca) was determined by the largest city of the region in a positive and in a negative sense as well. The city, as centre of the industrialized area hardly gave room for the new endeavors, at the same time the existing industrial centers of the city had significant effects on the urbanization of the settlements: the number of the population grew significantly in these settlements in the 90s.

It is necessary to examine the industrial activity of Borsodnádasd, Mezőcsát, Abaújszántó and Cigánd. Borsodnádasd as quasi the only industrial centre of its district, with its metal-sheet factory and mines, provides work for not only the inhabitants but for the ones living in the settlements nearby. Mezőcsát was earlier a traditional agricultural settlement the milling centre of the district. It became a large village by its steam mill and book press. Abaújszántó had already had town status until 1902, beside Kassa it was the second largest settlement of Northern Hungary at that time. Its district central economic role had remained significant after the Treaty of Trianon. Cigánd, as the only town of Bodrogköz, unambiguously possesses the central role. It is the commercial and industrial centre of several settlements. In this relationship not the traditional town-village contact is meant, the exchange of industrial and agricultural products is not going on between two (or more) settlements any longer. That is why it is important to treat settlement- and regional development together: so not only a settlement (town) must be developed, but its neighborhood as well. Micro-region co-operations must be accomplished according to that. It does not mean a one-way relationship in Northern Hungary, the town and its neighborhood have always shared interests', common developments, common applications and undertakings.

A good example is the cooperation of the district of Bélapátfalva, on the area of the former cement-factory several undertakings (registered not only in the town) appeared. The area's sustaining force increases by this contact, production becomes more economical, sustainable development not only lives in thoughts. It would be optimal if the new town would be able to provide workplaces for the residents of the surrounding villages. It has come less true on the analyzed areas, the increasing unemployment in the 90s often made it difficult to provide workplaces for its own inhabitants. Creation of new towns not only modified the life of the settlement, but the life of the surrounding settlements as well. So the country and its town are going to live in a special symbiosis. Additional development of the town is in the interest of the country, so services appear that had not been available before town status. Moreover in the villages these services (e.g.: day nursery) could not be provided for the inhabitants. Villages often change functions, they produce less agricultural product for the town, but they serve as a residence for the inhabitants of the town. This function change in the region of Northern Hungary is strongly perceptible: they often appear as a "sleeping settlement", or they establish zones, of which urban acceptance would be low.

In a 2006 study László Faragó characterize the relationship of towns and their environment aptly (Faragó, 2006, p. 84). The "future of settlements near towns is fundamentally influenced by their relationship. In fundamentally rural districts, where the town is primarily the administrative, service provider centre of its country claims of rural area dominate, towns develop according to the needs of its country".

Regional relationships presented in the application were real and strong. This relationship could improve on those settlements where the town was able to provide new services for villages to increase its integrating power. They could start newer developments. Pálháza, which has the lowest population among newer towns, (after winning town status in 2005) could provide higher level industrial, commercial, traffic, medical and social services for its 17 neighboring settlements, thanks to its infrastructural developments.

# 2. Conclusions

The change of the rank of the settlement is an essential step but the determination is also important, because of planning and over thinking of the development of the settlement (and its environment). The application makes this reckoning and the acquisition of social support compulsory. It is necessary to form future – this was the recurrent motto of the applications. It is interesting to examine the question that how and on which cleavages does the interest of becoming town aggregates and articulates. But the analyzis of planning processes was not an aim of this study.

The examined settlements of Northern Hungary regions emphasized the importance of their central role in different documents (town status applications, term programs), later it was found out that with the change in the rank of the settlement they wish to strengthen it. But in the case of centre settlements and the surroundings, which was earlier called town or village lifestyle the difference could not be experienced.

The urban and rural differences disappear mostly because of granting town statuses after 2003 and the spreading rustic towns.

László Faragó (2006, p. 86) considered the definition of the development potentials important. In his opinion those settlements that have additional role in the area, which functions are expandable and their multiplier or catalyst effects are perceptible in different number of settlements, can be selected consciously from a political resolution. Conscious development builds upon the existing conditions, but concentrates on the elimination of the deficiencies, on the solution of problems and on the formation of things not existing yet.

Of course, central developments affect the society the society of the settlement can be transformed, so can the relationship with the neighboring settlements. Urbanization in Northern Hungary is under the national average. Granting of town status is beneficial for local governments and for the central power. Local governments are strongly motivated, but the central power uses the development of the rank of the settlement for the development of clientele. In 2008 in the region a new town was born Rudabánya, in 2009 Mezőkeresztes and Sajóbábony: town production from the villages continues.

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