

Urban decay and urban renewal in Budapest and Vienna, a comparison.

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Abstract: Urban decay is a problem common to all large cities having grown quickly in the Founders' Period. Vienna and Budapest offer themselves for a comparison based upon the differences in the political system after World War II.

In Vienna, the 'potential urban renewal area' contains approximatively 40 000 buildings, Budapest's 'urban rehabilitation area' just over 6 600. Independent from the size of the decay phenomenon where about 10 000 buildings are affected by decay in Vienna a dispersed pattern of decay predominates. In Budapest there are slum areas proper. CBD and slum formation meet directly.

In Vienna a centrally organized municipal socialism was quite succesfull to solve the problems of urban decay by instituting a three-level-system, contributed to by the state, the houseowner and the tenants, with the last one mentioned being most successful by means of a sort of 'mini-public-private partnership'. Based on the 'Dwellings Improvement Act' more than 170 000 dwellings were renovated.

Due to the nationalization of the rental housing stock the important group of house owners agent with respect to renewal went missing in Budapest. Consequently only a fairly small number of flats (12 000) were substantially renovated from 1970 to 1990.

With the recent political reforms the construction of housing an urban renewal organized by the state came to an end in Budapest, and privatization is speeding up. In Vienna urban expansion has top priority in the authorities' programs and a new social program is well under way.

Key Words: Vienna, Budapest, Founders' Period, blight phenomena, urban renewal, urban redevelopment, political reforms in eastern Europe.

1. Introduction

Comparative metropolitan research did not take up the subject-matter of urban decay until fairly recently, though the necessity of a renewal of the rental housing stock in the densely built up areas of the Founders' Period is a worldwide one in all large cities that grew rapidly in this era. They are confronted with an alarming extent of decay of the building stock in the inner cities, and such large areas of decay are also to be found in the central cities of the countries of the former Eastern bloc.

For various reasons Vienna and Budapest offer themselves for a comparison. In the Austro-Hungarian Monarchy they have had a historical development in common for several centuries, but in the post-war period their respective development differed widely due to the separation of Austria and Hungary by the Iron Curtain.

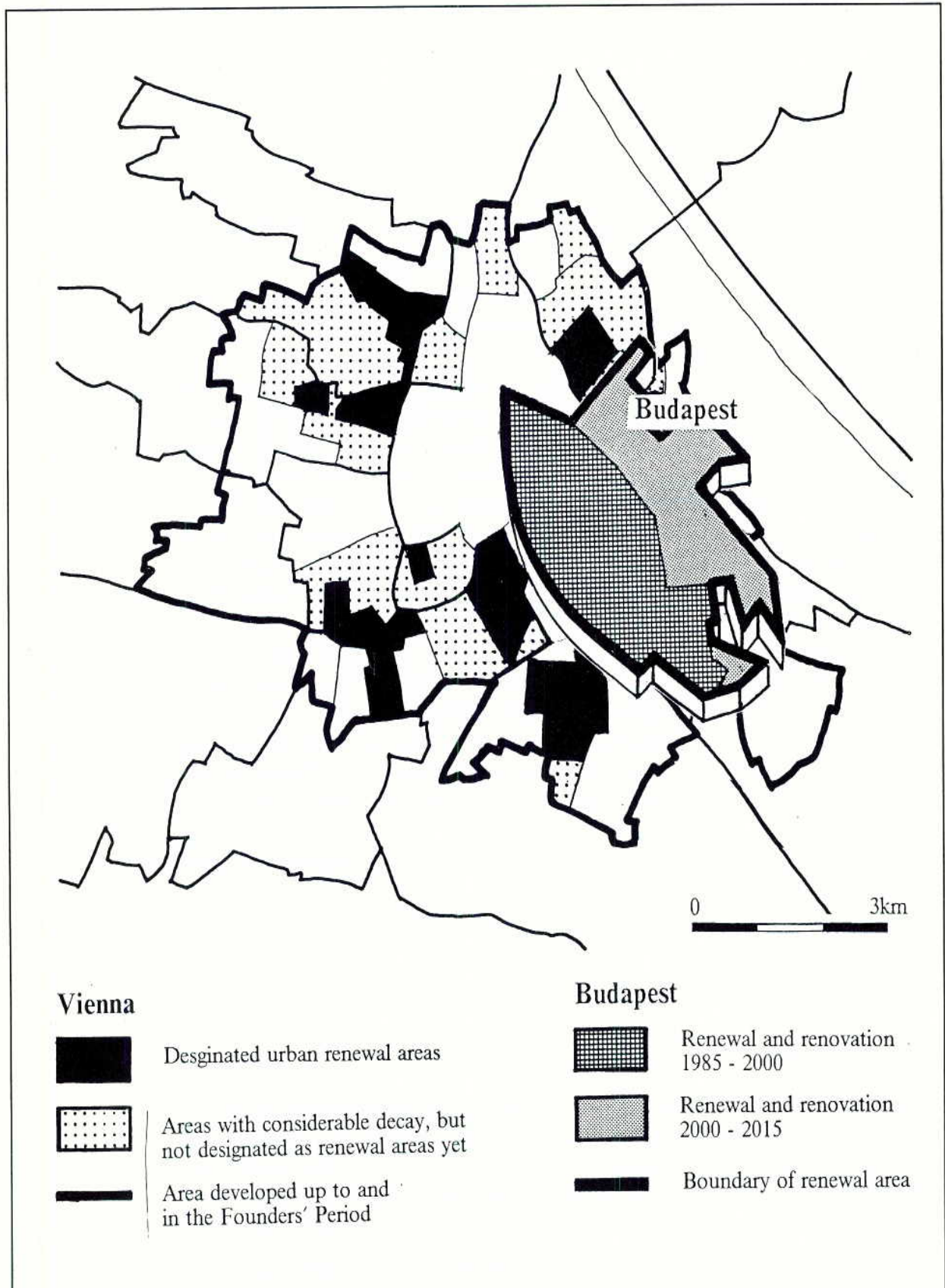


Figure 1: Areas of decay in Vienna and Budapest.

Sources: Vienna: E. Lichtenberger 1990, Budapest: author's survey 1993.

2. The spatial aspect of urban development

Size is decisive for all processes in urban development. Data on the extension of the built-up areas of the Founders' Period in Vienna and Budapest provide basic insights: in Vienna, the potential urban

renewal area contains approximately 40 000 buildings, Budapest's 'urban rehabilitation area' just over 6 600 (cf. figure 1). In order to show the difference in extent of the problem a map of the Budapest rehabilitation area was superimposed on one of the potential renewal area in Vienna: the former only covers that area of Vienna's Inner Districts that shows little urban decay. The reasons for this difference in configuration are obvious. Budapest's number of inhabitants was much smaller than that of Vienna, and its area only that of Vienna's Inner Districts. Thus only here apartment houses were erected during the Founders' Period, whereas there are two such zones in Vienna, the Inner and the Outer Districts on both sides of the former 'Linienwall', today's 'Gürtel'. A 'filtering-up-process', a sort of gentrification, took place in an extensive area during the Founders' Period, with a ruthless demolition of old structures and erection of new ones from the scratch. In the area of the former faubourgs outside the Gürtel a zone of workers' tenement houses developed. In Budapest, both demolition and new construction occurred on a much smaller scale, and a zonation appears partly only in the 8th and 9th districts. Sectoral differences according to districts predominated in the Founders' Period already, and still do so.

As was said above, it is the Gürtel that bisects the built-up area of the Founders' Period in Vienna, and it is the ring-road in Budapest, a boulevard that was cut through the inner districts. It did not acquire the function of a divide as it was no historical territorial or administrative boundary, as the Gürtel had been. Thus, areas of decay are situated near the centre in Budapest, while there is a middle class residential zone between the Old Town and the areas in need of renewal in Vienna. Therefore, CBD and slum formation do not meet as directly as in Budapest.

Surprisingly enough, the numbers of inhabitants of the Budapest urban rehabilitation area and of the areas most in need of renewal in Vienna, as shown in the map, are very similar. When taking the numbers of dwellings dating from the Founders' Period (or earlier eras) one finds that there are about 116 000 dwellings in Budapest and 165 000 in Vienna. As the households in Budapest are larger, the resident population is almost equal in size: 262 000 and 279 000.

Table 1: Basic data for the urban renewal areas in Budapest and Vienna in 1990.

	Budapest	Vienna
Dwellings of the Founders' Period (or older)	116 463	165 224
per cent	75,5	69,6
Per cent vacant dwellings		15,7
Per cent tiny flats	56,0	
Resident population	262 000*	279 287

* estimated

Source: Központi Stat. Hivatal 1990, Budapest 1992; E. Lichtenberger 1990, p. 121.

These data tend to obscure the fact that there are fundamental differences between Vienna and Budapest in the spatial pattern of decay. Though there are about 10 000 buildings in Vienna that show decay there are only a very few quarters with a predominance of such structures, normally their pattern is dispersed, whereas in Budapest slums proper developed. It is, however, not the construction quality that is the main reason for these differences -in Budapest cheaper construction was usual during the Founders' Period-, but the political development in the postwar period.

3. The effects of political-economic differences

It is very difficult to decide whether Budapest might have been -more or less- spared these problems of urban decay if the political and economic framework had been different in the postwar period. On the other hand one might develop a horrifying scenario for Vienna: had this city fallen victim to

similar conditions it might have about 20 000 decaying structures and extensive slum areas by now. The centrally organized municipal socialism succeeded, however, in channelling the economic prosperity prevailing in a social welfare state in the postwar period towards extensive construction of social housing in the urban periphery and a wide spectrum of measures for a considerable improvement of the housing conditions in the central city area. Simultaneously there was an effective anti-segregation-politics. These developments were supported by a system of tenants' protection and a sort of pseudo-ownership with respect to rental apartments.

In the postwar period urban renewal has been carried out on three levels: on that of individual dwellings, that of buildings and that of urban renewal areas, of which the first one was most successful due to a kind of 'mini-public-private-partnership'. The city authorities made the tenants use their private funds and their own time and put in their own efforts for renovating the apartments by offering them loans at low interests. The 'Wohnungsverbesserungsgesetz' (Dwellings Improvement Act) is to be considered one of the major achievements of communal politics, as more than 170 000 dwellings could be improved. The 'Wohnhaussanierungsgesetz' (Renovation of Tenements Act) of 1984 was less successful. It was meant to see to substantial support especially for the renovation of the structures in worst condition. Soon the social consequences of an elimination of substandard flats became obvious, and social critics wanted a certain 'reserve' of such flats guaranteed. Soon these two forms of 'gentle urban renewal' emancipated themselves from the officially decreed urban renewal areas of the 1980s.

Because of the possibility (and necessity) of individual applications for such loans and a few cases of a renovation of complete blocks in to highly dispersed locations in all parts of the built-up area of the Founders' Period financial support was dealt out on the much criticized principle of 'equal shares for all'.

In Budapest there was no such three-level-system for solving the problem of urban decay. The nationalization of the rental sector eliminated the group of homeowners so very important for renewal activities in the private rental sector. Though the tenants were quite ready to invest in renovations to some extent as the right of use had become a saleable good on a protomarket, there was no substantial support given by the state, and making a profit out of these investments was only possible in the case of a swapping or selling of the rental units. Therefore there was little improvement: from 1970 to 1990 about 12 000 dwellings were modernized in the urban rehabilitation area, and 10 000 substandard dwellings were eliminated.

Thus Budapest lacks an extensive renewal program comparable to that in Vienna. Future effects of privatization on the renovation of apartments that have become the former tenants' property cannot be prognosticated yet, but certainly there will be no improvement of the not privatized dwellings, as this housing class of the state-owned rental sector is doomed to house strata with ever decreasing incomes.

In Budapest urban renewal had been declared the state's task and was administrated and financed by it. Blocks were defined as spatial planning units and not individual buildings. This conception is fundamentally different from that in Vienna that refers to individual dwellings or buildings, and it is even valid for the 'secondary urban renewal' triggered by the conditions of the protomarket that strove to reestablish the locational quality of blocks or sections of streets, but did not rework areas as a whole.

4. Inter- and intrametropolitan comparison of the categories of decay and renewal

The categories used to characterize classes of decay in Vienna and in Budapest are not directly comparable. Those 'Heavily damaged buildings' that constitute 16 per cent of the building stock in Budapest (cf. Figure 2) would long since have been demolished in Vienna and replaced by new

structures - thus they have no pendant in Vienna. The category of 'Moderately or slightly damaged buildings' also is not exactly equivalent to that of 'Buildings with slight or moderate blight' in Vienna -while the buildings in Vienna do have a considerable proportion of vacant dwellings and/or shop premises, their state of repair is markedly better than of those in Budapest. Moreover it was not possible to define adequate simple criteria for telling apart buildings with 'slight damages' from those with 'moderate' ones as there is a continuum of structural decay.

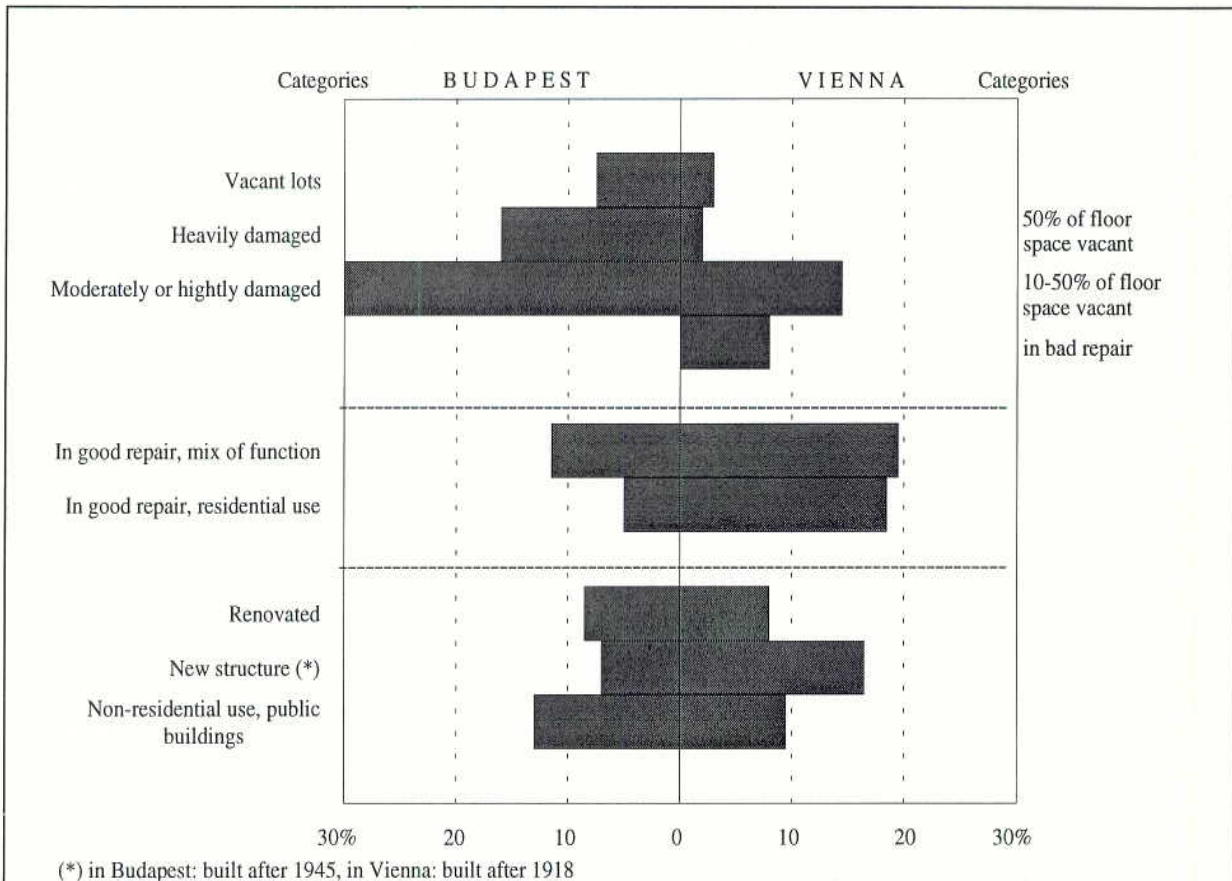


Figure 2: Urban decay and urban renewal in Budapest and Vienna: a comparison of categories.

(*) in Budapest: built after 1945, in Vienna: built after 1918.

An exact comparison can, however, be based on focussing on decaying buildings on the one hand and new or renovated buildings or buildings in good repair on the other hand. Figure 3 shows similarities and differences as to the relative proportions of decay and renewal in Vienna and in Budapest. Two common features ought to be mentioned:

- the proportion of 'gentle urban renewal', that is the renovation of old buildings, amounts to just over 8 per cent in both cities;
- as the urban rehabilitation area in Budapest is situated in the city centre, the number of public buildings and institutions is slightly larger than in the Vienna renewal area, but it is almost equal to that in Vienna's Inner Districts.

The main differences consist in:

- the proportion of buildings of the decay syndrome: half of all buildings in Budapest, but less than one quarter in Vienna;
- the proportion of vacant lots: only 3 per cent in Vienna, but 7,5 per cent in Budapest -a result of demolition activities that should have been followed by new construction that was however, bogged down;

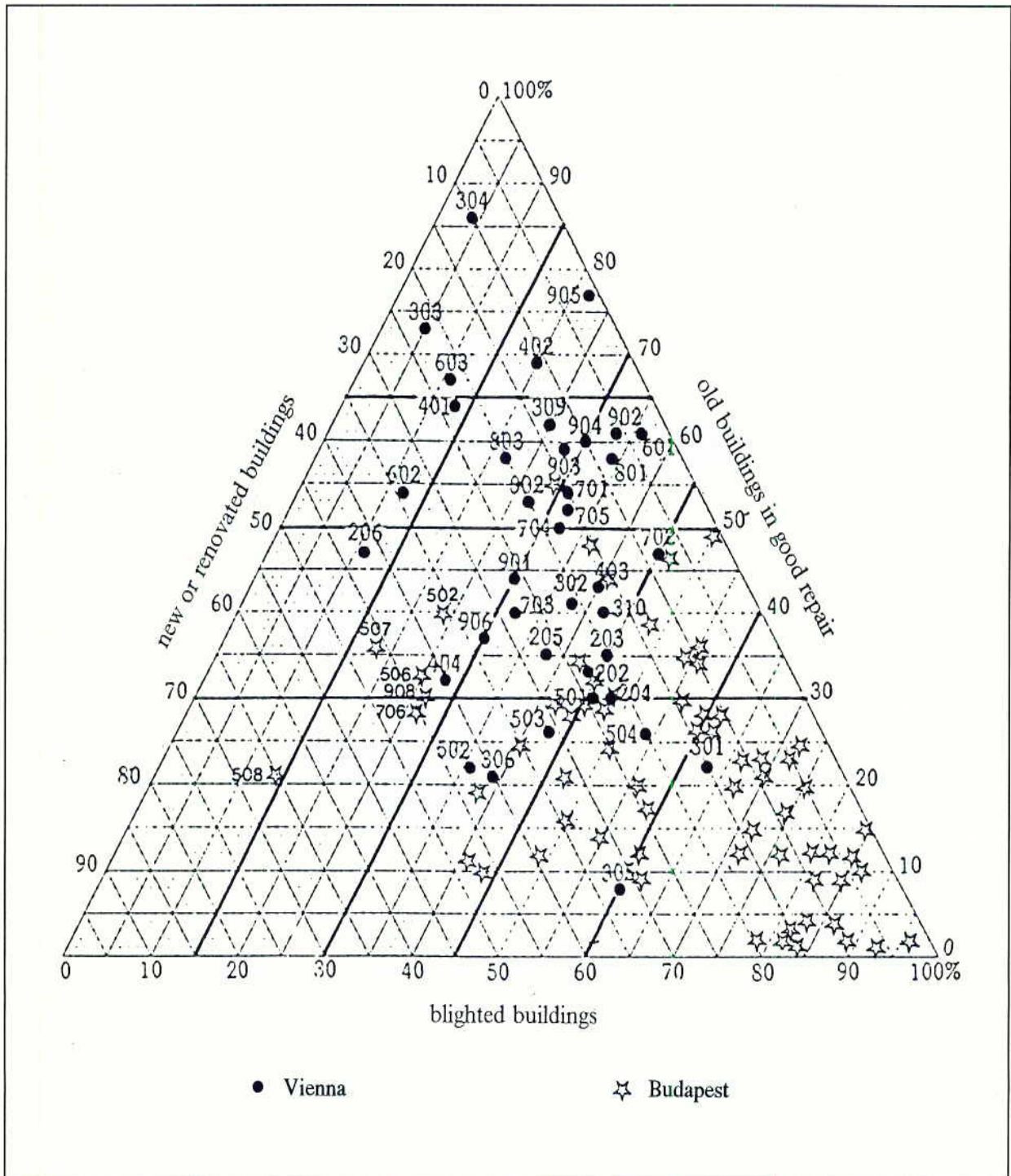


Figure 3: Decaying or renovated housing stock and buildings in good repair in the enumeration districts in Vienna's Inner Districts and in Budapest's urban rehabilitation area.

Source: E. Lichtenberger 1990. p. 116, author's survey 1993.

- a considerable extent of new construction following demolition in Vienna: 16 per cent of the housing stock within the densely built-up area of the Founders' Period are new buildings, in Budapest the proportion is 6,4 per cent only;
- the large proportion of structures of the Founders' Period that are in good repair in Vienna: about 19 per cent as opposed to 5 per cent only in Budapest. With reference to Vienna one might say that there is an almost equal proportion of renewal and decay.

When comparing the actual numbers of lots and buildings classified into the individual categories these general statements need to be augmented or modified. As was mentioned above the problem of

buildings ripe for demolition and with very heavy damages are concentrated in the markedly smaller rehabilitation area in Budapest. Therefore their overall number of more than 1 000 is much more conspicuous than the buildings ripe for demolition or vacant in Vienna, where their proportion is only 2,3 per cent and they are dispersed all over the built-up area of the Founders' Period and cannot be found amassed, so to speak, along many streets as in Budapest. In Vienna the visual impression is that of a predominance of old buildings in good repair, of renovated buildings and of new ones. When one compares the number of 6 752 new structures (built in the postwar era) within the built-up area of the Founders' Period in Vienna with the number of buildings in the Budapest renewal area one realizes that the extent of new construction in Vienna equals that of a complete reconstruction of the Budapest renewal area. It must, however, not be overlooked that the number of buildings which are partly vacant or are in bad repair amounts to 9 094, a number one and a half times that of all the buildings in Budapest's renewal area -therefore Vienna has to cope with an even larger renewal task than Budapest, and a more difficult one also because of the much more marked diversity in the system of blocks, lots and floorplans of the apartments.

This systematical analysis must be augmented by a spatial one. The research question could be phrased as: what are the differences with regard to decay and renewal in Budapest and Vienna when the formation of specific quarters is studied? For this purpose the data for the individual buildings must be aggregated for enumeration districts. As an instrument for the visualisation of relationships a three-cornered diagram (figure 3) is being used in which the proportions of the three main categories defined above, blighted buildings -new or renovated buildings- old buildings in good repair, were entered. Those of the vacant lots and non-residential buildings were not taken into account.

When considering Vienna's situation one finds a marked difference between the positions of the Inner and the Outer Districts, with the former showing a much larger variance, as the traditional layout and series of buildings types is replaced by a predominance of new construction in the Outer Districts.

Different positions are being taken up in the diagram presented here by the enumeration units of Vienna's Inner Districts and those of Budapest's rehabilitation area. The latter are concentrated in the 'corner of decay', with a proportion of decay above the 55 per cent threshold and hardly any counterpart in Vienna. The majority of the enumeration units of Vienna's Outer Districts would occupy the field of new construction and renewal, but there is some coincidence with those of the Inner Districts. Some units in those of Budapest's districts with a building stock in comparatively best repair, namely districts V and VII (503, 512; 702, 704, 705, 715, 711; 903), compare to units in Vienna's districts II and V (202, 203, 205; 501, 503, 504). The extent of decline of the Budapest housing stock in comparison to international levels can be deduced from the fact that the units mentioned above are situated in formerly middle and upper class residential areas, while the Vienna ones lie in working class areas interspersed with a few lower middle class buildings. Though Vienna seems to do well in this comparison one must bear in mind that the number of decaying buildings is much larger there, so the problem the authorities are confronted with is a bigger one in a medium-term perspective. On the other hand the formation of slums right next to the CBD is a problem limited to Budapest.

5. Future developments

At this stage of a political transition a few similar or dissimilar developments with respect to urban decay and urban renewal should be discussed that are to be expected to occur in Vienna and in Budapest in the medium-term future. The following differences are to be considered, and taken account of, in research activities:

1. In the course of a political-administrative reform Budapest's districts became local states, whereas in Vienna a centralized municipal socialism continues to exist. Here the districts have

no powers of decision and no budgets of their own, but a purely administrative function only. Thus there is a fragmentation into fairly independent local authorities on the one hand and a centralized municipal government on the other hand.

2. With the political reform the construction of housing and urban renewal organized by the state came to an end in Budapest, and there are no initiatives yet on the part of the districts in this field. In Vienna, a city whose number of inhabitants is increasing again, urban expansion has top priority in the authorities' programs. A new social housing program is well under way, with impressive results: in 1992 6 000 and in 1993 8 000 new dwellings were provided, for 1994 the construction of another 10 000 is planned. Simultaneously urban renewal efforts are being continued. The number of city-owned dwellings will keep increasing, and their proportion has surpassed the 30 per cent mark already. In Budapest the proportion of state-owned (now district-owned) dwellings went down from 51,6 per cent to 35,6 per cent from 1990 to 1993 due to a speeding up of privatization.
3. Social housing in Vienna is still being used as an instrument in anti-segregation politics, and in Budapest the privatization of the district-owned dwellings is most effective with the better equipped apartments in reasonable repair. A new housing class of owner-occupied dwellings that were formerly state-owned is developing, and thus new social and demographic segregation processes are triggered. This housing class does not exist in Vienna as a privatization of the city-owned apartments is not considered seriously. In Budapest those dwellings that will not be privatized will become social housing proper for the very poorest in a medium-term perspective as an ever increasing proportion of the population will fall below the poverty threshold (that, incidentally, is very low by international standards anyway). Things are different in Vienna. For two generations so-called social housing was open to a wide spectrum of social strata - on condition that the applicant was belonging to the right party. In this way a demographic and social differentiation of the centrally administrated segment of the rental housing sector came into being according to locational quality and building age.
4. In Budapest's rehabilitation area a 'social crater' developed due to the emigration of the middle and upper classes from the inner city, and there was no such counter-movement as in Vienna. Gentrification did not occur in fairly large areas as it did in Vienna, but only in a few isolated cases. Surprisingly enough Vienna's city centre has retained its function as the social centre.

Despite these differences there are similarities too:

1. The general liberalization affected the housing market within the framework of an internationalization of the real estate market. Vienna and Budapest are competitors for the allocation of offices of international concerns, the CBD is expanding and forming new outliers, which, so far, did not go beyond the city boundaries in either city.
2. The expansion of the city mantle takes place with the same form of succession: the better quality residential areas are invaded by offices through a change-over of apartments to non-residential uses. Moreover there is an increase in density at the edge of the zone of transition where vacant lots are available or more floor space can be created through new construction due to the fact that the old buildings had fewer storeys in both cities.
3. Phenomena of a seeping in of a new lowest strata of society into the housing in bad repair can be observed in both cities. In Vienna they are, however, of a clearly ethnic nature due to the invasion of foreigners in the delapidated buildings in the urban renewal areas and will, in a medium-term perspective, most probably result in a replacing of the present segregation on the level of individual houses by one on that of neighbourhoods or city quarters. There are similar processes in Budapest, where the moving into the city centre of groups that had lived in

peripheral or rural areas for a long time, such as the gipsies, is much more conspicuous both in specific foci and in larger areas because of the tenements' much worse state of repair in the rehabilitation area, combined with phenomena of social disorganization and the existence of marginal groups. In Vienna these problems are obvious only in certain locations at the edge of the CBD, otherwise these phenomena also have a dispersed pattern.

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