

## **SOCIAL INEQUALITIES IN URBAN AREAS AND GLOBALISATION – AN INTRODUCTION**

### **The strategic importance of big cities**

Very few researches have investigated the current characteristic features of the social structure of Hungarian metropolitan areas and the socio-spatial impacts of transition, globalization and European integration. Since the 1980s only a few comprehensive urban analyses have been prepared for interpreting urban space not only as a unit of economy and infrastructure but as a complex social phenomenon and for viewing urban space in a social context. Albeit there is an increasing need for being aware of the social processes of metropolitan spaces. The future of Hungarian society and its accelerating modernisation in the context of European integration also depends on what processes are undergoing in big cities, what kind of social processes are formulating the urban space, how the integration into the European urban network is progressing and what the relationship is between the Hungarian and European urban development processes and between the international and Hungarian trends.

In West-European countries the scientific and political awareness of urban affairs has recently increased and the number of scientific debates in this field has also grown. The central problem of these debates is what the metropolis means for the 21<sup>st</sup> century what kind of favourable and unfavourable processes the metropolitan space is facing who benefit from their positive and who are hit by their negative impacts? How can the threat of socio-spatial problems be reduced?

The number of professional debates about these issues is not accidentally increasing. In the globalization era the future of big cities with the management of urban problems and eliminating contradictions have strategic importance. In economically advanced countries big cities play key role in economic dynamism, global cities provide a basis for competitive advantages for the preservation of their power and economic positions, for the welfare of urban societies and of increasing urban population.

It is a well-known fact revealed by social and economic geographical analyses that global economy can most efficiently operate in a metropolitan environment. It is the metropolitan space that can best ensure the necessary infrastructure for the competitiveness of multinational and transnational firms, the major actors of global economy. Metropolises can provide all the necessary financial and other facilities with their institutional background needed for accommodating international capital and the necessary labour force and social groups attached (on a varying level) to global economy by their social positions and professional skills.

Modern urban networks created by global economy are serving as a basis not only for the economic success and participation of business actors in global economy but they are also facilitating the integration of these economy-driven social groups into global processes and urban networks. These urban networks are manufacturing the finest products; they are embedded into global and local economy and provide high living standards and successful living strategies for the (consumer) social groups. This is achieved practically by creating jobs (easily accessible, having high social reputation, offering high salaries and good career chances) with facilities of culture, lifelong education, leisure, amusement, social contact building and self-fulfilment chances and by building political and social institutions and management centres for gaining political power as well.

However, modern metropolitan space is full of contradictions. Big cities are concentrating not only modernisation, the abundance of socio-economic development chances, the heritage of accumulated knowledge from the past, the buildings of old architecture, the amenities of welfare and comfort and the availability of high-tech infrastructure. They are due partially to historical reasons and partially to the consequences of global development, facing a series of social problems: the traditional and new structures of residential social inequalities, the old and new forms of poverty, the traditional and new forms of crime, the damages of natural environment with their negative impacts for health, the various symptoms of socio-economic conflicts and now terrorism as a new, recently emerged urban phenomenon. Although due to the specific social structure of the metropolitan space the deepest social conflicts are concentrated in the peripheral zones of metropolises located outside the city centre (*Hamer-Linn, 1987*) but the social problems of urban peripheries more or less affect urban centres as well. The presence of these problems is manifested either by the emergence of peripheral zone population in metropolitan labour markets or by the usage of the metropolitan space as a buffering zone in the clashing of interests and conflicts between the society of city centres and the society of urban peripheries.

Several researchers are on the opinion that social problems are questioning even the future of our current metropolitan system (*Bagnasco, Le Gales 1997, Ascher 1995*). Since the 1980s in West-Europe there is a growing awareness that the long-term dynamism of advanced economies and the metropolitan quality of life depends on the management of social problems as well. During the 1990s a great emphasis was laid on governmental and urban policy fighting against the spread of regional disparities, segregation and the formation of ghettos (*Sueur 1999; Helluin, 2001*).

The future of big cities became an issue of strategic importance in post-socialist cities as well. Big cities were considered as means of recovery from the crisis to find a way of integration into modern world economy and global politics. The city in Hungarian professional, scientific and public debates has emerged as a

complex economic, social and political problem during the past few years only. There are several reasons why so few issues have been discussed on the economic and social aspects of cities including socio-spatial issues such as social inequalities, conflicts and the obstacles of social participation. Today's modernisation processes, the demands of European integration are (apparently) attaching importance to other factors. Social policy rather more focuses on the issues of economic development (a rather short-term interest), of European accession, of the acceleration of economic modernisation, of public administration reforms and regionalisation than on the issues of complex socio-economic development on the development of urban strategies concentrating on the easing of socio-economic problems.

The current political powers of Hungarian big cities have insufficient competence for discussing urban problems in the broad public. Occasionally some big cities are raising their voice at different local public or political debates but in the arena of national-level politics only those big cities can participate that are representing the traditional major political powers (this is because the members of governmental parties but even a part of the opposition are urban citizens. For example one fourth of the active wage earners of Budapest are employed in the public administration sector (*Izsák*, 2003, 133). Moreover, those political powers considered as key economic and political agents due to their key positions in international economy or politics and to their extensive relational system are merely new actors (trying) to enforce their own interests against the state. But these cities are entering into the political arena still for safeguarding the state's economic interests because they are trying to get some extra funding sources from the state or from the European Union for their own development. However the majority of Hungarian cities (including Budapest as well) have not yet achieved a key position in global economy therefore so far they have won no or very few resources from this situation. The key decision-makers of these cities have no such strategic relations in local and regional economy and society that could provide a sufficient influential power to enable them for building significant positions in international economy.

Hungarian cities have not yet recognized their potentials for improving their positions neither in domestic nor in international economy. They do not see or know how to develop an urban policy for increasing their competitiveness. This would certainly need such a long-term economic and social planning practice which would be based on local, urban agglomerational and regional level cooperation and on improving relations between political actors and urban societies. Although urban policy concepts in general call the attention for the necessity of formulating a concept for the management of social problems, of establishing a microregional cooperation system but they do not go into the details of their practical implementation. The latest aspects of the EU's cohesion policy, the new

priorities in the management of the problems of urban society and urban poverty are forecasting a definite change in this field.

Strengthening the position of cities would require more and more basic researches. Current settlement development researches (due to the government's limited resources of science funding, the limited alternatives of local development policy and the restricted directions of planning concepts, market-based determinations and the researchers' orientation towards other fields of science) do not cover the complex socio-economic and natural environmental context of cities in their full details. For this reason we consider very important that our research titled '*Urban Areas, Socio-spatial Inequalities and Conflicts – The Socio-spatial Factors of European Competitiveness*' having implemented within the framework of National Research Development Programmes could perform a differentiated survey on the problems of urban areas.<sup>2</sup>

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<sup>2</sup>The research was based on primary and secondary research methods: for the adult population a representative questionnaire interview of 5248 persons which was followed by an elite deep interview of 108 persons and a statistical data analysis. Nine big cities of Hungary were selected as the sample areas of survey namely Budapest and its agglomeration zone and eight Hungarian cities with over 100 thousand inhabitants: Debrecen, Győr, Kecskemét, Miskolc, Nyíregyháza, Pécs, Szeged, Székesfehérvár and their urban areas.