

# TERRITORIAL QUESTIONS OF TRANSFORMATION OF THE HUNGARIAN PUBLIC ADMINISTRATION, 1990–2000

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## Introduction

Hungarian public administration found itself in basically new conditions from the early 1990s. These changes were summed up as the “systemic change”, but there are still debates about the nature, process, frameworks, content, etc. of this systemic change. In fact, groups and political parties with growing influence still argue whether a “genuine” political, economic and social systemic change has taken place in Hungary.

Approaching the problems of the systemic change from the aspect of public administration, we have to ask the question whether the state socialist public administration has transformed according to the requirements of the modern multi-party democracy and market economy?

The constitutional regulation of public administration has fundamentally changed, and so have its political and social environment, its tasks, objectives and functions, and its organisation. The tasks of public administration decreased within the frameworks of the new system, compared to the previous one. (A significant part of the tasks carried out in the former council system were taken out of the competence of public administration.) One of the most important changes was the creation of the local governmental public administration, which replaced the Soviet type council system of the party state.

The “self-government” in itself has become a political value, its content has been defined from the side of local democracy, as opposed to the former council administration that had been considered as dictatorial. The expression thus means much more in content than the English phrase “self-government”, it carries an attitude motivated emotionally and politically.

The problems of the territorial reform of the Hungarian public administration has been present in Hungarian political and scientific life in the 1990s, versatile approaches, organising principles and efforts of the power have appeared in both

fields, debates of different, sometimes extremely high intensity go on. In the field of the territorial reform of public administration, neither political nor scientific or social consensus has been achieved. The disputes about the territorial reform largely contributed to the fact that the new Constitution could not be accepted.

The association treaty signed with the European Union and the starting and running negotiation process have brought new elements into the debates about the reform of the Hungarian public administration, namely: What is the “territorial structure of public administration in Europe” like, what does the European Union expect of the Hungarian public administration, what organisational and territorial structure is best suited to these slightly different expectations?

### The historical characteristics of the Hungarian county administration

The county system is the most researched, most processed, most praised and also the most criticised element of the history of the Hungarian public administration. The evaluation of the county system varied between extremities across the different periods, political efforts and by the different scientific schools. The county system is still one of the sharpest conflicts points of the political and administrative ambitions.

During history the county system has gone through a lot of changes, both concerning its societal and political environment and its role in public administration, its control function, territorial division, inner management structure, etc., at the same time, it has always preserved a kind of historical continuity.

The question for us is why the county system has remained the dominant element – although with a different weight – in the Hungarian regional administration since the Christian state foundation until now and what has given the great flexibility which helped the county system survive historical periods, social, political and economic systemic changes (when there were so many of these in Hungary).

The changes of the historical function and frames of the county system were determined by the internal development processes of the Hungarian state and society, but external efforts sometimes also strongly influenced the development of the situation, functions and territorial system of mezo-level of public administration. In reality, the permanent character of the county system is that it has always meant a different thing “to be a county” in each era. The county system as such has shown a great historical, economic, social, political, ideological, interest assertion, administrative, etc. flexibility. Its adaptability has largely contributed to its survival in history.

The history of the county system goes back to the foundation of the Christian Hungarian state, the county system was founded parallel to the Christian kingdom. Later this origin gave the counties a special historical value, in fact, sometimes some mystic character.

In the historical development of Hungary, the noblemen's counties sometimes became enemies for the central power (which was considered as a foreign power), fulfilling, besides by the interest of the nobility, a national mission which was greatly appreciated by the later periods from the aspect of the preservation of the national sovereignty.

The power positions of the counties were quite significant in some times. The prestige of the county system was created partly by the historical mission and partly the current power position. This is why the meso-level administrative unit was called "county" even in those times when its function had almost nothing to do with the historical autonomy and power, maybe only with the force, but this "force" was provided by the state then and not the county by its own media.

The modern bourgeois public administration eliminated the county content and partly the framework of the feudal development, implementing in many respects the nationalisation of the public administration. The local governance of the counties became more and more empty in content, but the county remained a significant factor as a territorial frame and a kind of forum for the local public life.

In the state socialist administration, the county played an almost inverse role. First it was the executor of the will of the central power, then the possibilities of the county councils gradually widened, and by the end of this era the negotiating position and the territorial influence of the counties were strengthened in many respects.

The new local governmental county of the 1990s is alien from the historical traditions of the Hungarian public administration. The county governments were never as insignificant and depreciated in their function as after 1990.

Even after this brief overview, it is extremely hard to answer the basic question: what gave vitality and flexibility to the county system. In the county system of each and every period of time (in fact, in all the reform plans aiming at its reform), there was always a kind of rational or irrational relationship to the history. The national and historical merits of the creator (Holy Stephen) always had to be measured, as well as the sometimes really heroic struggle of the noblemen's counties against the foreign central power; the fact of the constitutional self-elimination of the feudal society after 1848 had to be appreciated, the passive resistance and the organisation of the opposition by the counties during the new absolutism had to be taken into consideration, also, the achievements of the counties in the dualistic period could not be completely neglected, either. Even the state socialist era could not get away from the demand for a historical legitimacy: it was not by chance that the

Communist constitution was announced on 20th August, the day of Holy Stephen. Besides such a relationship, it would have been hard to neglect the county system created by Holy Stephen, as a dominant spatial framework for the building of the socialism.

The contemporary elite living and making policy in the counties was a real (economic, political and cultural) elite in the major part of the history of the county system, it was always faster to react than the majority of the society. (This elite was almost always able to feature values which were acceptable for the succeeding system.)

The flexibility of the county system cannot be understood without the relative flexibility of the territory of the counties, which bore a relative stability and adaptability at the same time. For the majority of the society, besides the national identity, the county identity was always decisive.

### The transitions of public administration in Hungary in the 1990s

The preparation of the reform of the socialist Hungarian public administration started already in the mid-1980s, according to the conditions and expectations of the state socialism of that time (*Szoboszlai 1985, Verebélyi 1987*). One of the basic issues of the reform plans was the strengthening of the councils as local governments, the other was the re-shaping of the inner structure of the municipality–county–central administration and its inner relationships.

From 1989, the prepared reform of the council system – according to the new political conditions – became the process of the operation of a new public administration based on local governments. In the reform of the public administration, there was a certain degree of continuity in the beginning of the systemic change, but interruptions were more expressed.

After the free multi-party elections, at the modification of the Constitution in 1990, the objectives and values of public administration were redefined and its organisational structure was considerably transformed. According to the Constitution, the subject to the right governance is the community of the constituents of the municipality, who practice their self-government rights either indirectly, through the body of representatives, or directly, by local referendum.

It is important and serves as a guarantee for local governments that the Constitution laid down the theoretical principles of the system of local governments in a separate chapter, and expanded constitutional regulation to the issues of competence and legal guarantees. (The Constitution is an act the modification of which requires a two-thirds majority, i.e. a high degree of public political agreement.)

At the 1990 modification of the Constitution – in spite of the sharp political and professional debates – the administrative territorial division of Hungary was not changed. The territory of the country is divided into the capital city, counties, towns and villages, in the capital city districts operate, while districts can be created in towns, as well.

In the definition of the Act on Local Governments in 1990, the basic values were the traditions of local governments in Hungary and the requirements of the Chart of European Local Governments. As this Act also needed a two-thirds majority, and the then government had to gain the support of the opposition, a consensus of the different political powers was achieved in the starting regulation of the local governments.

The basic approach of the Act is that local governments can freely accept tasks and can do anything not prohibited or delegated to other organs by the Act. It is only after the regulation allowing free action that the Act details the obligatory tasks of local governments. (The financing of the obligatory tasks takes place from the state budget.) The Act differentiated among the obligatory tasks and competences of the different levels of local governments (village, town, town with county rank, capital city, capital city district, county government). The Act on Local Governments regulated the county governments and the municipalities at the same level, expressing that there is no sub-ordinate relationship between the different local governments, there may be only different tasks.

At the formation of the public administration based on local governments, the Act considered each settlement with village status as a village, and it only defined the criteria of the creation of new villages. (The requirements of the creation of new villages were not very strict, suggesting that the creators of the Act intended to support the disintegration of the previously united villages.)

When defining the legal status of towns, the lawmakers created two categories, in addition to the capital city (which are towns with county rank, and towns). The basis of the definition of towns with county rank was demographic (population above 50,000), but some functional elements also appeared (in their own authorities, these towns have tasks and competences of county governments, as well). Basically, however, the administrative features of these towns were not defined. In reality, the “county rank” could not be realised at town level. The county status can mainly be seen in their inner administrative structures (they are entitled to create districts in which they can set up offices). Towns with county rank – as co-ordinate local governments – could not send representatives to the representative bodies of the county.

Concerning towns, the Act on Local Governments stated that a village could apply for its declaration as a town “if the use of the town title is justified by its de-

velopment and regional role”. Opposed to the Hungarian traditions, the Act only talked about “title” in an indirect way, instead of “town status”.

The Act on Local Governments made the association possibilities of the local governments almost limitless, but did not introduce the institution of forced association. A special form of association is the institution of common notary districts, which are created on voluntary basis for the joint completion of the administrative tasks of smaller villages. (The Act promoted the creation of notary districts in the case of villages with less than 1000 population, but did not make it obligatory, allowed several passages.)

County governments had a horizontal, co-ordinate relationship with the municipalities. Their basic task is to carry out those tasks defined by the Act for which the municipalities cannot be obliged. (Mainly public services of micro-regional or regional character were defined as obligatory tasks.) For the first time in the history of the Hungarian public administration, within the new system public administration built on local governments, the dominant role in local and territorial administration was assigned to the municipalities (towns or villages), and also for the first time in the Hungarian history, the county governments were deliberately deprived of their power. Counties, which had been the dominant units in Hungarian public administration throughout history (feudalism, capitalism and state socialism), and to a certain degree also the system of regional governments fell a victim to political compromises.

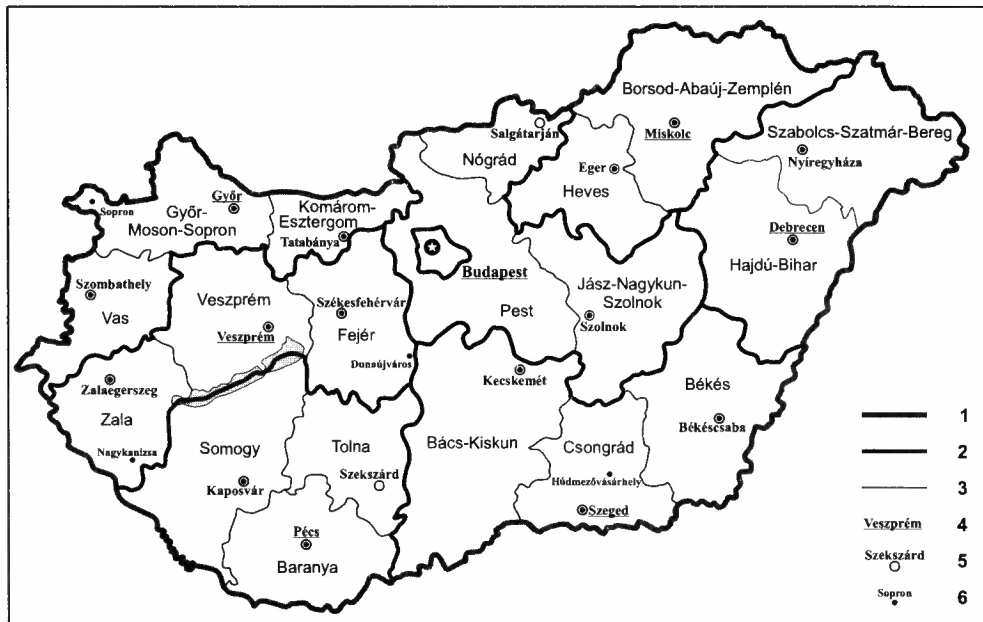
An essential element of the new arrangement was the effort to separate local governmental and state administration. The Act created the possibility of a large-scale centralisation of the sectoral administrations by delegating a significant part of the authorities to the deconcentrated organs of the state, increasing this way the power of state administration in official affairs. (The system of the deconcentrated organs of the state was born, the scope of their authorities mostly covered their counties, but some deconcentrated organs also were set up whose authorities reached beyond the border of the certain counties.)

The institution of the prefects of the republic was a new element in the Hungarian public administration. The prefects of the republic were responsible for the administrative and legal supervision of the municipalities from 1990 to 1994, and this institution divided Hungary into 8 regional units, which was disputed, in fact, rejected by all professional analyses (*Figure 1*).

The new socialist-liberal government that started to work after the elections of 1994 amended the Act on Local Governments in several places, but most of these amendments were only refinements and corrections coming from the four years of operation of the local governments, and not fundamental changes. (The coalition could have carried out basic transformations as well, as they had a two-thirds majority, but they did not do so.)

Figure 1

*Territorial division in Hungary, 1990*



Key: 1 – state boundary; 2 – boundary of prefect region; 3 – boundary of counties; 4 – centre of prefect; 5 – county seat; 6 – city of county rank.

A major correction was the elimination of the institute of the prefects of the republic. They were replaced by offices organised within county frameworks, also, county governments were defined as regional governments. Thus we can say that the local governmental system survived the first multi-party parliamentary political rearrangement and changing of the power (Csefkó 1997).

The local structure of public administration, created in 1990, did not change much when examined from the aspect in figures (Table 1). The major changes were the following:

- The number of towns with county rank has increased very radically;
- The number of towns went on increasing in the new system of public administration (by declarations as towns and the splitting of two towns, into two new towns each), despite the fact that towns lost the extra financial support that they used to get before (town rank now only means a prestige for the settlement, actually);

- In the changing political situation, the disintegration of the previously united villages began; also, new villages were born by the splitting of some parts of settlements that had not had village status before;
- A new districts was created within the present borders of Budapest, on a bottom-up initiative.

Table 1

*Administrative divisions of Hungary, 1990–2000*

Year	Capital, cities of county rank	Towns	Villages
1990	9	157	2904
1996	23	177	2926
1997	23	183	2921
2000	23	199	2913

Source: Magyar Statisztikai Zsebkönyv, 2000. Budapest, KSH, 2001.

Minor corrections of some of the county borders took place on bottom-up initiatives (as a result of which four villages belong to different counties now), leaving the county borders basically intact.

By the modification of the Act on local governments, partial local governments (i.e. local governments of certain parts of settlements) were set up in some spatially separated parts of some settlements, as were minority governments. (In 1997, there were 754 minority governments in Hungary, within which the number of Gypsy governments was 412.) Municipalities can assign certain tasks and decision competences to both partial and minority governments.

### Debates on the territorial reform of public administration

The attempts to reform public administration and the reform concepts can be seen as organic concomitants of the history of Hungarian public administration (Hencz 1973, Hajdú 2001). This means that the territorial structure of the Hungarian public administration was almost permanently debated during history – and as we can see, it still is (Pálné Kovács–Hajdú 1994). The most essential issue of the debates on the territorial reforms is how and within what geographical frameworks should the territorial division of power take place after the separation of the branches of power, the sectoral division of the power.

The problems of territorial reform of public administration have been continuously present in the decade since the systemic change in Hungarian politics, scientific concepts, individual drafts of constitution and in the debates and suggestion



concerning public administration. The reform demands of public administration became more intensive during some political processes (elections, preparation of government programmes). These reform concepts have some stable common junctions (reform of the territorial division at county level, the solution of the specific administrative problems of Budapest and its environment, definition of the connections between the large towns and the counties, creation of inter-village relationships, etc.), but their dominant feature is the way they want to establish the county level, in broader sense the regional level.

The reform debates of 1989–1991 were mainly determined by the relationship of the county governments. Those who questioned the necessity of the county governments supported either a settlement–district–region, or a settlement – town with county rank – region formation (not always directly delimiting the territorial units). The new act on local governments could hold back the debates on territorial problems for a short time, but of course could not seal them.

The most significant change compared to the previous decades is the fact that the different political parties formulated their ideas about the territorial reform of public administration as political and partly as a government programme. The reform plans primarily focused on political aspects, explaining why almost all political parties modified their reform ideas of the units of public administration several times, sometimes fundamentally, depending on their position in the Parliament.

Within the framework of the territorial reform, mainly the comprehensive theoretical and practical approaches of the issues of county and public administration were dealt with. The analyses and findings of the national scale conference series called “Are the Hungarian counties going to Europe?” (Horváth et al. eds. 1992, Hrubí et al. eds. 1993, Hrubí et al. eds. 1994), the “medium level” conference held in Székesfehérvár in 1994 (Tóth et al. eds. I–V 1994) and in Budapest in 1996 (Fogarasi ed. 1996), and the comprehensive analysis of the Transdanubian Research Institute of Centre for Regional Studies of the Hungarian Academy of Sciences (Pálné Kovács 1994) raised the problems of the medium level in almost every aspect, although with different theoretical approaches.

A government commissioner has been dealing with the problems of the rationalisation of public administration and the organisation of scientific researches within the Prime Minister’s Office since 1994. Thus the reform attempts of the public administration are an everyday subject at government level, too.

The summary called “The programme of the reform of public administration”, which systematically sums up a significant part of the researches carried out in the 1990s on public administration, has been submitted to the Government by the government commissioner and accepted by the Government, as the basis for further works (Magyar Közigazgatás, 1996. No. 11, pp. 641–671). The reform programme stated 4 main objectives and 21 partial topics. (The four main objectives are: 1. the

construction of the basic frameworks and institutions of the new-type system of public administration should be completed; 2. the efficiency of administrative work should increase, its quality improve, it should be more service-like; 3. a smaller, simpler, faster and less expensive public administration should be achieved and 4. public administration should become more legal, the external and internal supervision of public administration should become regular.)

The reform programme did not directly talk about the need for a territorial reform either in the short or in the longer run. We can say that the versatile scientific territorial reform concepts did not take shape in the government's ideas.

The problems of the transformation and reform of the deconcentrated regional organs of the state administration (the number of which ranged between 34–38 in the 1990s) was raised after 1994 in a different way than in the previous parliamentary cycle. The Government continuously tried to decrease the number of deconcentrated organs, to rationalise them and to integrate them at county level in the framework of a single office of public administration, or to direct them jointly within this framework.

All the problems of the relationship between the villages, the towns and the counties, also, the county level and the regional level above the counties are still alive now, as a matter of fact. The sharpest debates take place on the territorial reform of the counties and the possible solutions and necessity of regional division.

### *The future of the fragmented municipal administration*

Hungary is a relatively small country (93,030 sq. km), with a decreasing population (the number of population decreased from 10,374 thousand in 1990 to 10,043 thousand by 1. 1. 2000). The population density is around the European average (108 persons per sq. km). The density of settlements is high (3.4 settlements per 100 sq. km), but it varies significantly across the large regions of Hungary. The proportion of urban population is about 68%.

The system of the Hungarian settlements consists of towns and villages extremely different in size (Table 2). Among the Hungarian settlements, 1721 villages, i.e. 55% of all settlements are home to less than 1000 people, but only 7.8% of the Hungarian population live in these villages.

Any approach to public administration must address this situation and find an answer to the future administrative possibilities for more than half of the Hungarian settlements. The answer is very important because without the long term change of the structure of these basic units we cannot think in regional level.

Because of the decrease of the population in Hungary, which has been going on for almost two decades now, the number of population decreases in most of the settlements and the settlement categories, too. We have to be prepared for the situation that the decrease of the population will continue in the future in the indi-

vidual settlements and the groups of the settlements of similar size. This change affects all aspects of the life and provision of these settlements, so public administration must face it, too.

Table 2

*Distribution of settlements in Hungary 1<sup>st</sup> January 2000*

Settlement size	Number of settlements	Population (thousand)	Ratio of inhabitants, %
– 499	1033	283.7	2.8
500 – 999	688	501.6	5.0
1,000 – 1,999	657	945.7	9.4
2,000 – 4,999	483	1,449.0	14.4
5,000 – 9,999	138	959.1	9.5
10,000 – 19,999	76	1,077.4	10.7
20,000 – 49,999	39	1,123.9	11.2
50,000 – 99,999	12	749.7	7.5
100,000 – 199,999	7	938.1	9.3
200,000 – 300,000	1	203.6	2.0
Budapest	1	1,811.6	18.0
Hungary (total)	3135	10,043.2	100.0

Source: Magyar Statisztikai Zsebkönyv, 2000. Budapest, KSH, 2001.

The new public administration built on local governments strengthened the consciousness of autonomy in the settlements, local governance and democracy became synonyms at the settlement level. (The value of the system of public administration must not be radically rearranged several times within a short period of time.)

This also means that we have to prepare, for political reasons, that the number of local governments cannot be decreased radically in the short run. We have to find, within the frameworks of the system which has been created, how the local administration of the large number of small villages can be rationalised, without disadvantaging their inhabitants. (The real issue is to find a solution for the dilemma between the democracy of the settlements, and professionalism and efficiency.)

One possible solution for that, which society can accept, is to leave representation at the level of the settlements – ensuring the maximum functioning and experience of the democracy of representation –, at the same time organising administrative work into districts, in a more conscious and powerful way than presently, expanding the association frameworks of the notary districts.

In 1997, 1298 villages belonged to 492 notary districts, i.e. 48.3% of the villages carried out their administrative tasks in districts. On the average, 2.6 villages

belonged to one notary district, but even so the number of population belonging to some of the notary districts is very low. In the counties which are dominated by small villages, some notary districts with a large number of population (7 villages) were created, and the notary district that has the largest number of associated settlements has 12 villages. Given the present state of the transportation in Hungary (frequency of bus or rail lines, high price of travel fees compared to the average incomes), the territories of the notary districts cannot be increased significantly.

The institution of the notary districts can be a kind of solution for small villages in the long run, because it can handle the problem coming from the often different expectations of the local governance at the settlement level (i.e. democracy for the settlements) and of the professionalism of the public administration – rationality – efficiency. (The institution of the notary districts enjoys the acceptance of the society, since this institution was introduced by the first Hungarian act on the villages in 1871, but the fluctuation of the settlements among the notary districts is considerable every year.

#### *Town–county relationship and public administration*

In the new system based on local governments, a co-ordinate relationship between towns and villages was created, which means that there are no obligatory and regulated local governmental administrative connections between the two types of settlements. Based on the former connections and the present interests, notary districts remained or were formed between several towns and their surrounding villages. In 1997, the seats of 27 notary districts were in towns or towns with county rank.

The notion of town also changed as a consequence of the large-scale process of declaring villages as towns, which created the group of the “ceremony towns”, which have a low number of population, weak functions or one-sided development (in 1997, the population of 18 towns were below 5000). The connections of these towns with their environment are much weaker than in the case of small towns with well developed functions, in fact, the majority of these towns also depend on other towns in many respects.

The functional content of the town-county connection changed considerably, due to the systemic change. The formerly extremely important commuting decreased to a large extent, as it was the countryside labour force, more expensive for the employers and with less average school education, that first became redundant. (In some areas of Hungary, so-called “inactive settlements” appeared, where there is a negligible number of employees and the population lives on pension, social and unemployment benefit.)

The processing of the statistical data and the process analyses required the formation of statistical registration units within the county level. The Central Statisti-

cal Office, carrying out centre–attraction zone surveys in 1991–1993, defined several functional spatial divisions among the settlements. On 1. 1. 1994, the CSO introduced a division of Hungary into 138 statistical micro-regions. The micro-regions are the units of statistical data collection and processing, thus their delimitation followed the county borders.

As bottom-up initiatives, different types of associations and development societies were made by the settlements, and the dominant feature in the beginning of the process was that the associating villages neglected the towns dominant in the given territories. Later the towns could gradually join the organisations of the villages in their region (*G. Fekete–Bodolai* 1995).

An economic boom can re-create – although presumably not at the previous level – the commuting connections, once again strengthening other connections between the two types of settlements. With respect to local governmental public administration, there is no single basis on which public administration based on towns could be constructed, although this idea was established by many experts in history and still many experts of the Hungarian public administration support it.

In 1997, the CSO carried out a major modification of Hungary's division into statistical micro-regions. The modified statistical micro-regions were built into the institutional system of regional development. They have no administrative content, but their role can be significant in regional development processes in the future.

With respect to the local governmental public administration, the association of the governments of towns and villages, based on their common interests, gradually expands, enabling in the longer term the formation of a bottom-up organised and legitimised village-town partial administrative structure. (The 206 towns of these days can cover the whole territory of Hungary in a topographical sense, as the average area that a town would have is 450 sq. km, with approximately 50,000 population.)

### *Territorial reform at the county level*

According to several analysts, Hungarian politics and public administration missed a historical chance in the early 1990s, when they did not take up the historical reform of the county administration, connected to the systemic change. (In that period of time – connected to the new arrangement – the necessity of the territorial reform could have been justified and the majority of the society persuaded to accept it.)

During the last decade, aside from the local governmental public administration, the role of the county as a geographical framework and as a territorial unit did not weaken, in fact, it strengthened in many respects. In many respects, the county stabilised its regional positions.

The issue of the county has to be divided into two part from this aspect: We can talk about the elimination of the “system of the counties” or the modification of the borders of the counties. Because of the historical, social, settlement and transportation features of Hungary, the county system can hardly be eliminated in the foreseeable future, a territorial medium level of some size will be necessary.

Another issue is the decrease or increase in the number of the counties. The present system consists of medium-sized counties, so we can start both towards a system of “small counties” and of “large counties” (Table 3). Plans containing 34 and 10 counties both appeared to replace the existing 19 counties. (This raises the question of to what extent is a county a county.) The authors of the reform proposals are aware of the fact that the division plans are of relative value, so e.g. the same author prepared 3 different proposals in 1994, each containing 14 counties.

Table 3

*Administrative divisions of Hungary on 1<sup>st</sup> January, 2001*

Capital, counties	Area, km <sup>2</sup>	Population (thousand)	Capital, cities of county rank	Towns	Villages
Budapest	525	1,863	1	–	–
Baranya	4,430	405	1	11	289
Bács-Kiskun	8,420	537	1	16	102
Békés	5,631	398	1	15	59
Borsod-Abaúj-Zemplén	7,247	739	1	16	340
Csongrád	4,263	422	2	6	52
Fejér	4,373	427	2	7	98
Győr-Moson-Sopron	4,062	425	2	5	168
Hajdú-Bihar	6,211	546	1	16	65
Heves	3,637	326	1	6	111
Jász-Nagykun-Szolnok	5,607	417	1	15	61
Komárom-Esztergom	2,251	310	1	7	67
Nógrád	2,544	219	1	5	122
Pest	6,393	1,005	–	27	157
Somogy	6,036	334	1	11	232
Szabolcs-Szatmár-Bereg	5,937	572	1	18	209
Tolna	3,703	247	1	8	99
Vas	3,337	269	1	7	208
Veszprém	4,639	376	1	11	211
Zala	3,784	298	2	7	248
Hungary (total)	93,030	10,135	23	214	2,898

Source: Magyar Statisztikai Zsebkönyv, 2000. Budapest, KSH, 2001.

One of the ideas was to integrate the cities and their surrounding settlements into a common local government with common representative bodies and administrative offices. It was suggested that about two hundred city-counties should replace the functioning county structure. It was a scientific conception with the support of a political party.

The reform concept of public administration does not consider a territorial reform of the counties, at the same time there are bottom-up initiatives to “transplant” some settlements to the neighbouring county, which undermines the present county borders. The reform of the counties is not only a political issue but also a social and emotional one.

### *Dilemmas of the regional public administration within the new conditions*

The problems of regional (above county level) public administration evoked strong professional and political disagreements in 1990–1994, with the introduction of the system of the prefects of the republic and with then its elimination.

In some deconcentrated state organs, there is a historical tradition of a network consisting of regional units, which integrate certain groups of counties. Regional public administration divided and still divides both professional and social public opinion in the question whether there is a need for administrative regions as a local governmental level (Horváth 1996). Besides that it is only of less importance how many regions can be formed.

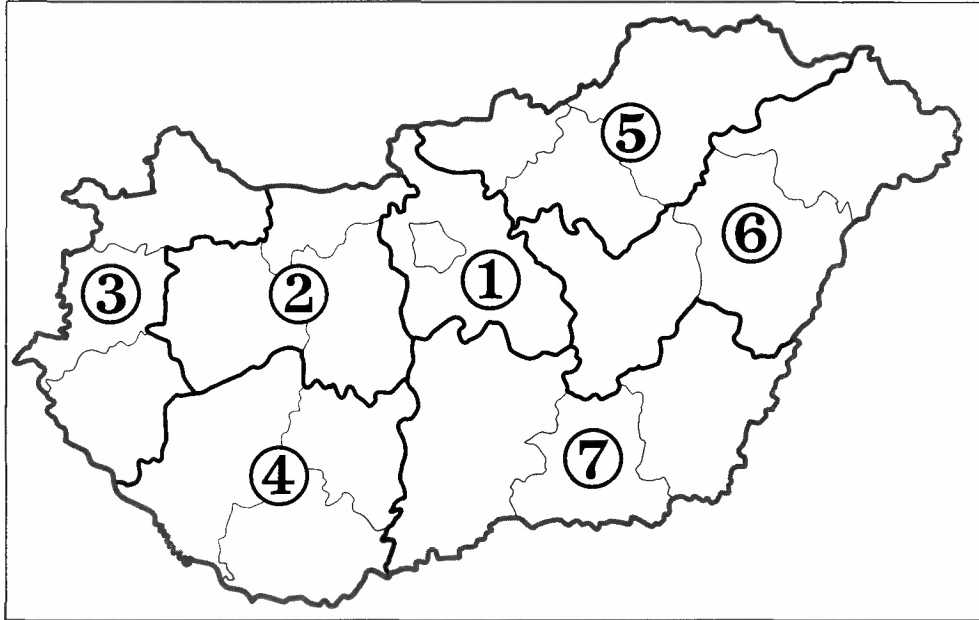
The need to create a regional public administration in local governmental administration is not supported by any political power at the moment. This does not mean, however, that we should neglect this possibility in the longer run.

The problems of the above-county regional units was brought up in a new way during the construction of the institutional and territorial organisation of regional development. Also, in connection with the EU accession, the need to build out a regional statistical classification system (NUTS 1–5) emerges (Faluvégi 1997).

The most fundamental question is how the Hungarian urban-regional structure can be made parallel to the statistical system used by the EU. Because of the support policy of the EU, the definition of the NUTS 2 units (i.e. the regions) gained a special importance. The different proposals for the division evoked strong and emotional debates both in professional and political circles. The accepted statistical division can become a dominant framework of regional development in the long run (Figure 2).

Figure 2

*Accepted statistical regions of Hungary, 1998*



Key: 1 – Central Hungary; 2 – Central Transdanubia; 3 – Northern Transdanubia; 4 – Southern Transdanubia; 5 – Northern Hungary; 6 – Northern Great Plain; 7 – Southern Great Plain.

## Summary

The creation of the multi-party parliamentary democracy, the social, economic and political transformation, the “systemic change” necessarily raised the issue of the re-settling of the public administration, including the county administration. During the creation of the new Hungarian local governmental administration, the principles of the European Charter for Local Self-governments were considered, as well as the historical past of the Hungarian public administration, but the decisions were basically determined by political compromises.

The political compromises of 1989/90 resulted in the depreciation of the county administration. The county was to blame for all the sins that the state socialist public administration had committed. (The new democracy too needed the central and the municipal administration, so these could not be neglected.)

In the new local governmental construction, the county remained a unit of local governmental administration, but at the same level as the municipalities, no hierar-



chic relation existed between the municipal and the county governments any longer. The county governments in reality only had the function of maintaining meso-level institutions.

The county as a territorial unit, framework was not depreciated so much, because the strengthening and modernisation of the special administration of the state was based on the county system in most of the cases.

After 1994, a careful extension process of the functions of the county governments started, but we cannot talk about any kind of “county renaissance”. In the second half of the 1990s, the debates about the county system and the counties reached a new phase, in connection with the EU accession efforts and the building out of the institutional system of regional development.

The new local governmental public administration system stood the economic, social and political trials of the decade of the systemic change and became accepted by the society. At the same time, significant differences appeared among its partial structures. While the regulation and operation of the municipal local governments is essentially accepted, despite some minor debates (towns with county rank, inner administration of Budapest), the problem of the county governments has almost continuously been in the centre of political and professional debates.

The medium level (let it either be a county or a region) evokes sharp debates because this is the level where municipal governments are afraid of the restriction of their own obtained positions, also, the central power does not want to create a strong competition for itself. The centre has been interested in the recent decade in a system of deconcentrated organs as the dominant factor and integrator of the medium level.

The institutional system of regional development, the preparation for the EU accession has put regional problems in a new light. If NUTS 2 statistical regions strengthen as a spatial framework of regional development, they can have direct consequences in the public administration in the long run.

The debates on public administration have already started again following the elections of 1998, both in connection with the central administration and the medium level. Probably the same old dispute will go on, in slightly new conditions, with some new actors.

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