

Márton Berki

Examples of the functional transformation of former industrial areas  
in Budapest – The role of the postsocialist context and  
geographical scales in the process of transformation

MAIN FINDINGS OF THE PHD DISSERTATION

Supervisor:

Dr. habil. Éva Izsák, associate professor

Eötvös Loránd University,

Doctoral School of Earth Sciences

*Head: Dr. József Nemes Nagy DSc*

Geography–Meteorology Programme

*Head: Dr. Mária Szabó DSc*

Prepared at the Department of Regional Science of Eötvös Loránd University  
and at the Institute for Sociology of the Hungarian Academy of Sciences

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## Introduction

Even the first comprehensive analyses of Budapest's brownfields have been justified by their enormous extent, since this relatively close-knit 68 km<sup>2</sup> zone adds up to 13% of the capital city's administrative area. According to recent estimations, however, only 20% of these areas have undergone successful functional transformation over the past 20 years, moreover, the vast majority of these are located on the edge of the inner city; therefore, the issue of brownfield regeneration has definitely not lost its relevance since the studies carried out after the turn of the millennia.

My PhD dissertation also deals with the post-1990 functional transformation of former industrial areas, although with slightly different emphases compared to previous Hungarian studies. With this work, I aim to contribute to the existing body of brownfield-related literature, especially those with theoretical insights, by placing a number of taken-for-granted (or less thoroughly studied) notions and processes in broader theoretical frameworks, primarily based on neomaxist accounts and partly on poststructuralist approaches.

## Aims and methods of the research

The issue of urban brownfields in Hungary – as well as in other ex-socialist countries – cannot be detached from the specific political and economic context of the *postsocialist transition* for over two decades now; hence, I place a particular emphasis on macro-regional specificities throughout the dissertation. As part of this endeavour, I aim to highlight the differences of the fordist-postfordist restructuring and the subsequent deindustrialisation between the Central and Eastern European region and 'Western' (capitalist) states, since relatively little attention has been paid to these two key processes in the case of Hungary to date. For this, I heavily rely on the theoretical frame of the French Regulation School's work on capital accumulation regimes.

These macro-level determinations, at the same time, have a significant impact on smaller-scale transformation processes as well. Therefore, within the confines of two empirical studies, my dissertation also focuses on the different *geographical scales* of functional transformation. My case studies are mainly built around the use of urban

space: on the one hand, I examine the changing land use patterns of the economy (companies and services) in a larger areal unit, whereas on the other hand, I also aim to shed light on the use of urban space by different social groups on a much smaller (micro-)scale. On the (meso-)scale of the urban structure, my main research focus is the issue of spatial and functional homogeneity and/or *fragmentation* (and, in a more indirect manner, the ‘testing’ of the urban structure models of the Chicago School and the Los Angeles School), while on the local (micro-)scale, I attempt to examine the different ways of using urban space on an already rehabilitated former industrial site, as well as to reveal the residential knowledge and attitudes connected to brownfield regeneration. For the latter case, I use Henri Lefebvre’s and Edward Soja’s *trialectics of spatiality* as the underlying theoretical framework.

In spite of their fairly different scale, both of my research areas, *Soroksári Road* in District IX and *Millenáris* in District II represent important growth axes of the capital city’s rapidly expanding CBD-functions (in the case of Soroksári Road, especially the northern side’s Danube waterfront, the so-called Millennium City Centre). Their different size, however, also allows us to examine and compare various scales of the functional transformation of brownfields, as well as to identify the role and interaction of its key actors, which I try to grasp using the approach of *actor-network theory*. In order to reveal the spatial and functional fragmentation of the formerly homogeneous industrial area of Soroksári Road, I have conducted a *windshield survey*, while in the case of Millenáris, the residential use of urban space has been examined based on a *questionnaire survey*. Moreover, these methods have been supplemented with unstructured in-depth *interviews* in both research areas.

Since the theoretical considerations are of paramount importance throughout the entire dissertation, my research questions are not limited to the second (empirical) part of the thesis. Therefore, the main questions I seek to answer are the following:

- *How different is the functional transformation of former industrial areas in postsocialist cities compared to the same processes of Western countries?*
- *How and to what extent do the specificities of pre-1990 (socialist) urbanisation affect the process of functional transformation?*
- *What are the main differences between the micro-scale and the meso-scale transformation processes, and who are the key actors that affect(ed) these transformations?*

Beyond these general considerations, the two additional research (sub-)questions connected to the case studies carried out along Soroksári Road and on Millenáris are the following:

- *How much does the tissue of former industrial areas reflect the fordist-postfordist restructuring, i.e. what spatial patterns does a formerly monofunctional urban area have today?*
- *What perceptions and conceptions do visitors have concerning an already regenerated former industrial site, and in what way(s) do different social groups use that space?*

## Summary of the research results

Hereinafter, the most important research results and conclusions are presented in accordance with the structure of the dissertation.

- In the theoretical part of the thesis, the relationship between socialist and capitalist urbanisation was reviewed first, along with the most important characteristics of postsocialist urban development. Concerning the conflicting standpoints of the ‘ecological school’ and the ‘historical school’, I adopted the view according to which the Central and Eastern European region’s post-WWII (socialist) urbanisation was markedly different from the development path of capitalist countries and, as such, *significantly determined* the transformation processes of urban industrial areas during the politico-economic transition as well. Due to these macroregional differences in urbanisation, the industrial crisis and the subsequent restructuring process was slightly different in the cities of the former Eastern Bloc (including Budapest) compared to Western metropolises. This divergence has been examined in the theoretical frame of the Regulation School, demonstrating that the relatively rigid socialist half-fordist accumulation regime was in many respects different from Western fordist accumulation regimes characterised by more sophisticated and flexible modes of social regulation. Under the aegis of this inflexible regime, the vast majority of otherwise ‘unviable’ large state-owned industrial enterprises were artificially maintained for political and legitimating reasons until as late as 1990; as a result,

countries of the Eastern Bloc have not undergone the far-reaching transformation process which restructured Western capitalist economies in the 1970s. Central and Eastern European cities, however, paid a high price for these state interventions, as the extremely rapid deindustrialisation processes starting right after 1990 had more serious consequences in the region compared to those experienced in the Western world. This marked difference supports the arguments made by the proponents of the historical school, especially those adopting a neoweberian approach highlighting the dominant role of the state in the process of urbanisation. Therefore, as a joint answer to my first two research questions, it might be stated that the considerable political determination of urbanisation during the socialist era *substantially influenced* the functional transformation of the former industrial areas of postsocialist cities, and hence, as a consequence, these processes were *fundamentally different* from the industrial restructuring of Western countries.

- Due to the macro-level determinations of the postfordist restructuring, particular emphasis has been placed in the dissertation on the different geographical scales of functional transformation within the confines of two case studies from Budapest. Nevertheless, it is important to note that the (meta)theory of the Regulation School provides an appropriate theoretical framework primarily for the crises and restructuring of larger-scale traditional (fordist) industrial regions, whereas the concepts of urban managerialism and growth coalitions might rather be useful when trying to reveal the transformation processes of cities or smaller urban areas. In contrast to these approaches, however, *actor-network theory* (ANT) might be applied in the case of all (macro-, meso-, and micro-)scales. Within this theoretical frame rooted in poststructuralism, global, national and local (and, in our case, intra-urban) processes cannot be interpreted and scrutinised independently from one another; on the contrary, through the lens of ANT, the functional transformation of former industrial areas is more dependent on the power relations, bargaining positions and decisions of various key actors. Therefore, with the fairly different scales of my empirical study areas, I also aimed to ‘test’ the approach of actor-network theory at the same time.
- The different geographical scales of functional transformation was first examined through the example of the industrial area along Soroksári Road,

principally based on the urban structure models of the Chicago School and the Los Angeles School, with a specific focus on the issue of functional fragmentation. Building on the results of my windshield surveys carried out in order to grasp the local economy and services, I argue that the rapid postfordist restructuring after the politico-economic transition and the reckless privatisation processes have together resulted in an extraordinarily fragmented spatial pattern in the formerly monofunctional industrial area, showing considerable resemblance to the urban structure model of the Los Angeles School. Therefore, in the case we consider high-level spatial fragmentation as one of the key characteristics of postmodern urbanism, it might be assessed that the transforming industrial areas of the cities in the former Eastern Bloc show definite similarities to some of the North American metropolitan areas in terms of their intra-urban spatial patterns. Moreover, regarding the neweberian argument already mentioned in connection with urbanisation processes, it is also important to highlight that the role of the state has not only been determinative in the socialist era by preserving the anomalies of the urban structure but later on as well, since at the beginning of the politico-economic transition, it was again the intervention of the state which sealed the fate of derelict industrial areas by fostering a rapid and incautious way of privatisation. Hence, as the answer to my main research question about the transformation of Soroksári Road, it might be asserted that the fordist-postfordist economic restructuring and the active political agency after 1990 *left a major mark* on the tissue of the formerly monofunctional industrial area which had otherwise been relatively stable since the 19<sup>th</sup> century.

- The second case study presented in the dissertation was carried out on Millenáris, the rehabilitated former GANZ-factory at Lövóház Street, being a much smaller site compared to the Soroksári Road study area. On the one hand, this research revealed that the area *occupies slightly different positions in the perceptions and conceptions of various social groups* (i.e. in their perceived and conceived space), and on the other hand, mainly due to their generally different life situations and preferences, they also *use it in multiple ways and for diverse purposes*. These differences are apparent in the case of age, highest educational qualification and the place of residence (and, to a limited extent, gender as well); therefore, concerning future brownfield regeneration projects to be carried out in

Budapest, it is essential to consider for whom and for what purpose(s) we aim to regenerate a certain (disused) industrial site. As the most important outcome of the questionnaire survey designed in accordance with the theoretical concepts of Henri Lefebvre and Edward Soja, Millenáris might be regarded as a *successful investment* because it is firmly positioned in the visitors' perceived, conceived and lived space. Besides the reinterpretation of the original built environment highly appreciated by contemporary architects and the field of monument protection, the actor-network that created the venue also effectively shaped the 'meanings' of the area (i.e. the representations of space) according to their own goals. Despite these strong political connotations, residents appear to accept and actively use Millenáris, as has been reflected in the research results; however, for this overall high level of acceptance, a number of new functions connected to daily routines have been required that are based on *performativity*, and thus create a permanently lived connection between residents and the former industrial site.

- When linking the two examined areas' (meso- and micro-scale) transformation processes by the approach of ANT, it can be argued that in the case of the Millennium City Centre along Soroksári Road, the principal aim of the actor-network was to sell the valuable Danube waterfront EXPO-area to attain as large profit as possible, whereas the main goal of the network established around the similarly well-located Lövöház Street venue was exactly the opposite. Here, the actor-network primarily evolved around the creation of an urban green space and, parallel to that, the protection of the industrial heritage; as a result of their successful lobbying activity, in this site there was less space left for neoliberal urban development principles determining the transformation of Soroksári Road. As it was affirmed in the first empirical research, the ABC-model connected to the neoliberal discourse of brownfield regeneration can be observed along Soroksári Road from the city centre to the periphery. This model would have definitely indicated the appearance of private investors in the valuable GANZ-plot in Inner-Buda; on the contrary, however, the revitalisation of the site was funded by the state. Nevertheless, in contrast to this fundamental difference, the common features of the transformation of the two study areas include their extraordinarily heterogeneous actor-networks (consisting of actors with conflicting interest even inside of the same networks) and the less transparent

functional change: both the investments on the northern part of Soroksári Road and on Millenáris were realised in an ‘immature’ legal and regulatory period, in the relatively same kind of uncoordinated and ethically contested way. Besides that, it is also important to note that there is an interesting discrepancy in the conventionally understood geographical scales in the case of the areas examined in the dissertation. While the local venue of Millenáris is also characterised by a predominantly local use of space (with the dominance of the surrounding Buda districts), yet almost solely ‘national’ scale politics have been mentioned in the questionnaires, and only a few references were made to the district or the capital city. In contrast, even though the industrial area along Soroksári Road represents a much larger element of the urban structure compared to Millenáris, besides the district level, the companies appear to be the most important actors in affecting the processes of transformation. To sum up, concerning my research question related to the issue of geographical scales, it might be stated that urban politics and thus, urban processes are influenced by a complex set of factors: although Soroksári Road is a larger (meso-scale) area and Millenáris is a much smaller site, however, all geographical scales affected (and still continue to affect) their transformation through the agency – i.e. the coalitions and/or conflicts – of different actors that are both embedded in various scales and are also inherently local at the same time. Therefore, instead of the conventionally hierarchical and rigid, ‘fixed’ scalar categories, it might be worth considering the scrutiny of both the role of actors (mediators and intermediaries) and the effects of their agency which is possibly affecting the transformation of a certain area.

## Publications related to the dissertation<sup>1</sup>

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- BERKI M. (2014): Visszatérés a kapitalizmus útjára. A poszt szocialista városfejlődés főbb jellemzőinek áttekintése [The Return to the Road of Capitalism. An Overview of the Main Characteristics of Postsocialist Urban Development]. In: DÜLL A. – IZSÁK É. (eds.) (2014): *Tér-rétegek. Tanulmányok a XXI. század tér-fordulatairól [Layers of Space. Studies on the Spatial Turns of the 21<sup>st</sup> Century]*. L'Harmattan Kiadó, Budapest, 103–119.
- BERKI M. (2014): A városi barnaövezetek funkcióváltása poszt szocialista városokban. Térelemleti megközelítés [The Functional Transformation of Urban Brownfields in Postsocialist Cities. A Theoretical Approach]. In: DÜLL A. – IZSÁK É. (eds.) (2014): *Tér-rétegek. Tanulmányok a XXI. század tér-fordulatairól [Layers of Space. Studies on the Spatial Turns of the 21<sup>st</sup> Century]*. L'Harmattan Kiadó, Budapest, 120–133.

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<sup>1</sup> Complete list of publications: <https://vm.mmt.hu/search/slist.php?lang=0&AuthorID=10018524>