



RESIDENTS' ATTITUDES TOWARD URBAN DEVELOPMENT PROJECTS: THE CASE OF BUDAPEST

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Abstract

Urban renewal and inner city regeneration though are considered as necessary for progress and development often share stakeholders, especially communities, residents in the area concerned. Regardless of the stage of a project, involving stakeholders in the planning and implementation and distributing the appropriate information can create a supporting environment for the investment. Some authors also believe that community participation, although might be problematic, generally contributes to the success of the project.

This paper presents the results of a research that analyses the attitude of the community towards urban renewal projects. In our quantitative research we map the most common problems that usually arise during each urban development project, and grouped the respondents based on their attitude toward such investments.

The article closes with recommendations for communication and collaboration strategies tailored to the individual characteristics of the above groups.

Keywords: *urban renewal projects, project communication, attitude research*

JEL code: M39

Introduction

Urban development is the series of activities supervised and controlled by the public sector, with the purpose to establish consolidated urban spaces. Urban development is basically defined by the common desire of creating a nice, healthy (hygienic), and convenient urban environment. (Bajnai, 2011) While throughout the process of urban planning, the cityscape is being altered, an important consequence of this is that the realized developments boost entrepreneurship amongst those who live and are active in the neighborhood, they contribute to competitiveness and strengthen the will of cooperation of the involved parties. (Noworól, 2017)

If we understand that urban development is a means to strengthen the public sector in order to improve the quality of life of communities with the goal to have the various projects integrated within the frame of a complex, coherent and coordinated plan, than it becomes obvious that it cannot be implemented without the involvement of the communities and residents who live there. The fact that the interest and motivations of the various involved parties (government, local government, civilians, residents, representatives of the private sphere) could differ significantly represents a serious challenge. These different motivations can only be balanced if a cooperation between the affected parties is implemented already in the early stages of the projects, and it accompanies the phases of planning and implementation as well.

Besides general ideas, this study presents the opinion and attitudes of the involved parties, primarily of residents on the potential and existing cooperation/involvement through an actual project, the Városliget project at Budapest.



The definition and concept of urban development

The revitalization of urban spaces is a central issue in Hungary as well, just as it is in other, strongly affected, less developed Eastern-European regions. (Noworól, 2017)

Experts and academics are researching a number of aspects of urban development projects (UDP). Besides their political, social, ecologic and health-related importance, one key objective of urban development projects is to increase the competitiveness of the town, or on a larger scale, of the region. In terms of the four dimension strategy introduced by Piskóti (2006), the infrastructural investments realized as the first stage of economic development and the rehabilitation of certain areas create the foundation for the elaboration and implementation of further economic development measures. Such measures include the exploration of directions of innovation based upon existing strengths, the creation of a knowledge base with the utilization of R+D potential, and the support of functional (education, services etc.) economic development endeavours. (Piskóti, 2006)

Therefore the issue is not only relevant solely from the point of view of economic development and competitiveness. An endless number of researches have proved that these projects have a direct and indirect impact on the quality of life of those who live there or use the space (for work or recreation purposes, tourists etc.). Out of the number of negative impacts of improperly executed projects, we must note the problem of the shrinking of green areas, and its consequences on health (Takano et al., 2002), the depopulation of certain areas/districts, the impact of the rise or fall of property prices, which could even transform the labour market of that particular area indirectly.

In order to avoid urban development becoming a confused totality of isolated projects, rather a process implemented along a coherent principle, settlements create urban development concepts. An urban development concept is a study building upon the environment, society and economic related attributes of a settlement, which determines the directions for a longer period, a term exceeding ten years. (Bajnai, 2011)

The method of urban planning is also analysed frequently. A key issue is the question whether a particular area should be renovated or totally reconstructed for the purpose of rehabilitation. C.W. Ho and co-authors (2002) examine it from the aspect of reconstruction (redevelopment) or renovation (building rehabilitation). The case study from Hong-Kong presented by the authors sheds light on the relevance of the opinion of involved parties regarding the examined revitalization projects.

The literature written in this topic differentiate the concepts of urban development and real estate development: while the former refers to a large area – part of town, the latter is a project at a well-defined location affecting one or a few real estates. (Bajnai, 2011)

The projects implemented throughout the process of urban development basically focus on the development of public utilities, infrastructure, land transformation tasks, green areas, the construction and renovation of public facilities (education, culture, health institutions) and apartment buildings. (Bajnai, 2011) The limited financial and other resources on the other hand allow for quite tight budgets for these projects, the majority of developments focus on areas which have a direct impact on increasing the quality of life, thus purposes related to transportation, habitation, environment, health, decreasing the level of pollution are becoming more important. These objectives are also reflected in the indicators of measurement methods regarding urban development as well. It is an interesting fact that smart city projects only emerge in the relation of large-scale public service developments, and it is only specified as an individual development goal in a very few cases. (Kun, 2016)

Obtaining resources for these projects is therefore a key issue for urban development. Local governments can increase their tight budgets by involving the private sector, while in case of large scale projects the central budget, or EU tenders could be used to cover the costs. Besides the numerous advantages of cooperation, it might be difficult to balance the possible contradicting motivations, the serving of public interest, political interests and profit orientation.



The post-modern trend of urban development

Jane Jacob established the concept of orthodox urbanism in the sixties, as an opposite of the vivid, interesting and inspiring urban development network. The spread of the creative city concept dates from here, though it took three more decades from the idea to become generally known. By the mid of the nineties, urban planning has also become a marketing issue. The image of the city as the subject of marketing was created as the result of classic product planning and positioning tasks. The task of urban marketing is to introduce the physical and cultural values of the settlement, and the communication of a certain imagined, appealing lifestyle in order to trigger emotional attachment from consumers, whether they are tourists or the people who live there. According to certain researchers, the practice of creative urban development – within the frame of a neoliberal economic policy – targeted the well-capitalised, elite and upper-middles classes. (Egedy, 2017)

Neoliberal urbanism, or the concept of creative urban planning has a number of negative consequences. Research groups have analysed the negative consequences of the concept in relation to thirteen European projects for many years (Swyngedouw et al, 2002). The authors have defined – amongst other things – the below general problems:

- The realized projects were used as an instrument with the purpose to present exceptional results both regarding planning and implementation.
- The democratic involvement of local parties in the projects analysed was not implemented or only in a very formal manner, which resulted in the escalation of the elite's interest.
- The projects fitted less into the wider aspects of urban planning concepts.
- The presented projects strengthened the socio-demographic polarization of the involved areas, by altering real estate prices.

From the nineties, the theory of smart cities has been developed in parallel with the concept of creative cities. Smart cities are cities which utilize the available technologic innovations in order to establish a better, more diverse and sustainable urban environment. (Lados, 2011) The smart city concept stands on three pillars: sustainability, efficiency and wide-scale participation. (Egedy, 2017)

Public participation

The process of implementation is different in each case, the nature of the project defines the institutional background, and the frames of cooperation between the involved parties: public authorities, entrepreneurs, representatives of the private sector and other partners. Certain social contracts must be considered throughout the process, such as:

- Organizations supporting entrepreneurs and businesses who operate at the area
- Informal social groups
- Local leaders
- Organizations supporting non-governmental cooperation and the creation of networks (Noworól, 2017)

The transformation of the social environment (the increasing complexity of problems, the shift in public thinking, the elevation in the level of qualification, the ability to express thoughts, etc.) and the alteration of technologic conditions (accessibility of information, the organizational power of social media etc.) have fundamentally transformed the perception and attitude towards urban development projects. The eight-step model of Arnstein (1969) introduces the possible levels of involvement from manipulation caused by the lack of information to joint decision making and active participation. (Fig 1) The level of involvement is naturally strongly influenced by the level of social and cultural development in that particular country. (Enserink-Koppenjan, 2007)

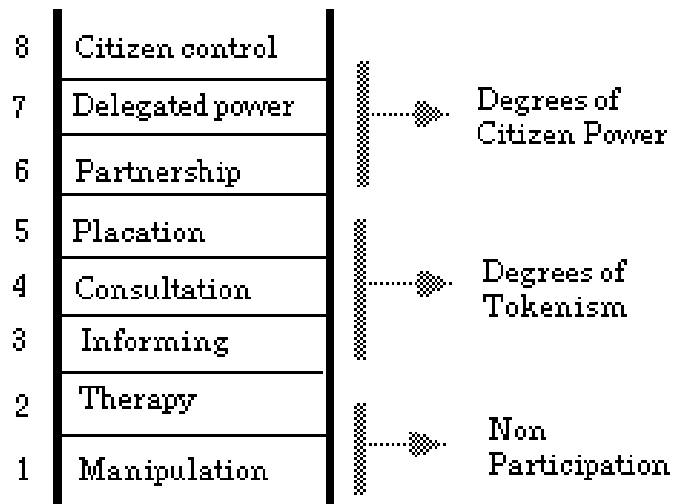


Figure 1 The ladder of citizen participation (after Arnstein, 1969)

The author himself also draws the attention on the defects of the model and the possible disadvantages of community involvement, such as: the support of separatism, a deteriorating efficiency paired with higher costs, the fact that community involvement enables the opportunist behaviour of minorities, and is not compatible with centralized, professional management systems (Arnstein, 1969)

Still, according to European norms, today we must consider the opinion of communities regarding urban development projects, otherwise those will be heard in an informal manner, allied with opposing political powers, and in many cases in a destructive form, just as it had happened in case of many projects in Budapest.

Urban planning in practice – Budapest, Liget project

As the capital of Hungary, Budapest plays a crucial role both from an economic and a social aspect. It is also a significant city in the Eastern-European region, along with Bratislava and Vienna, and an important hub in the European transportation network. Budapest’s urban planning concept attempts to create a harmonic, balanced city, which can only be realized with the coordination of organic and planned growth and development.

The thorough analysis of urban planning projects revealed that there about 100 projects which are finished, in process or in the planning phase in the area of Budapest. The majority of these are concentrated in the historic part, near the Buda castle, Heroes’ square (Liget project) and the Kossuth square. Of course there are developments which are finished or to be realized outside this area, in the neighbourhood of the Northern Danube gate (Water Sport World Championship) and the Southern Danube gate (Olympic Centre, MÜPA etc.), and other separate investments which are less fitting in the city network. (Gál, 2017)

The Liget Budapest project is a key government investment worth about seven hundred million euros, which is being implemented at the most significant green area of Budapest, the 200 year old Városliget. A central element of the development is the establishment of the Museum Quarter, along with the increasing of green surfaces, as communicated by the project managers. With the demolition of many buildings, the



renovation of four buildings and the construction of five new complexes, the proportion of built-up areas will grow from 5% to 7%, while the proportion of green surfaces increases by 6%.[\(link\)](#) Construction has started two years ago, and a number of ancient trees had become victims of the works, the major part of the Városliget is still a construction area. The project managers of Liget Budapest had held discussions with civil organizations on four forums, but there was no substantive dialogue, resulting in many confrontations with the objecting civilians throughout the implementation.

A survey was conducted in 2016 amongst residents of Budapest regarding the Liget Budapest project. The results of the survey of Sonda Ipsos on a representative sample of 500 showed that 75% of respondents were against the construction of new buildings in the Városliget. According to the survey of Medián Opinion and Market Research Institute also on a sample of 500 concluded that residents of Budapest believed that maintaining the public park nature of the area, and its rehabilitation without construction would be a better idea, with a much lower budget.

Therefore one might wonder how residents of Budapest perceive their own role in relation to urban development projects in general, and how they feel about the actual project outlined above.

Methodology

Accepting the results of previous researches, this analysis focuses not primarily on concrete opinions on the Liget Project, but on general attitudes towards urban development. Based on the overview of the literature, taking into account the research results and the trends occurring in general community participation, the following hypotheses can be formulated.

H1: It can be assumed that the opinions on urban development are characterized by overall dissatisfaction. The level of satisfaction with each type of previously completed or ongoing development is lower than average.

H2a: Both in general and in relation to the specific project, the respondents perceive some negative aspects of neoliberal urban development.

H2b: Respondents perceive that the realization of urban development projects is not/or not always in the communities interest and there is a lack of meaningful participation opportunities.

H3: Attitude components appear in relation to urban development projects. It can be assumed that the affect-behavior-cognition distinction defined by the tripartite model of attitude structure (Rosenberg-Hovland, 1960) can be presented through factor analysis.

In the questionnaire statements have been determined about urban development in general and concerning the concrete Liget Budapest project. Respondents' opinions were examined using a five-level Likert-type scale.

The city belongs to all of us, irrespective of age, gender, place of residence and income, so the sampling population is therefore quite heterogeneous. Using a convenience sampling procedure our questionnaire was sent online to the interviewees. Although young respondents with a higher education are overrepresented in the sample, less educated and older respondents appear. However, research is not representative due to the sampling method. The composition of the sample is shown in Table 1.



Table 1

Distribution of the sample

		Frequency	Percent	Valid Percent	Cumulative Percent
Gender	Male	74	41,2	41,2	41,2
	Female	106	58,8	58,8	100,0
Type of residence	Buda	28	15,6	15,6	15,6
	Pest	114	63,3	63,3	78,9
	Other	38	21,1	21,1	100,0
Age	18-27	110	61,1	61,1	61,1
	28-39	26	14,4	14,4	75,6
	40-55	36	20,0	20,0	95,6
	55+	24	4,4	4,4	100,0
Education	Secondary	96	53,3	53,3	53,3
	Higher	84	46,7	46,7	100,0
Total		180	100,0	100,0	

Source: by the author based on primary research

Results

Opinions on each development types are listed in Table 3. The results support the preliminary assumption that respondents are generally dissatisfied with the developments that have been implemented in Budapest. Respondents are most satisfied with the projects implemented in connection with sports and recreation, while the results show a significant dissatisfaction caused by lack of healthcare related investments.

Table 2

Opinion on development categories
Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation
Q2.6 Public sports and recreation related investments	176	1,00	5,00	2,9773	1,25008
Q2.7 Construction and renovation of residential buildings	172	1,00	5,00	2,9651	1,13187
Q2.4 Culture, education and science related development (e.g. museum, theatres, schools).	176	,00	5,00	2,8182	1,22751
Q2.8 Smart City Projects (e.g. WIFI Coverage, Digital Information Systems)	170	1,00	5,00	2,7176	1,24987
Q2.3 Development of green and recreational areas	180	,00	5,00	2,6667	1,26313
Q2.1 Development of public utilities and infrastructure (road network)	176	1,00	5,00	2,6591	1,10262
Q2.2 Land conversion	178	1,00	5,00	2,5385	,96285
Q2.5 Public healthcare-related investments	172	1,00	5,00	1,6512	1,04900
Valid N (listwise)	69				

Source: by the author based on primary research



Respondents are rather satisfied with the directions of development in general (Average: 3.29; Standard deviations: 1.06259) and the Liget project is thought to be a development that fits in the city's identity. (Mean: 2.96; Standard deviation: 1.19232). Though examining the relationship between the overall satisfaction and the positive judgement of this specific project, correlation between the two variables cannot be demonstrated. Based on the Pearson Half Chi-square test ($\chi^2 = 24,640$; $df = 16$; $p > 0.05$) it can be stated that general satisfaction and the judgment of a particular project are not interdependent. The disadvantages of the neo-liberal urban development concept, however, are perceived by respondents both in general and in relation to the specific project. (Table 3)

Table 3

Opinion on participation related statements

Descriptive Statistics

	N	Min.	Max.	Mean	Std. Deviation
Q1.8 In my opinion, developments do not serve to improve the quality of life of people concerned (residents, employees, companies, etc.)	172	1,00	5,00	2,9070	1,23315
Q1.7 I think, development projects are implemented with the support of stakeholders (residents, local companies, civilians, etc.)	166	1,00	5,00	2,4337	1,11741
q.6.6 The interests of the community are more prevalent, not the profit expectations of some stakeholders	158	1,00	5,00	2,2658	1,37476
Q6.7 The Liget project owner takes into account the opinion of the residents	162	1,00	5,00	2,0617	1,12189
Valid N (listwise)	57				

Source: by the author based on primary research

As the attitude statements have been determined by ourselves, we used Cronbach alpha to test the reliability of the model. The result obtained (Cronbach's Alpha = 0.710 >0.7) supports the internal consistency of the scale. According to the test result the removing of any factor reduces reliability; that means the model appropriately captures the topic.

Based on the reliability test, it is advisable to include all variables in the factor analysis. The KMO value obtained during the run is 0.711, which means that variables are suitable for factor analysis. During the analysis, main component analysis and Varimax rotation method were used and the three factors thus formed together account for 59.34% of the total variance, which is just below the minimum of 60% defined in the literature (Sajtos-Mitev, 2007).

The factors and the explanatory power of the individual components are shown in Table 4.



Table 4

Results of factor analysis
Rotated Component Matrix^a

	Component		
	Factor 1	Factor 2	Factor 3
Q1.2 The city is developing in a good direction	0,853	-0,167	0,071
Q1.1 I believe Budapest is a viable, European scale city	0,828	0,011	-0,055
Q1.3 I believe that urban development projects are implemented as part of a long-term strategy	0,812	-0,224	0,06
Q1.11 In my opinion, internationally renowned events (cultural, sport) are important for urban development	0,632	0,03	0,193
Q1.4 I think that the rehabilitation and improvement of public spaces and public buildings restrain other job-creating investments	0,017	0,792	-0,151
Q1.9 I think that during planning and implementation the project owner should consider the views and opinion of stakeholders (even within the framework of a referendum)	0,167	0,597	0,329
Q1.7 In my opinion, development projects are implemented with the support of stakeholders (residents, local companies, civilians, etc.)	0,387	-0,522	0,259
Q1.10 In my opinion, the main aim of urban development is to make Budapest a more attractive tourist destination	0,489	0,147	0,571
Q1.5 I consider the subject of urban development important to me	0,146	-0,16	0,487

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 4 iterations.

Source: by the author based on primary research

The obtained factors do not exactly reflect to the three components of attitude described in the literature. Based on the related statements, the following factors can be defined.

F1: First to appear is the dimension of "*desires and promises*". The factor comprises statements that express general expectations and ideas about urban development.

F2: The "*expectations and responses*" factor reflects to the practices that are relevant to the realization of the developments. The related statements depict a supportive involvement form both participating parties, whether project owner or community representative.

F3: A "*participation and responsibility*" dimension can also be identified. The third factor, compiles the claims regarding the individuals' and community's involvement and participation.

Conclusions

Attitudes are difficult to measure, yet they have strong impact on our consideration and behaviour. One's attitude is usually based on partial information, internal beliefs and external impulses, both in our buying decisions or our perceptions of the near environment. In this article, we aim to analyse attitudes toward to urban development projects. Based on the results



of the research, all the three hypotheses can be accepted. The results of the research, due to the relatively small sample size and the lack of representativity, can only be accepted with certain limitations, but they can provide an interesting input for further researches.

Indeed, the city belongs to all of us. Though the benefits of urban developments can be directly enjoyed by the stakeholders (residents), they are quite uninformed about the topic.

Although participation is a hot topic both in literature and practice, and based on the research it is considered as important for the respondents as well, the low level of consciousness questions the real effectiveness of involvement.

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