

## Effects of the economic and political changes in Eastern Europe for the Hungarian-Austrian border region - results of a research project

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A border defines the immediate sphere of action of a state politically, socially and economically and thereby also the regional structure of that geographical area. Thus, structural differences between the regions on each side of the border may be viewed as immediate effects of affiliation to the respective states. These effects become especially clear where a border has been erected recently and where not only states but different political-economic systems border each other. The Austrian-Hungarian border can be taken as an example of this.

This border has only existed at its present location since 1921 (treaty of Trianon) and appears to have initially been rather permeable. This changed drastically post 1945 when a complete close-off from its western neighbours was brought about by Hungary's affiliation to COMECON and the beginning of the Cold War. Only with the destabilisation of socialism towards the end of the 1980s did the separating character of the border start diminishing and border-crossing relationships of different kinds arise. Thus, two parallel developments, combined with each other, regulate changes in the border regions:

1. The opening of the border and thereby the possibility of border-crossing activities by private households as well as companies.
2. The radical changes of the political, social and economic realities in Hungary itself.

Describing and analysing these processes was the intention of a newly completed research project.<sup>1</sup> Its most important results are reported below. The following steps were implemented:

1. Analysis of the regional structure and shaping of types of settlement with the help of census statistics.
2. Questioning of border crossers.
3. Questioning of private households.
4. Questioning of companies.

5. Analysis of regional planning programmes and measures.

The grouping of the settlements by the cluster-analytic revision of population statistics (census 1980, 1981) and location characteristics (distance from the central cities of border crossers) reveals differences between the research areas. In Eastern Austria a distinct zoning of settlement categories around the centres of different steps at border crossing points can be recognised. However, corresponding patterns were not found on the Hungarian side. This can be interpreted as an effect of inefficiency regarding the absence of distance-related costs (e.g. transport costs), and thus a factor of region differentiating developments, in socialism.

With the end of socialism and the opening of the borders the regional behaviour of private households and companies, with strong differences even within the categories, changed because of the origin of new and the modification of old structural factors on both sides of the border, which is the presupposition of this research. In fact, a number of different travelling reasons can be identified for the border-crossers according to their nationality, social status and distance of place of residence from the border.

From Austria, mostly older, lower-class people from rural areas travel to Hungary to buy cheaper staple foods and use services (gastronomy, hair-dressing, dentistry). The Hungarian border-crossers, however, are younger and belong to urban, high-income classes; their main travelling reason is the acquisition of luxury articles like tropical fruits, drugs and electronic appliances, as well as to commute to work.

In rating the opening of the border a few similarities between the two research areas appear and a few differences also. Both sides view the opening as predominantly positive. The degree of consent diminishes with the distance of place of residence from the border, with the increasing age of the interviewee, affiliation to lower social classes and lack of contact with relatives or acquaintances. The stated border-crossing behaviour itself also correlates with these facts.

The differences of results between the two research areas, however, reveal the different character of the border-crossing relationships: the Austrians perceive their own travelling possibilities as an advantage of the opening. The entry of their Hungarian neighbours, however, is sensed as negative for their living conditions. The Hungarians look upon the Austrian tourists rather positively concerning their own living conditions (e.g. for financial reasons). This result reveals that the opening of the border makes the Austrians feel like moving closer to their poorer and the Hungarians to their richer neighbours.

The results of the company interviews were relatively similar. There are a few companies on the Austrian side which profit from the cheaper Hungarian labourers and various retail businesses sense the opening of the border as positive. However, tourism and parts of the manufacturing trade are already feeling Hungarian competition and this has resulted in companies moving across the border. A favourable location at the border may only partly relieve the economic situation, however. Retail and tourist businesses at only a few locations profit from Austrian visitors and thereby compensate for the lack of demand in their own country. The situation is a little better for the manufacturing businesses, especially the textile industry, which has a semi-stable position in western European sales channels because of long-enduring order productions and joint ventures.

Governmental regional planning on both sides of the border recognises the opening of the border as a great opportunity to lessen the peripheral characters of both regions. However, it is rather questionable to what extent this may happen in the Austrian research area because of the above-mentioned developments. On the Hungarian side, the advancement of the communities which are profiting leads to an increasing differentiation within the region - between booming settlements and declining villages and between profiteers (e.g. traders) and victims (e.g. pensioners) of both the opening of the border and the ruin of socialism.

There is some discrepancy as to how much the opening of the border is valued depending on whether it is approved of in principal or really approved of at the location. Thus it is an open question whether the emerging dichotomies will intensify or weaken in the future.

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## Notes

- 1 The Hungarian-Romanian border region was also investigated in the scope of this project, although the results of the investigations are not included in this report.
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