

**SOCIAL WELL-BEING IN THE HUNGARIAN METROPOLITAN REGIONS:  
AN EMPIRICAL APPLICATION OF THE STIGLITZ REPORT**

**Márton Berki**

Assistant lecturer, Department of Social and Economic Geography, Eötvös Loránd University  
Junior research fellow, Institute for Sociology, Centre for Social Sciences, Hungarian  
Academy of Sciences

Address: H-1014 Budapest, Országház str. 30.

Phone: (+36) 1-224-0790 / 362

E-mail: [berkimarton@yahoo.com](mailto:berkimarton@yahoo.com)

**Levente Halász**

Junior research fellow, Institute for Sociology, Centre for Social Sciences, Hungarian  
Academy of Sciences

Address: H-1014 Budapest, Országház str. 30.

Phone: (+36) 1-224-0790 / 362

E-mail: [halaszlevente@hotmail.com](mailto:halaszlevente@hotmail.com)

**Acknowledgements:**

The publication was co-financed by the European Union and the European Social Fund. It was prepared in the framework of TÁMOP-4.2.2.A-11/1/KONV-2012-0069 project entitled ‘Social Conflicts – Social Well-Being and Security – Competitiveness and Social Development’. Principal investigator: Prof. Dr. Viktória Szirmai DSc.

# **SOCIAL WELL-BEING IN THE HUNGARIAN METROPOLITAN REGIONS: AN EMPIRICAL APPLICATION OF THE STIGLITZ REPORT**

## **Keywords:**

social well-being, Stiglitz Report, Hungary, metropolitan regions, inequalities

## **Abstract:**

Based on a representative sociological survey with a sample size of 5.000 respondents carried out in 2014, this study investigates the social well-being of people living in the nine largest Hungarian cities and their metropolitan regions, in comparison with survey results from 2005. In the analysis, particular attention has been paid to the Stiglitz Report's recommendations, to the multi-dimensional nature of social well-being, as well as to the simultaneous consideration of its objective and subjective factors. In the case of the Hungarian metropolitan regions, the eight dimensions of social well-being identified in the Stiglitz Report are explored: (1) material living standards (income, consumption and wealth), (2) health, (3) education, (4) personal activities including work, (5) political voice and governance, (6) social connections and relationships, (7) environment (present and future conditions), and (8) insecurity (of an economic as well as a physical nature). The empirical analysis revealed that the former core-periphery downward slope of metropolitan regions has clearly changed over the past ten years; whereas city centres are still in a favourable position, and the urban outskirts are getting more and more fragmented, suburban zones have undergone significant restructuring. As a result, developed and underdeveloped suburbs have seen an equalisation in terms of social well-being since 2005.

# **SOCIAL WELL-BEING IN THE HUNGARIAN METROPOLITAN REGIONS: AN EMPIRICAL APPLICATION OF THE STIGLITZ REPORT**

## **INTRODUCTION**

The 2009 report of the renowned Stiglitz–Sen–Fitoussi Commission (*Stiglitz et al., 2009*) represents a major milestone in the recent research on social well-being, fundamentally changing the entire scientific discourse on the related topics. Based on wide-ranging scientific studies and initiatives, the authors of the report identified eight dimensions of social well-being: (1) material living standards (income, consumption and wealth), (2) health, (3) education, (4) personal activities including work, (5) political voice and governance, (6) social connections and relationships, (7) environment (both its present and future condition), and finally, (8) insecurity (of an economic as well as a physical nature). The Commission recommends considering these dimensions *simultaneously* in studies (*Stiglitz et al., 2009, pp. 14–15.*).

Although a growing body of scholarly work deals with the recommendations of the report (*see for example Easterlin, 2010; Oswald, 2010; Noll, 2011; Rojas, 2011; White et al., 2012; Madonia et al., 2013*), its empirical applications have mostly been carried out on national scale to date, comparing well-being levels across different groups of countries. This scope, however, created a significant research gap on the geographical scales ‘below’ the national one, i.e. empirical studies on regional, as well as on urban and intra-urban levels. For the relatively rare exceptions of local-scale well-being research, see the works of e.g. *Marks et al. (2004)*, *Steuer–Marks (2008)*, *Mguni–Bacon (2010)*, whereas in the Hungarian case, the limits and the first experiences of the sub-regional level measurement of well-being are demonstrated by *Gébert et al. (2012)* and *Nagy–Koós (2014)*.

In order to gain a deeper understanding of these local-scale specificities, this study investigates the social well-being of people living in the nine largest Hungarian cities and their metropolitan regions, based on a representative sociological survey with a sample size of 5.000 respondents. In the analysis, particular attention has been paid to the Stiglitz Report’s recommendations, to the *multi-dimensional* nature of social well-being, as well as to the simultaneous consideration of its *objective* and *subjective* factors (*in detail, see in Stiglitz et al., 2009, pp. 11–16.*).

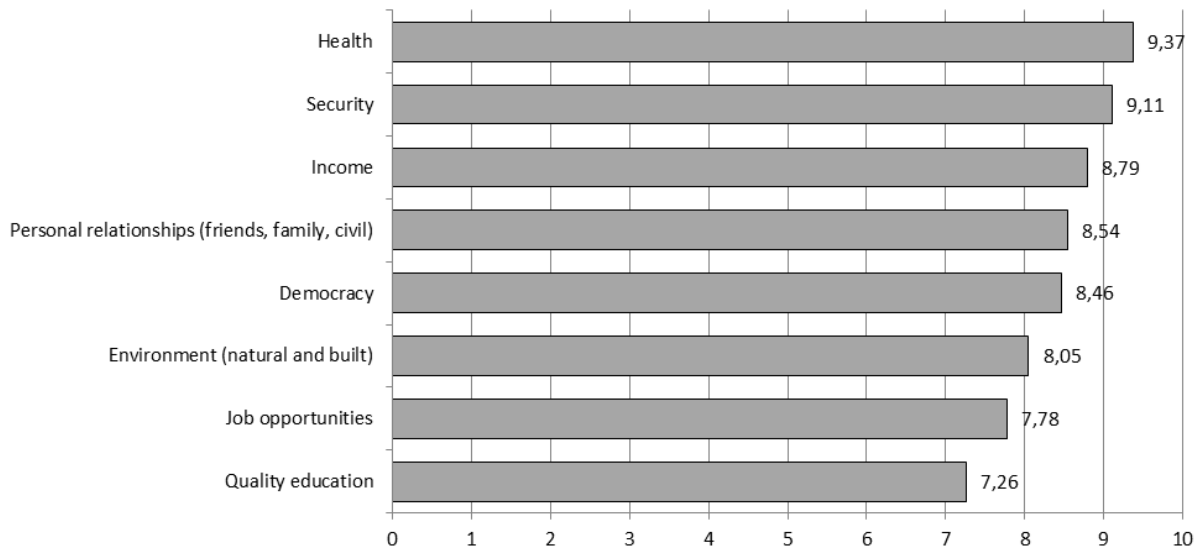
## METHODOLOGY OF THE RESEARCH

Besides relevant secondary data obtained from international databases, the research is primarily based on a representative sociological survey conducted in the nine largest metropolitan regions of Hungary (Budapest, Debrecen, Szeged, Miskolc, Pécs, Győr, Nyíregyháza, Kecskemét, and Székesfehérvár), carried out between 9th January 2014 and 17th March 2014. The collection of survey data was performed by TÁRKI Social Research Institute. (For further methodological concerns and the detailed description of the sample, see *Ferencz, 2015a*.) The selection of the territories had been motivated by another very important factor: the possibility of comparing the data with the results of a previous research which was conducted in 2005 in the same metropolitan regions (summarised in *Szirmai, 2009*), also having a sample size of 5.000 respondents. (Throughout the paper, references are made to the 2005 survey.)

The main objective of the 2014 survey was to explore the socio-spatial characteristics of the well-being of people living in the different zones of Hungarian metropolitan regions; as an important (initial) part of the questionnaire, participants had to mark the *importance* of various factors in their own lives that represent the dimensions of social well-being identified in the Stiglitz Report (Figure 1). On the one hand, these opinions might be interpreted as the well-being preferences of the residents of Hungarian metropolitan regions, however, they also show the relative ‘weight’ of dimensions compared to each other. It can be clearly seen that they rated health, security, and income as the most important ones. Besides these, personal relationships, democracy, the (natural and built) environment, opportunities to work and high-quality education were also considered crucial, although to a lesser degree.

<b>DIMENSIONS OF SOCIAL WELL-BEING IN THE STIGLITZ REPORT (2009)</b>	<b>THE RELATED QUESTION IN THE TÁMOP-QUESTIONNAIRE (2014)</b>
Material living standards (income, consumption, wealth)	Income
Health	Health
Education	Quality education
Personal activities including work	Job opportunities
Political voice and governance	Democracy
Social connections and relationships	Personal relationships (friends, family, civil)
Environment (present and future conditions)	Environment (natural and built)
Insecurity (of an economic as well as a physical nature)	Security

Figure 1: *Subjective importance of well-being dimensions among respondents*  
 (0 = not considered important, 10 = considered very important)



Data source: TÁMOP-research (2014)

Hereinafter, the most important characteristics of the eight dimensions of social well-being will be presented in the case of the Hungarian metropolitan regions, with a particular focus on socio-spatial inequalities and their underlying mechanisms.

## **THE DIMENSIONS OF SOCIAL WELL-BEING IN HUNGARIAN METROPOLITAN REGIONS**

### **Material living standards (income, consumption and wealth)**

According to the Stiglitz Report, when measuring material well-being, emphasis must not only be placed on production but on *income*, *consumption* and *wealth* as well (Stiglitz *et al.*, 2009, pp. 12–13.). The reason behind simultaneously considering these three factors is that income affects the structure and intensity of consumption, while pre-existing wealth is an important basis for sustainable consumption. While individual or household income might change over time, wealth is more stable, furthermore, as such, can provide more balanced consumption. Moreover, an important improvement is taking the *scale of households* into account which might help eliminating positive and negative changes that affect individuals (like in the case of changes to tax laws).

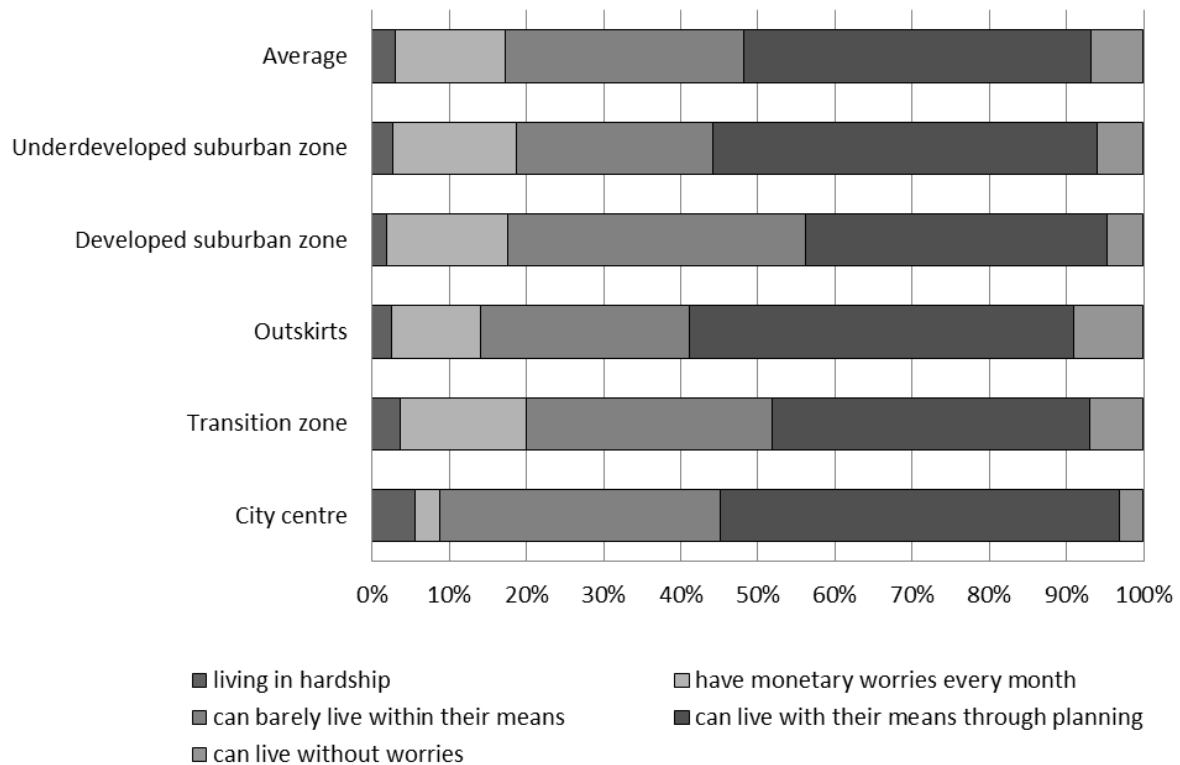
As stated by a comparative study on domestic income inequalities among countries (*World Bank, 2014*), Hungary features characteristics typical of former Eastern Bloc countries. It is, however, not considered poor on a European or global scale, since neighbouring countries and even some other EU member states have greater income inequality levels. (For instance, in Austria the incomes of the highest 10% of earners is 6.8 times that of the lowest 10%, while the same value is 5.5 times for Finland and 7.5 for Romania – see *World Bank, 2014; Central Intelligence Agency, 2014*.) Nevertheless, the gap between the purchasing power of people living in the wealthiest and poorest regions of Hungary is getting wider and wider: inhabitants of the richest municipalities have 166.4% of the Hungarian average at their disposal, compared to 29% of the average in the most underdeveloped municipalities (*GfK, 2014*).

Among the Hungarian metropolitan regions' inhabitants, health and safety are rated as the two most important factors, followed by income. Half of the respondents consider themselves to be middle-income earners, along with a large percentage of inhabitants that judge themselves as having a higher social status. Relatively few people (2–3%) can be found at the bottom and top of this subjective ladder, meaning that middle-income population's strong marginalisation and descent into lower statuses is less reflected in the opinions of metropolitan region respondents. In the 2005 study of the same metropolitan regions, more than 60% of the urban population considered themselves as middle-income earners, and large groups were present in lower income tiers, however, much fewer respondents placed themselves into the highest or lowest deciles (*see Szirmai, 2009*). Consequently, in 2014 the polarisation between the ends of the income ladder is increasing in the societies of metropolitan regions. Also, the middle classes have seen an increase in their wealth, with a significant portion being able to move towards higher income tiers.

When examining the spatiality of the subjective evaluation of income and wealth inequalities, it can be observed that the majority of people living in city centres believe that they belong to the middle and upper-middle income categories, while the percentage of people who consider themselves the poorest is negligible. Cities' transition zones show a more varied landscape, with most of the population being unqualified and poor, often living in segregated, dilapidated residential areas. Besides them, the presence of middle and higher income groups is also significant. The percentage of respondents classifying themselves as high and highest-income is the largest in suburbs. Yet, polarisation in suburban settlements is much higher than in cities because the middle income tier is thinner there, while people classified as poor make up a larger percentage. Developed suburban zones have more people who consider themselves

mid-income earners and a narrower range of people who define themselves as low-income earners (Figure 2).

Figure 2: *Subjective material well-being in Hungarian metropolitan regions*



Data source: TÁMOP-research (2014)

Regarding *material security*, the first remark to be made is the population’s difficulty in accumulating wealth. Although three quarters of respondents – especially highly educated people – can manage with their current income (at worst with conscious planning), few of them have the privilege of a worry-free material well-being. The percentage of people living in financial hardship and from paycheck to paycheck is almost 20%. Active members of the workforce and students mostly manage well with planning. Many pensioners can barely make ends meet, while the unemployed, inactive group’s situation is especially critical. People above the age of 60 are characterised by a high degree of material uncertainty, while middle-aged and young adults are less so.

The poorest households are concentrated in the transition zones of cities and in developed suburban zones, whereas their number is much lower in city centres. The distribution of the middle income category is more balanced, making up to half of the suburban zone’s population, while those belonging to higher household income categories are mainly

concentrated in underdeveloped suburban zones, city centres and outskirts districts. Income inequality is the highest among households in the transitional zone and suburbs, whereas the relationship between developed and underdeveloped suburban settlements has shifted towards the advantage of the latter since 2005. There, the proportion of wealthy households is more visible, while settlements with a developed economy are experiencing a rise in lower-status groups.

## **Health**

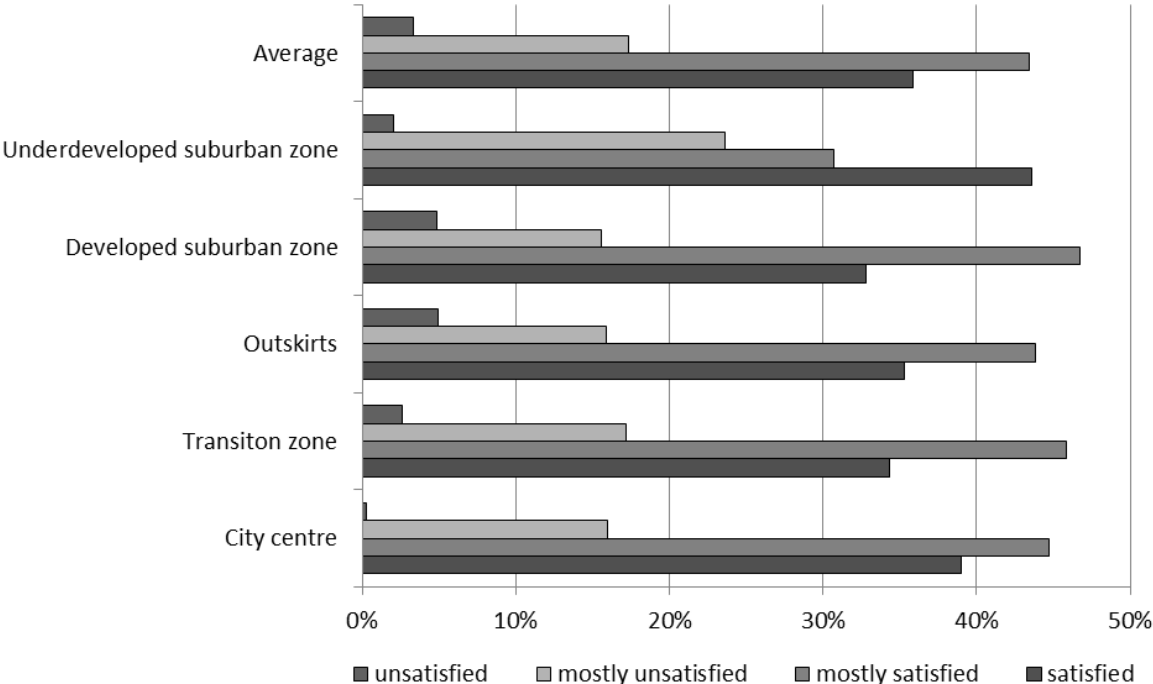
Health undoubtedly has a major influence on the quality of life. WHO defines health as a state of mental, physical and social well-being which is not limited to the lack of infections and weakness, and is not static but a dynamically changing process. The Stiglitz Report places particular emphasis on the effects of health on objective and subjective well-being; out of the eight dimensions, it considers health as one of the most important determining factors. The report calls for the establishment of a complex method for health measurement that combines mortality and morbidity, the satisfaction with somatic and psychological well-being, and eliminates measurement differences in different countries (*Stiglitz et al., 2009, p. 45.*). According to *Molnár–Kapitány (2013)*, the most decisive factor for Hungarians' subjective well-being is their state of health. The majority opinion of metropolitan area inhabitants also supports this, as their most important criterion for well-being is health (see Figure 1).

In accordance with international health statistics, the Hungarian population's state of health is one of the worst in a European context. With a life expectancy of 71.6 years, Hungary falls at the end of the European ranking, among the likes of Slovakia, Romania and Bulgaria. Over the last 10 years, the average life expectancy has risen by 3.5 years. However, this change is still relatively lagging behind positive changes in Europe (*Eurostat, 2014a*). Hungary was placed 107<sup>th</sup> out of 178 countries in the 2006 “*Satisfaction with Life Index*”, 103<sup>rd</sup> in the 2012 “*Happy Planet Index*”, and 43<sup>rd</sup> in the 2014 “*Human Development Index*”. According to OECD's ranking, Hungary has the 10<sup>th</sup> highest per capita alcohol consumption. It also ranks 7<sup>th</sup> in WHO's suicide index. The percentage of Hungary's population diagnosed with malignant tumours is among the highest in the European Union (*Eurostat, 2014b*). Looking at the number of years spent in health paints a somewhat more favourable picture, with the 2012 data being 61.9 years for women and 61.3 years in the case of men, qualifying Hungary as mid-range in this aspect.



Since the 1990s, there have been three salient developments: first, mortality and life expectancy indicators have improved; second, education levels have improved along with labour market position, leading to a more favourable level of healthcare culture; and third, the health gap between high- and low-status populations has apparently widened (Uzzoli, 2013). During the economic crisis, however, these developments stopped due to decreasing healthcare expenses, cutbacks on disease prevention and health preservation activities, and a loss in health insurance incomes (Makara, 2010).

Figure 3: Respondents' satisfaction with their state of health



Data source: TÁMOP-research (2014)

In the light of these, it is surprising to see the metropolitan regions' societies being satisfied with their state of health (Figure 3). 80% of respondents find it mostly or completely satisfactory, with the most satisfied being the young, the highly-qualified, and those who are active, while pensioners are the most unsatisfied. Concerning problems, only a negligible number of respondents indicated chronic psychosomatic ones, while acute, sudden health complaints are more characteristic. Most complaints were received from physical workers, unemployed people, and executives.

Likewise, most respondents are rather satisfied with healthcare and the local social care system; this is also remarkable, especially in the light of the negative processes associated

with the current national healthcare infrastructure. The highest degree of satisfaction is expressed by pensioners and students, whereas the most disillusioned are the unemployed. As for the respondents' educational attainment, vocational and technical school graduates tend to be more pessimistic, while grammar school, college and university graduates are mostly optimistic about the healthcare system.

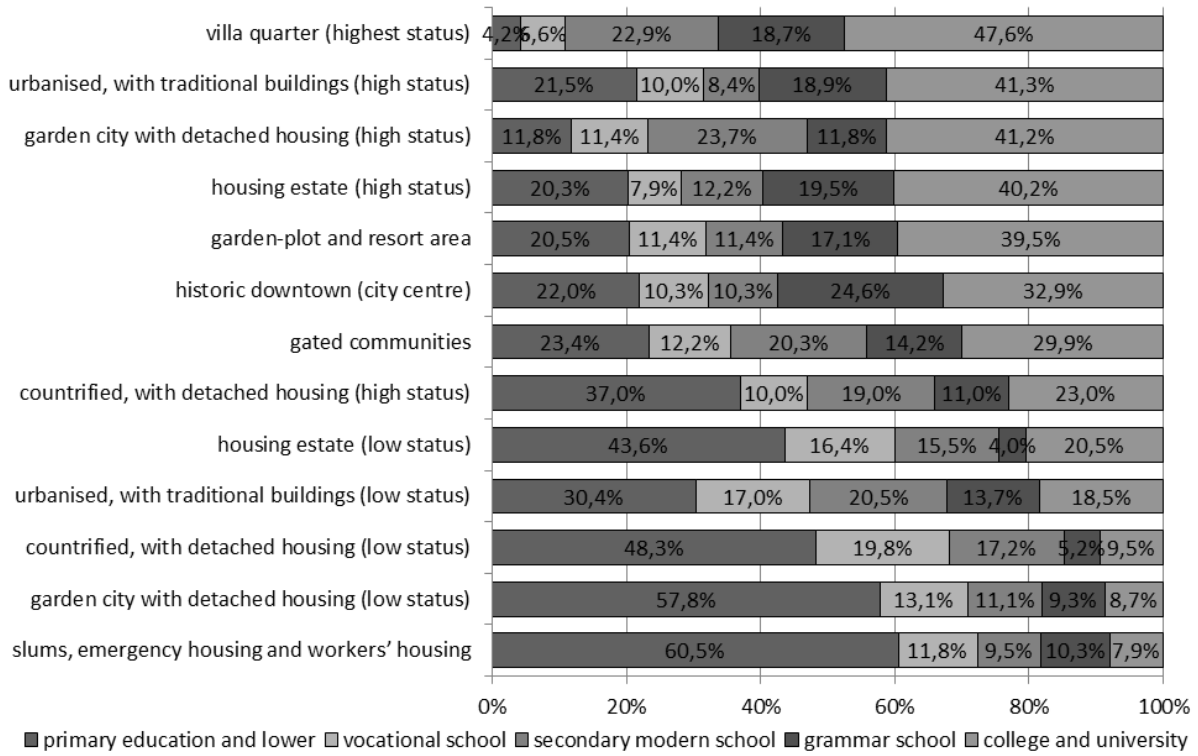
Satisfaction is greater in the Budapest metropolitan region than in the eight other Hungarian metropolitan regions. Concerning spatial disparities, city centres' inhabitants report the greatest satisfaction. This is less surprising as healthcare facilities are mostly situated in central locations, and their accessibility is also most favourable from city centres. People living in the metropolitan regions' underdeveloped settlements are the most disillusioned, since these are settlements that mostly develop in an extensive manner. Here, the development of the local infrastructure does not always keep pace with the population's rapid expansion. The accessibility of the central city might be difficult from these settlements due to gridlocks and to a sometimes low quality road network. Similarly, healthcare system development does not always follow population growth either. A strong reason for dissatisfaction with one's state of health might be the poor accessibility of healthcare establishments (*Molnár–Kapitány, 2013*).

## **Education**

The authors of the Stiglitz Report highlight that little research is focused on the effects of education on the quality of life (*Stiglitz et al., 2009, p. 46.*). Although the population of metropolitan regions does not rate education as the important part of their everyday lives (Figure 1), its study is definitely important because education is strongly correlated with other dimensions of well-being.

Firstly, the spatial patterns of the respondents' educational attainment have been examined. Previously, in 2005 (*as revealed in Szirmai, 2009*), there was a definite downward slope in the level of educational attainment from the core towards the periphery (with a decrease in college and university graduates and an increase in people who at most completed elementary education). By 2014, this has somewhat started to be equalised. In terms of educational attainment, we attempted to reveal more detailed intra-urban patterns than in the previous “*city centre – transition zone – outskirts – developed suburban zone – underdeveloped suburban zone*” subdivision of metropolitan regions.

Figure 4: Respondents' educational attainment by urban districts  
(excluding developed and underdeveloped suburban zones, n = 3.678)



Data source: TÁMOP-research (2014)

Distributions shown on Figure 4 completely correspond to preconceptions and spatial stereotypes: while zones ranked in the upper third are without exception high-status ones, the lower third is exclusively composed of low-status areas. The two extreme categories are villa quarters (graduates: 47.6%, primary education and lower: 4.2%) and slums (graduates: 7.9%, primary education and lower: 60.5%). These distributions also reveal further features, such as the great “distance” between high and low status housing estates (which was confirmed by sociological and real estate market research as well, see for example *Csizmady, 2000*) and the remarkable differences between high and low status urbanised areas of city centres.

Concerning the educational attainment of metropolitan regions' population by activity categories, 39.4% of the active population has a college or university degree, compared to 18.3% for pensioners and only 8.5% for the unemployed. (According to the 2011 census, 19% of people over 25 have a college or university diploma. In our sample, it is 25.9%, making metropolitan regions overrepresented in this aspect compared to rural regions.) As for the other end, the activity rate is 13.9% among those who only completed primary education.

According to a 2012 Eurobarometer study, only 35% of the Hungarian population speaks at least one *foreign language*, which placed it last in the EU. Immediately ahead of Hungary are Italy (38%), and the UK and Portugal (both 39%) (*European Commission, 2012*). The results of that study were confirmed by our research, which found 37.7% of people speaking at least one foreign language. Their percentage rises from the core towards the periphery (with 33.6% in the city centre, 38.9% in the transition zone, and 41.4% in outskirts districts), probably owing to the changing age structure of these zones. The clear hierarchy in 2005 previously described is, however, still visible in suburban zones: while 36.9% of the population of developed settlements speak at least one foreign language, this percentage is only 29.8% in underdeveloped settlements. In the case of the more detailed breakdown of urban zones, spatial determinations almost entirely correlate with educational attainment. Villa quarters have the highest share of people speaking at least one foreign language (69.7%) and slums the lowest (only 19.2%). Most people who speak foreign languages belong to younger age groups, and they are people of high educational attainment.

Concerning the respondents' satisfaction with *educational institutions*, city centre residents are the most satisfied, while inhabitants of underdeveloped suburban zones are the least. Interestingly, people in developed suburban zones, transitional zones, and suburbs are about equally satisfied. Moreover, there is no noticeable change in this regard in the entire sample's satisfaction, and in the two sub-samples (i.e. in the Budapest metropolitan region and in the 8 other cities' metropolitan regions). In the case of city centres (placed first) and underdeveloped suburban zones (placed last), however, the two sub-samples are very different. While city centre residents in the Budapest metropolitan region are less satisfied with their educational institutions than those living in the other 8 metropolitan regions, the opposite holds true for underdeveloped suburban zones. Here, also surprisingly, those living in the capital city's region report greater satisfaction than those living in other urban regions. Finally, by examining these opinions only in the central cities, it might be seen that the divide between eastern and western parts of the country – commonly revealed in Hungarian spatial disparity research – appears only partially in the rankings of the 9 large cities. People in Győr, Szeged and Budapest are the most satisfied with their city's educational institutions, while the least satisfied are residents of Székesfehérvár, Miskolc and Nyíregyháza.

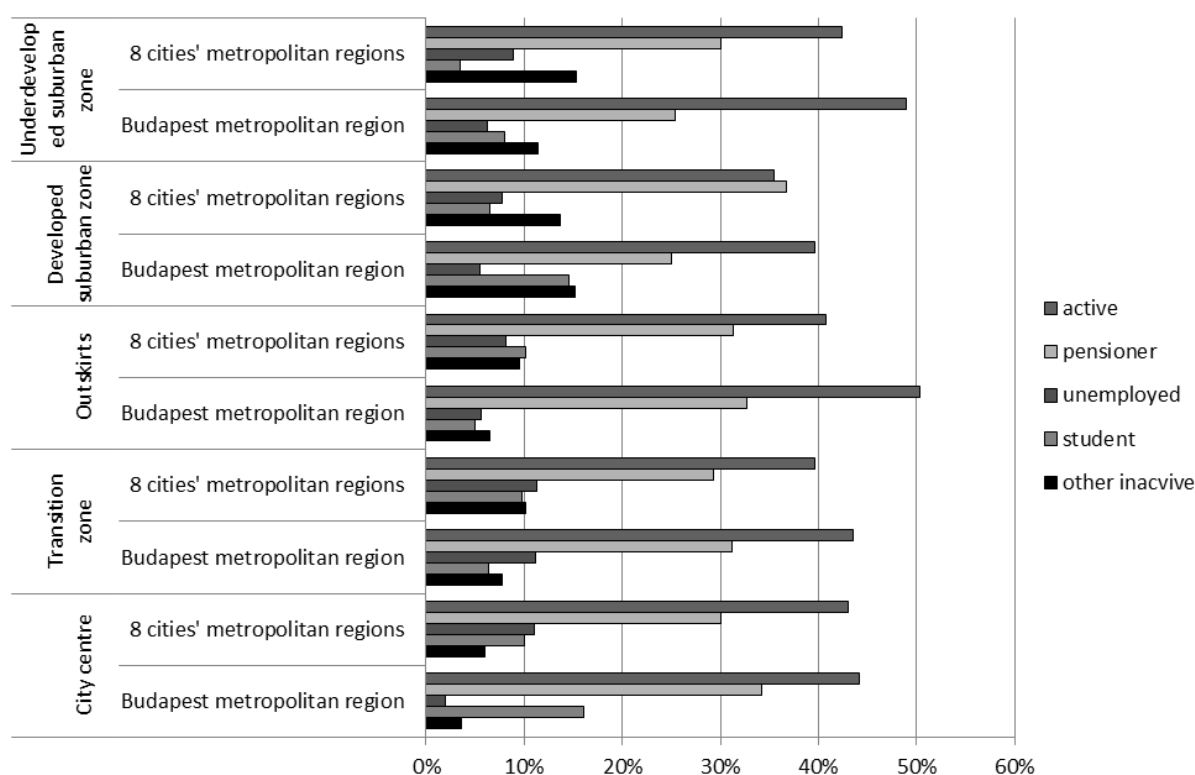
## **Personal activities including work**

According to *Stiglitz et al. (2009, p. 49.)*, *work* greatly affects the level of subjective well-being. Although opportunities to work are an important factor in the well-being of the population of Hungarian metropolitan regions, they cannot compete with the need for health and the feeling of safety. While *leisure time* is also greatly emphasised in the Stiglitz Report, it is largely undervalued by respondents as well, with only one third of them stating that leisure time makes up a very important part of their lives.

Due to a number of factors, the Hungarian employment rate is one of the lowest among OECD countries. These include slowed economic growth, an obsolete economic structure, a large share of the black and grey labour market, frequent tax avoidance, and a high rate of inactivity among the low-qualified. Among EU member states, Hungary's 55.6% employment rate (in 2011) was only underperformed by Greece and Croatia (*Eurostat, 2012*). Hungary's employment statistics are mainly characterised by the spatial variability of the inactivity rate and its long-standing, extreme difference among various social groups (*Fazekas, 2005*), further exacerbated by the increasing number of so-called "hidden job-seekers" and unemployed people bereft of hope in both rural and urban regions (*Köllő, 2004*).

Hungarian metropolitan regions are important centres of employment, with outstanding levels of activity compared to the national average. Based on our results, activity does not conform to the general core-periphery model; inside large cities, there is a relative balance, with the highest activity of suburbs (Figure 5). Here, underdeveloped urban regions have the highest activity rate because these settlements have recently become targets of widespread suburbanisation. The ones involved are generally younger, more qualified, and belong to the middle- or high-income bracket, moving in both from city centres and farther parts of the country. Likewise, suburban settlements also have significant inactive population: the settlements' young demographic structure is due to the great number of students. Activity rates in the Budapest metropolitan region are better than in other Hungarian urban regions. While the number of pensioners is not considerably different, the percentage of unemployment is. Unemployment in rural areas is clearly more severe, however, with different patterns: unlike in the national average, most unemployed people there reside in city centres.

Figure 5: *The population's activity in metropolitan regions*



Data source: TÁMOP-research (2014)

The largest group among the unemployed are pensioners; they make up almost one third of the total population. They are predominantly concentrated in large cities (especially their centres), while their numbers are lower in the suburban belt which features a much younger demographical structure. The large percentage of students in city centres might be explained by their important functions in terms of education, and by city centre regeneration projects, having been intensified over the past years. These strengthen gentrification, offering new spaces for young adults in their 20s and 30s (mostly without children) to settle down.

Opinions on *job prospects* suggest worsening: almost two third of the metropolitan regions' residents rate their prospects as declining, while 30% indicate stagnation (and therefore a lack of improvement), and only 6.5% indicate improvement. Decline is prevalent in opinions from the Budapest metropolitan region, while opinions from other metropolitan regions mostly indicate no change. The most significant duality might be observed in the socially very varied transition zones, as both satisfaction and a critical level of dissatisfaction are the highest there. It seems that the classical dichotomy between developed and underdeveloped suburban zones is reversing in this aspect as well, since the inhabitants of settlements with an underdeveloped economy are the least disillusioned regarding their job prospects, while negative outlooks are

more common in developed settlements. The investigation of population by age groups led to an interesting result: in spite of the statistics about freshly graduated inactive and unemployed people all over Europe (*OOK, 2012*), in our study almost a quarter of people aged 18–29 see an improvement in their employment prospects, whereas the majority perceives these as unchanged. On the other hand, people between 40 and 50 seem to be the most disillusioned. The 1990s was a transformation period marked by structural unemployment, after which the labour market's situation started steadily improving (to the point where, in 2001, the national unemployment level fell to 5.7%). This stopped at the beginning of the economic crisis which led to severe conjunctural unemployment. The first half of 2010 saw an 11.2% unemployment rate; this was close to the absolute peak during the politico-economic transition (12%), which was caused by a rapid breakdown and rearrangement of the labour market (*KSH, 2010, p. 11.*). Since 2010, statistics show a more rapidly adapting labour market and a steadily improving unemployment rate. Hungary's current 8.1% rate is on par with unemployment in Sweden, Finland and the Netherlands.

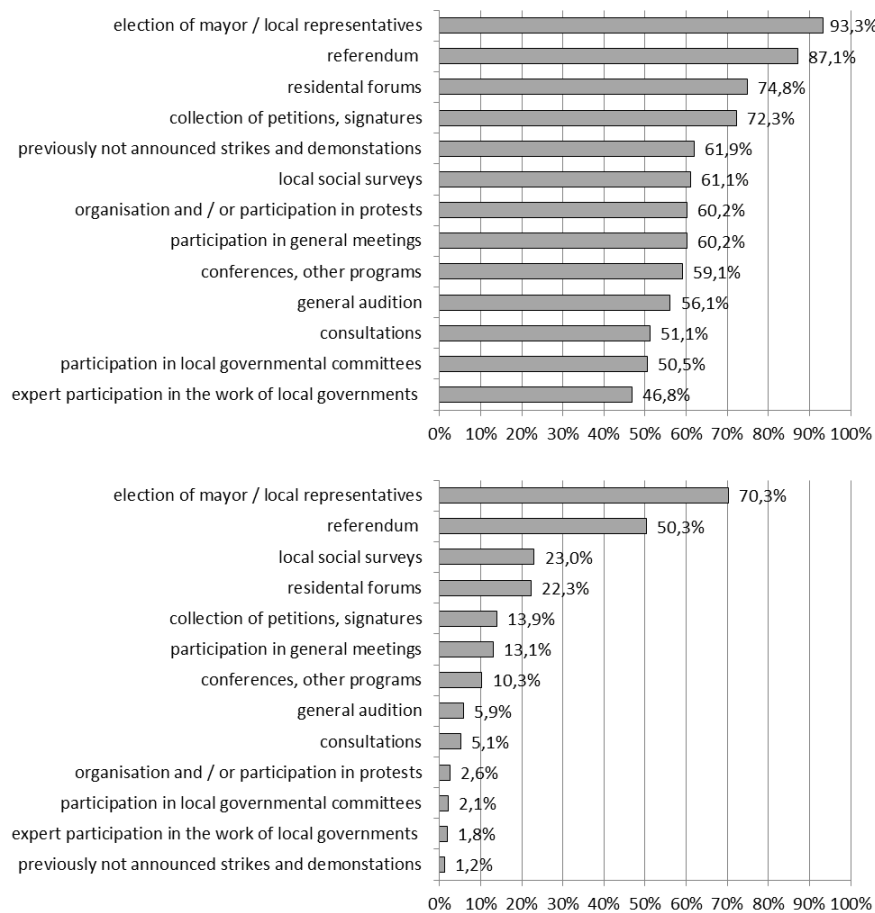
In accordance with the metropolitan regions' general socio-economic structure, differences in the number of job-seekers steadily increase from the city centre to suburban settlements. Although developed and underdeveloped suburban zones had clearly different qualities back in 2005 (*see Szirmai, 2009*), the positive rating of developed settlements and the negative rating of underdeveloped ones is apparently reversing: recently there are much fewer job-seekers in underdeveloped settlements, whereas 10 years ago their numbers were higher in every age bracket. This decrease is partly caused by a growing inactivity rate and is also due to the fact that young people are spending an increasingly longer time in (higher) education.

### **Political voice and governance**

Political *voice* and social *participation* mean the ability to participate as citizens, being part of policy-making, the free expression of ideas, and the freedom of speech. It is also a substantial part of one's quality of life. These tools help in improving policies, ensuring transparency in state and municipal institutions, contributing to the articulation of the most important human needs, and focusing attention on the most deprived groups. They might simultaneously reduce the possibility of conflicts and possibly strengthen the consensus-building skills of individuals (*Stiglitz et al., 2009, p. 50.*).

Concerning the dimension of political voice and governance in the Hungarian metropolitan regions, it is important to highlight that the levels of the respondents' *knowledge* of various forms of social participation and governance, and their *actual participation* in these forms are very different (see Figure 6). The most widely known and practiced forms are the election of mayors and local representatives, referendum, and residential forums. In the light of the Hungarian society's political (in)activity (*Szabó, 2011*), however, it is not surprising that the share of people actually participating in any forms is significantly lower than the share of those who know about these, in the case of all categories. Moreover, it is also alarming that only a very small proportion (less than 6%) of people take part in almost half of the categories. In addition, it is also important to note that *actual participation* is not equal to *actually participating*, since these techniques provide only low level of participation, instead of actual freedom to influence, or to be heard (see for example *Sen, 1999* or *Bajmócy–Gébert, 2014*).

Figure 6: *The respondents' knowledge of various forms of social and political participation (top), and their actual participation in these forms (bottom)*



Data source: TÁMOP-research (2014)



Using factor analysis on the same metropolitan region sample, *Ferencz (2015b)* created a tripartite typology of the forms usually practiced together: (1) “typical activity” (referendum, election of mayors and local representatives, local social surveys), (2) “oppositional behaviour” (collection of petitions and signatures, organisation and/or participation in protests and previously not announced demonstrations), (3) “expert interest” (general auditions, participation in local governmental committees, visiting conferences and other programmes, consultations). “Typical activity” is most characteristic to people living in underdeveloped suburban zones, aged 40–49, and being trained in vocational school, “opposition behaviour” is typical among those living in developed suburban zones with lower income levels, whereas “expert interest” is most typical among residents of underdeveloped suburban zones, aged 50–59, with university or college degree.

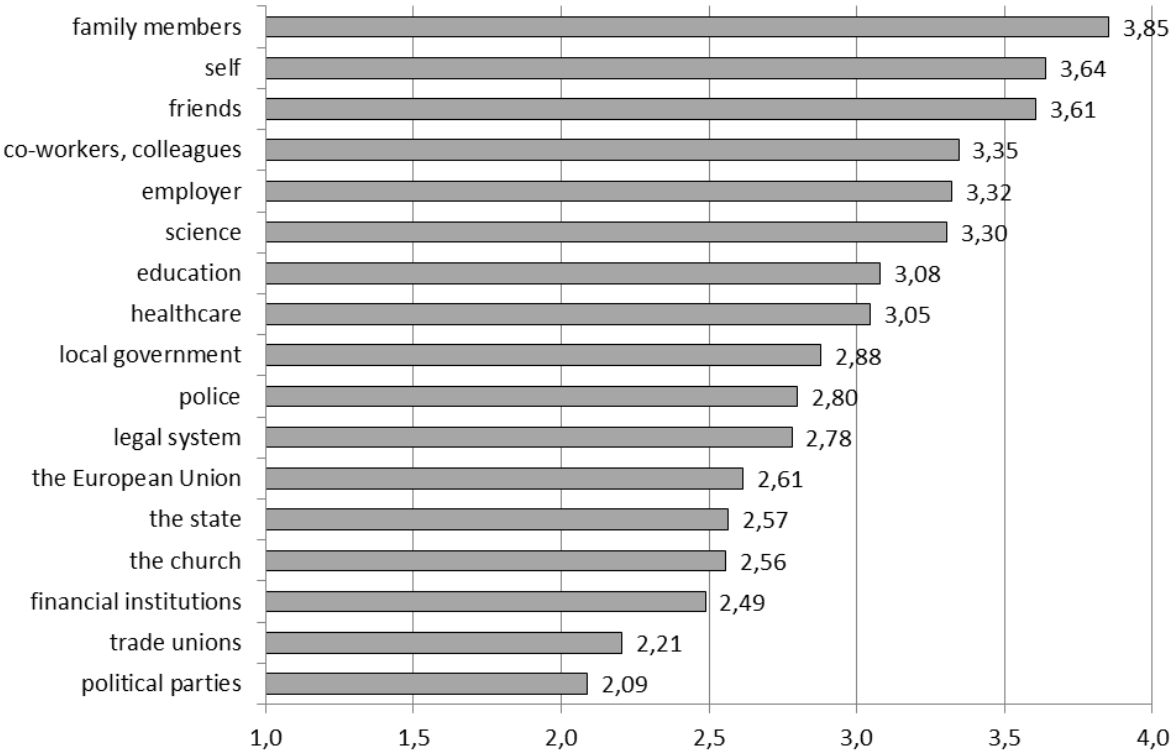
Besides forms of participation and people’s activity, the most important sources of *receiving information* have also been studied, since these are the channels through which one might get involved in political issues and governance. The majority of respondents (66.9%) is getting informed from local media (press, TV, radio), and via their personal connections (58.7%), while the share of online forums (9.3%) and blogs (8.4%) as information sources is the lowest. Here, interconnected groups of sources could also be recognised: (1) “traditional tools” (flyers, brochures, municipal bulletin boards), (2) “networked communication” (blogs, online forums, websites), (3) “local comprehensive tools” (local media, personal connections). People most likely reached via “traditional tools” are those living in underdeveloped suburban zones, aged above 60 (pensioners), with basic educational qualification and income level below the average. In contrast, getting informed via “networked communication” is typical among residents of the central cities (especially the outskirts), aged 18–29, with higher qualifications and income levels, whereas “local comprehensive tools” typically serve as information sources of people living in central cities, aged 40–49 (actives), having university or college degrees, as well as the highest levels of income (*Ferencz, 2015b*).

### **Social connections and relationships**

Social connections might affect individuals’ quality of life in diverse ways, for example by feeling more secure in one’s residential area, feeling more appreciated, or by providing a

greater chance to find a better (or more suitable) job. Besides these positive effects, however, social capital can also cause negative externalities, e.g. a higher degree of criminality if one belongs to certain groups. When measuring the dimension of social connections, the Stiglitz Report suggests focusing on *trust* in various actors, as well as on the causes and consequences of the *marginalisation* of socially isolated groups (Stiglitz et al., 2009, p. 52.).

Figure 7: Levels of trust in Hungarian metropolitan areas  
(1 = weakly trusts, 4 = strongly trusts)



Data source: TÁMOP-research (2014)

In accordance with these guidelines, first the issue of trust has been studied (Figure 7). Respondents mostly trust their family, themselves and their friends, then co-workers and employers (surprisingly about equally). These are followed by more abstract categories like science, education, or healthcare. Trust below the median is only observable for three categories: financial institutions (probably due to the credit crunch), trade unions (due to the constantly weakening employee advocacy in Hungary), and political parties. In the light of the growing level of Euro-scepticism in Hungary (Martin, 2013), it is notable that respondents show more trust towards the EU than towards the state or church. A breakdown by zones shows that city centre residents are the most trusting, followed by the underdeveloped

suburban zone, the transition zone and the outskirts, whereas the trust level of developed suburban zones is, quite surprisingly, the lowest.

Besides trust and cohesion, the dimension of social and personal connections can also be measured by the lack of these (in the case of Hungary, see *Tóth, 2009*). According to a study based on a sample of 2.000 respondents, conflicts that gain the most visibility in Hungary tend to arise (1) between the rich and the poor, (2) between Hungarians and people of other ethnicities, and (3) between urban and rural populations (*Tóth, 2014*). In our metropolitan study, we attempted to reveal social fault-lines such as these when examining the causes of *discrimination*. Results show that relatively few respondents were – at least admittedly – discriminated against. Those who received negative discrimination were due to their age (5.9%), ethnic minority status (5.3%), or their gender (4.0%).

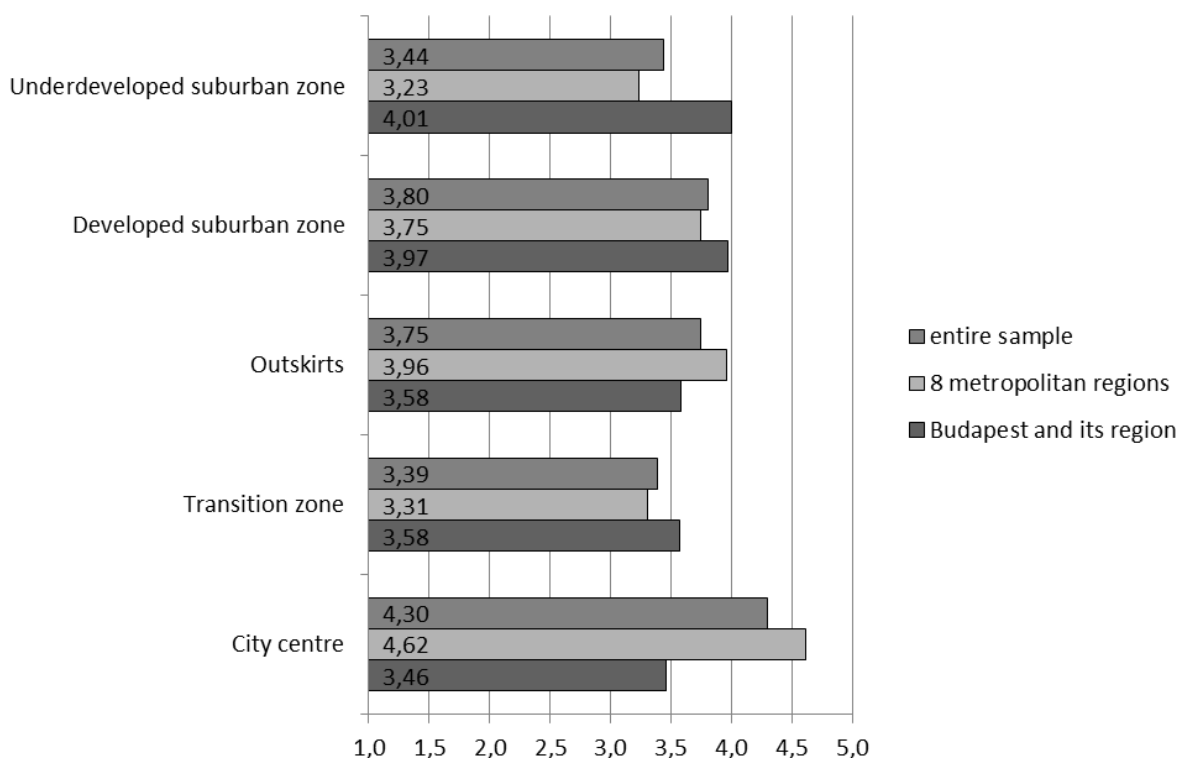
Out of them, we further investigated those who were negatively discriminated due to their national or ethnic minority status, based on their place of residence. Through a detailed breakdown of urban areas, a quarter of these people live in slums or emergency housing, while one sixth live in low status residential areas and low status garden city detached-house zones. On the other (positive) end of the hierarchy we find, without exception, only high status residential areas. These findings draw attention to the strong geographical boundedness of a still urgent social problem in Hungary (*Bernát et al., 2012*).

## **Environment**

The state of the environment is not only a high priority in sustainability (being one of the key elements of the Stiglitz Report) but it is also a highly important factor that affects people's quality of life. It affects human health *directly*, for example through air and water pollution, soil contamination and noise, and *indirectly*, through climate change, the decreasing biodiversity and increasing number of natural disasters. Taking this into account, the report also points out that the effects of the environment on social well-being are hard to measure. In the case of public surveys, this dimension is probably the hardest to capture using objective indicators. According to *Stiglitz et al. (2009, p. 52.)*, studies should rather measure people's *satisfaction* with the state of the environment, as well as their personal feelings related to it because any change to the environment tends to affect each social group in different ways and to various degrees.

Figure 8: *Satisfaction with the state of natural environment*

(1 = completely unsatisfied, 5 = very satisfied)



Data source: TÁMOP-research (2014)

Concerning the respondents' satisfaction with their natural environment on the entire sample and in the two sub-samples (Budapest's metropolitan region and 8 other cities' regions), the transition zone's population is the least satisfied (Figure 8), since most of the polluting industrial facilities are located in this zone. However, it is surprising that city centres ranked first in terms of satisfaction. This rating is due to the positive opinions measured in the 8 metropolitan regions' city centres; since Budapest's city centre has very few green areas, the sample here is fairly different. In the case of the capital city's metropolitan region, the suburban zones – the first target areas of suburbanisation in Hungary – ranked at the top. When looking at the entire sample, an “expected” pattern might be found, with the following ranking: developed suburban zones, outskirts (which are also liveable by their extensive green areas), underdeveloped suburban zones, and finally, the transition zone. (It can also be observed that residents of the 8 major Hungarian cities' metropolitan regions are a little more satisfied than those living in Budapest and its immediate vicinity.) In the satisfaction data of the 9 cities, there is a divide between east and west, as found in several studies: the most satisfied with the state of the natural environment are citizens of Pécs, Győr and Szeged,

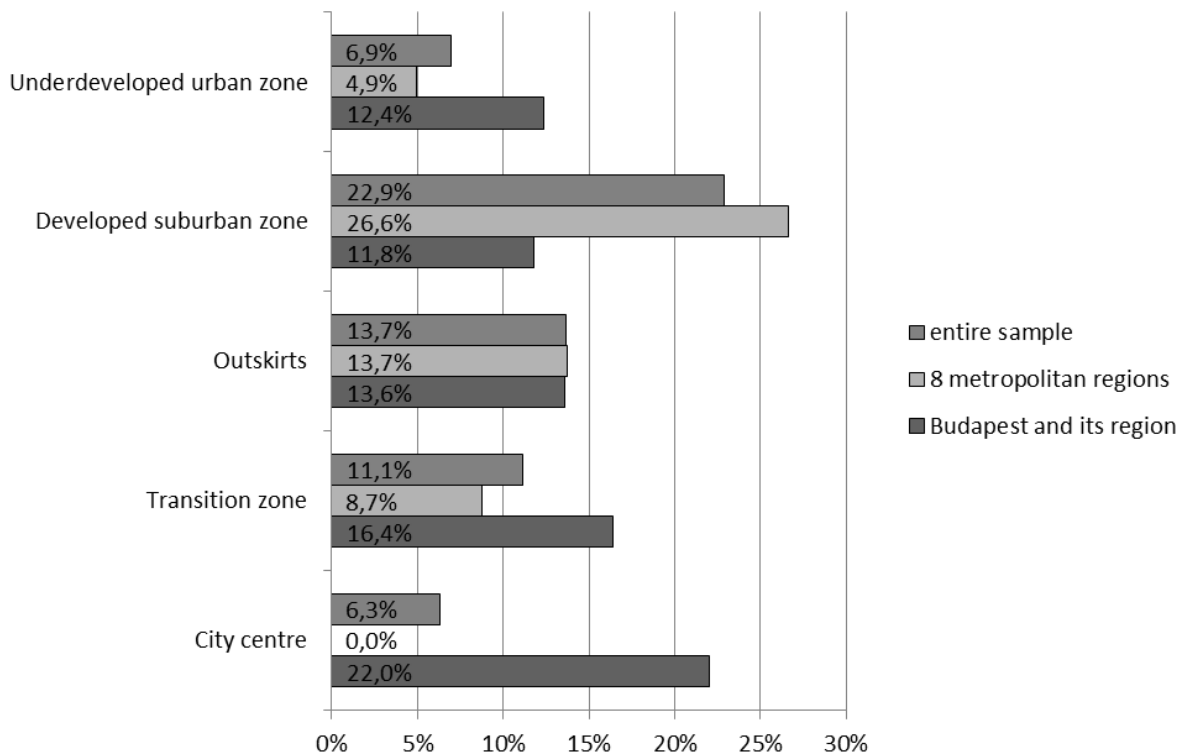
while the most dissatisfied are people in Debrecen, Miskolc and Nyíregyháza. (Nevertheless, all cities are above the median, meaning that their population is rather satisfied.)

According to the respondents, the most severe problems are the increasing amounts of litter, droughts and heat waves, and increasing pollution due to the growing number of cars. The environmental problems they identified as the least severe were the pollution caused by factories, floods, and storms. In a breakdown by metropolitan area zones, with all types of problems considered (on a scale ranging from 1 to 5), the transition zone is the most “problematic” (3.03), followed by outskirt districts (2.98), developed suburban zone (2.69), underdeveloped suburban zone (2.37), and finally, the city centre (2.07).

## **Insecurity**

The well-being dimension of insecurity is inseparable from criminality, the latter having an extensive literature (for example, see the comprehensive work by *Deflem ed., 2006*). Concerning this issue, we first investigated whether the respondents – or anyone in their households – have ever been the victim of *burglary or physical assault*. The most “vulnerable” groups tend to be the unemployed and pensioners, whereas students are less affected. It is the developed suburban zones that are affected the most by criminality; they are followed by outskirt districts and transitions zones, while underdeveloped suburban zones and city centres are the safest (Figure 9). It is remarkable that the samples of the 8 metropolitan regions and Budapest’s region are fairly different: the safest zone in Budapest’s agglomeration is the developed suburban zone, whereas the city centre is the least safe, yet as an extreme counter-example, no single respondent in the other 8 major cities considered the latter unsafe. In general, Budapest’s agglomeration is more affected by criminality than the regions of other major Hungarian cities. We can also see that, in this regard, the factor of spatiality is more important in differentiation than social structural characteristics.

Figure 9: “Have you or any member of your household ever been a victim of burglary or physical assault?”



Data source: TÁMOP-research (2014)

Asking respondents what precautions they take against burglary (“Do you have a security alarm system in your household?”), the results are in line with preconceptions. Villa quarters are in the first place (with [admittedly] 40% having security alarms in their households), followed by gated communities, high-status garden city zones with detached housing, resort areas, and high-status urbanised, traditionally-built residential areas. The other end of the list also goes as expected, with only 2.8% of households in slums having an alarm system. Low-status housing estates, low-status countrified areas with detached housing, and low-status garden city zones with detached housing all have levels below 10%. Only the historic city centre’s value is lower than expected; this is probably due to the fact that city centres are otherwise better monitored (via surveillance systems, more apparent police presence etc.).

A core element of the Stiglitz Report’s insecurity dimension is people’s *sense of fear*, since the number of people whose lives are affected by fear is many times more than those that are actually suffering from criminal activities (Stiglitz et al. 2009, p. 53.). We therefore considered it important to also know respondents’ subjective opinions about (in)security (“How safe do you feel it is to walk alone at night where you live?” [1 = not safe at all, 4 =

*very safe*]). Results show a spatial configuration that is similar to actual criminality data in some zones and differ in others; subjective opinions hold slums as the least safe (2.21), and the other three zones with values below the median are also low-status zones. On the other end, the zones considered the safest are (surprisingly) high-status housing estates (3.14). Finally, it is important to emphasise that crime is not a monolithic category (although often thought of and treated as such); in fact, different forms of crime have different characteristics and spatial patterns. To reveal these, we asked respondents about which crime-related problems they perceived as the most serious in their own neighbourhoods. Answers show that various types of criminal activities occur at different intensities in different zones (and thus, also in the perceptions of their residents); for instance, people residing in villa quarters consider organised crime and economic crimes to be the most serious ones, well above burglary, robbery and violent crimes against life. (Somewhat similarly, people living in gated communities also see economic crimes as the biggest problem along burglary and robbery.) Therefore, neither residential (in)security nor its perception in major Hungarian cities can be conceptualised as being spatially homogeneous. Whereas factual data show a more or less predictable spatial hierarchy (with higher-status zones less and lower-status zones more affected by criminality), questions aimed at personal perceptions show that urban security and insecurity often have different spatial patterns in people's mental maps.

## CONCLUSIONS

In our study, the characteristics of social well-being dimensions identified in the Stiglitz Report were examined in the case of the major Hungarian cities' metropolitan regions. In addition, the relevance and applicability of the model in the Hungarian context was also indirectly tested.

Based on the results of the in-depth analysis of the eight dimensions of social well-being, the most significant changes since 2005 are the improvement of the population's education and qualification levels, the improvement in their financial situation (and thus a reduction in the polarisation of income and wealth), and the strengthening of the middle and upper classes. The processes behind these include – among others – the transformation of metropolitan regions' societies, gentrification, and spatial exclusion. As a result, the social downward slope formerly articulated in the core-periphery model of metropolitan regions (*Szirmai, 2009*) has clearly changed; on the one hand, the most highly developed zones of metropolitan regions

are still city centres, however, outskirts districts are also “competing” for their first place. Since 2005, rapid social development has taken place in these zones, their residents have seen a considerable increase in their material wealth, quality of education, and activity level. The presence of high and middle-status people is the highest here (along with city centres) but the population’s health, educational attainment and activity lag behind those of the city centres’ residents. The most important feature of transition zones is their increasing fragmentation. Here, one can find low-status segregated residential areas and slums where the urban poor are concentrated right next to the most highly developed zones of urban regions. This place is home to the most severe environmental problems, to worrying levels of criminality, and to a population with a low financial well-being. This spatial fragmentation is much stronger in Budapest than in other major cities.

Finally, while in 2005 the infrastructural and economic development of suburban settlements reflected the general level of social development (*Szirmai, 2009*), this is no longer valid in 2014. Over the last 10 years, there has been a significant restructuring; as a result, developed and underdeveloped suburban zones have seen an equalisation in terms of social well-being. In many cases both the objective and subjective social well-being of the population of underdeveloped settlements changed favourably, especially in the case of material well-being, subjective health, activity, decreasing unemployment, satisfaction with the environment, as well as in terms of security.



## LITERATURE

- Bajmócy, Z. – Gébert, J. (2014). Arguments for Deliberative Participation in Local Economic Development. *Acta Oeconomica*, 64(3), 313–334.
- Bernát, A. – Juhász, A. – Krekó, P. – Molnár, Cs. (2012). A radikalizmus és a cigányellenesség gyökerei a szélsőjobboldal szimpatizánsai körében [The Roots of Radicalism and Anti-Roma Attitudes among Extreme-Right Sympathisers]. In T. Kolosi – I. Gy. Tóth (Eds.), *Társadalmi riport 2012 [Social Report 2012]* (pp. 355–376). Budapest: TÁRKI Zrt.
- Csizmady, A. (2000). A fővárosi lakótelepek ingatlanpiaci helyzetének változása a rendszerváltás után [Changes in the Real Estate Market Position of Budapest's Housing Estates During the Transition]. *Szociológiai Szemle*, 10(4), 87–105.
- Deflem, M. (Ed.) (2006). *Sociological Theory and Criminological Research: Views from Europe and the United States*. Amsterdam: Elsevier.
- Easterlin, R. A. (2010). Well Being, Front and Center: A Note on the Sarkozy Report. *Population and Development Review*, 36(1), 119–124.
- Fazekas, K. (2005). Low Participation and Regional Inequalities: Interrelated Features of the Hungarian Labour Market. Case study. *Zeitschrift für Arbeitsmarktforschung*, 37(4), 375–392.
- Ferencz, Z. (2015a). A kutatás módszertani szempontjai [Methodological Concerns of the Research]. In V. Szirmai (Ed.), *A területi egyenlőtlenségektől a társadalmi jól-lét felé [From Spatial Inequalities to Social Well-Being]* (pp. 433–445.). Székesfehérvár: Kodolányi János Főiskola.
- Ferencz, Z. (2015b). A társadalmi részvétel és a nagyváros-térségi versenyképesség [Social Participation and Metropolitan Competitiveness]. In V. Szirmai (Ed.), *A területi egyenlőtlenségektől a társadalmi jól-lét felé [From Spatial Inequalities to Social Well-Being]* (pp. 327–348.). Székesfehérvár: Kodolányi János Főiskola.
- Gébert, J. – Málóvics, Gy. – Fáskesti, Zs. (2012): The Limits of Well-Being Measurement at Sub-Regional Level. *Regional Statistics*, (2), 45–60.
- Köllő, J. (2004). *Flexibility and Security in the Labour Market, Hungary's Experience*. Budapest: ILO Subregional Office for Central and Eastern Europe.

- Madonia, G. – Cracolici, M. F. – Cuffaro, M. (2013). Exploring Wider Well-Being in the EU-15 Countries: An Empirical Application of the Stiglitz Report. *Social Indicators Research*, 111(1), 117–140.
- Makara, P. (2010). A pénzügyi, gazdasági válság várható egészséghatásairól [The Expected Health Impact of the Financial and Economic Crisis]. *Egészségtudomány*, 54(4), 83–90.
- Marks, N. – Shah, H. – Westall, A. (2004). The Power and Potential of Well-being Indicators: Measuring Young People’s Well-being in Nottingham (The Power of Well-being 2). , London: NEF (New Economics Foundation) – Nottingham City Council.
- Martin, J. P. (2013). Az euroszeptizmus útjai Magyarországon: Gazdaságpolitika és európai uniós percepciók válságkörülmények között [Roads of Euroscepticism in Hungary: Economic Policy and the Perceptions of the EU in time of Crisis]. *Competitio*, 7(1), 5–22.
- Mguni, N. – Bacon, N. (2010). Taking the Temperature of Local Communities: The Wellbeing and Resilience Measure (WARM) (Local Wellbeing Project). London: The Young Foundation.
- Molnár, Gy. – Kapitány, Zs. (2013). Miért elégedetlenek annyira a magyarok az életükkel? A szubjektív jóllétet befolyásoló tényezők mikroszintű összehasonlító elemzése magyar és osztrák adatokon [Why Hungarians are so Dissatisfied with Their Lives? The Micro-Level Comparative Analysis of Factors Affecting Subjective Well-Being on Hungarian and Austrian Data] (MT-DP – 2013/47). Budapest: MTA Közgazdaság- és Regionális Tudományi Kutatóközpont, Közgazdaság-tudományi Intézet.
- Nagy, G. – Koós, B. (2014). Az objektív jóllét modellezése és első eredményei Magyarországon [Modelling Objective Well-Being and its First Results in Hungary]. In E. Nagy – G. Nagy (Eds.), *Polarizáció – függőség – krízis: Eltérő térbeli válaszok* [Polarisation – Dependence – Crisis: Different Spatial Responses] (pp. 176–185.). Békéscsaba: MTA KRTK RKI Alföldi Tudományos Osztály.
- Noll, H-H. (2011). The Stiglitz-Sen-Fitoussi Report: Old Wine in New Skins? Views from a Social Indicators Perspective. *Social Indicators Research*, 102(1), 111–116.
- Oswald, A. J. (2010). Emotional Prosperity and the Stiglitz Commission. *British Journal of Industrial Relations*, 48(4), 651–669.
- Rojas, M. (2011). The ‘Measurement of Economic Performance and Social Progress’ Report and Quality of Life. *Moving Forward. Social Indicators Research*, 102(1), 169–180.
- Sen, A. (1999). *Development as Freedom*. Oxford: Oxford University Press.

- Steuer, N. – Marks, N. (2008). *Local Well-being. Can We Measure It?* London: NEF (New Economics Foundation).
- Stiglitz, J. E. – Sen, A. – Fitoussi, J-P. (2009). *Report by the Commission on the Measurement of Economic Performance and Social Progress*. Paris: Commission on the Measurement of Economic Performance and Social Progress.
- Szabó, A. (2011). *A politika iránti érdeklődés a felnőttek és a fiatalok körében [Political Interest among Adults and Youngsters]*. Retrieved February 20, 2015, from: <http://www.valasztaskutatas.hu/eredmenyek/kutatas-jelentesek/rkkutjel/politika-iranti-erdeklodes/>
- Szirmai, V. (Ed.) (2009). *A várostársadalmi versenyképesség társadalmi tényezői. Hogyan lehetnek a magyar nagyvárosok versenyképesebbek? [Social Factors of Metropolitan Competitiveness. How Hungarian Metropolises Might Become More Competitive?]* Pécs–Budapest: Dialóg Campus.
- Tóth, I. Gy. (2009). *Bizalomhiány, normazavarok, igazságtalanságérzet és paternalizmus a magyar társadalom értékstruktúrájában [Lack of Trust, Anomy, Feeling of Injustice and Paternalism in the Value Structure of the Hungarian Society]*. Budapest: TÁRKI Zrt.
- Tóth, P. (2014). *The Hungarian Public's Perceptions of Conflicts among Specific Social Groups*. Lecture Delivered at 'The Meeting of Science and Practice' Conference, Győr, 17 June 2014.
- Uzzoli, A. (2012). *A válság hatása a munkanélküliség és az életemények összefüggéseire Magyarországon [The Impact of Crisis on the Connection of Unemployment and Life Chances in Hungary]*. *Egészségtudomány*, 56(3), 98–111.
- White, S. C. – Gaines, S. O. – Jha, S. (2012). *Beyond Subjective Well-being: A Critical Review of the Stiglitz Report Approach to Subjective Perspectives on Quality of Life*. *Journal of International Development*, 24(6), 763–776.

## INTERNET SOURCES

- Central Intelligence Agency (2014): *The World FactBook*.  
[www.cia.gov/library/publications/the-world-factbook/fields/2046.html](http://www.cia.gov/library/publications/the-world-factbook/fields/2046.html)
- European Commission (2012): *Europeans and Their Languages (Special Eurobarometer)*.  
[ec.europa.eu/public\\_opinion/archives/ebs/ebs\\_386\\_en.pdf](http://ec.europa.eu/public_opinion/archives/ebs/ebs_386_en.pdf)

Eurostat (2012): Employment Rate, Age Group 15–64, 2001–2011.

[www.epp.eurostat.ec.europa.eu/statistics\\_explained/index.php/File:Employment\\_rate,\\_age\\_group\\_15-64,\\_2001-2011\\_%28%25%29.png](http://www.epp.eurostat.ec.europa.eu/statistics_explained/index.php/File:Employment_rate,_age_group_15-64,_2001-2011_%28%25%29.png)

Eurostat (2014a): Life Expectancy at Birth, by Sex.

[www.epp.eurostat.ec.europa.eu/tgm./table.do?tab=table&init=1&plugin=1&language=en&pcode=tps00025](http://www.epp.eurostat.ec.europa.eu/tgm./table.do?tab=table&init=1&plugin=1&language=en&pcode=tps00025)

Eurostat (2014b): Morbidity Statistics of EU.

[www.epp.eurostat.ec.europa.eu/cache/ITY\\_OFFPUB/KS-TC-14-003/EN/KS-TC-14-003-EN.PDF](http://www.epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-TC-14-003/EN/KS-TC-14-003-EN.PDF)

GfK (2014): Magyarország megyéinek vásárlóereje [The Purchasing Power of Hungarian Counties]. [http://www.elelmiszer.hu/cikk/gfk\\_vasarloero\\_\\_kis\\_novekedes\\_europaban](http://www.elelmiszer.hu/cikk/gfk_vasarloero__kis_novekedes_europaban)

KSH (2010): Magyarország 1989–2009 (a változások tükrében) [Hungary 1989–2009 (In the Light of Changes)]. [www.ksh.hu/docs/hun/xftp/idoszaki/mo/mo1989\\_2009.pdf](http://www.ksh.hu/docs/hun/xftp/idoszaki/mo/mo1989_2009.pdf)

OOK (Oktatásfejlesztési Observatory Központ) (2012): Körkép a frissen szakmát szerzettek elhelyezkedési esélyeiről, a képzéssel való elégedettségükről és továbbtanulási szándékaikról [Overview of the Job Prospects of Those with Newly Acquired Professions, Their Satisfaction with the Training, and Their Further Education Intentions]. [www.observatory.org.hu/korkep-a-frissen-szakmat-szerzettek-elhelyezkedesi-eselyeirol-a-kepzesseel-valo-elegedettsegukrol-es-tovabbtanulasi-szandekaikrol/](http://www.observatory.org.hu/korkep-a-frissen-szakmat-szerzettek-elhelyezkedesi-eselyeirol-a-kepzesseel-valo-elegedettsegukrol-es-tovabbtanulasi-szandekaikrol/)

World Bank (2014): World Development Indicators: Distribution of Income or Consumption. [wdi.worldbank.org/table/2.9](http://wdi.worldbank.org/table/2.9)