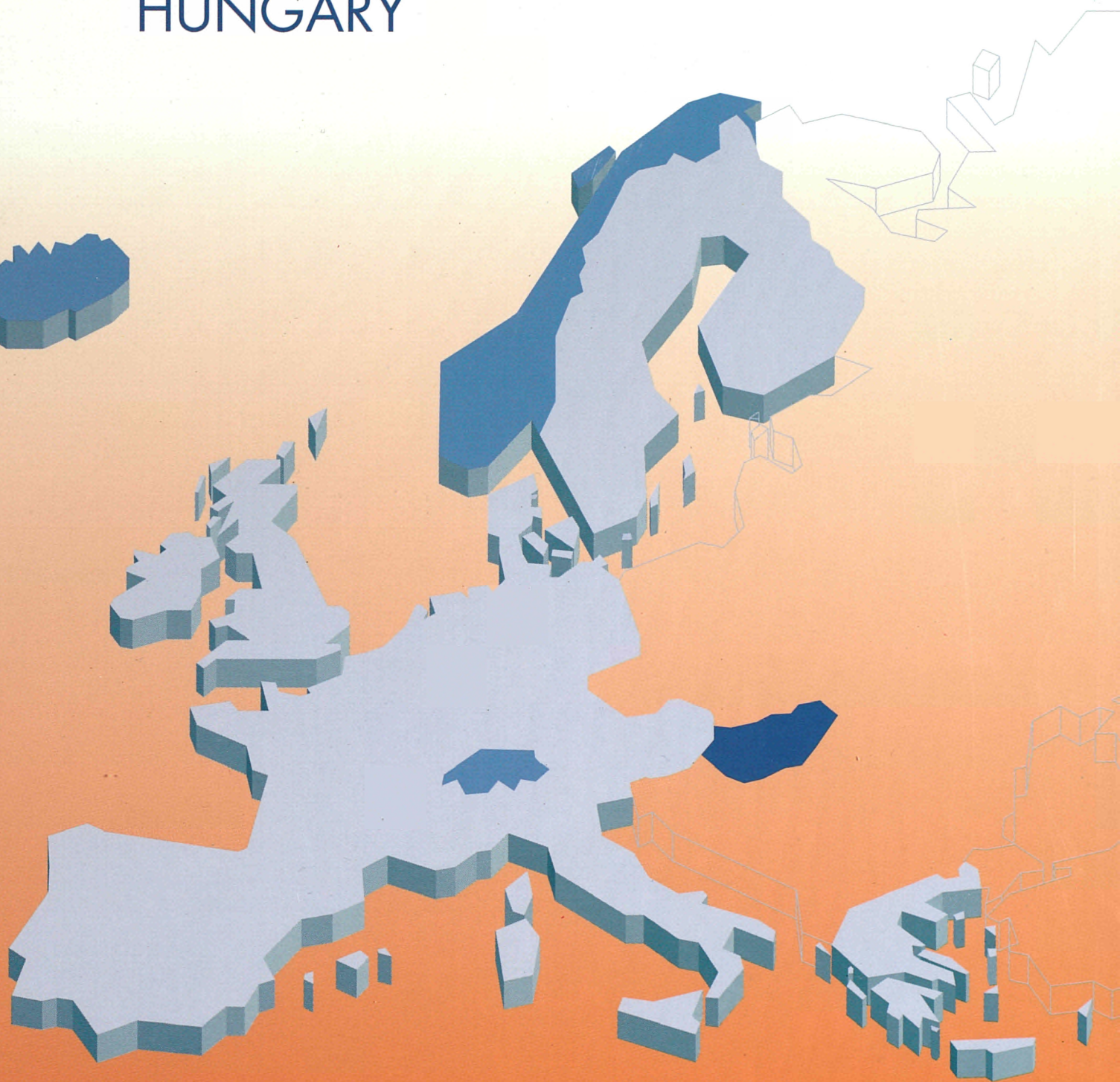


PORTRAIT OF THE REGIONS

VOLUME 5
HUNGARY



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HUNGARY

A great deal of additional information on the European Union is available on the Internet. It can be accessed through the Europa server (<http://europa.eu.int>)

Cataloguing data can be found at the end of this publication

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Foreword

The building of Europe is not just the preserve of the Member States of the European Union, but also involves their economic partners, particularly the applicant countries. The trade relations and cooperation programmes conducted between the Union and its neighbours reflect this desire for rapprochement, both between countries and between regions.

This publication is the fifth volume in the 'Portrait of the Regions' series. After the countries of the European Union and those in the European Free Trade Association, it is the first in a series which will be devoted to the applicant countries of central and eastern Europe. As was the case with the previous volumes, its main aim is to give each region the opportunity to find out about its neighbours.

Although some of the statistical methods and definitions occasionally differ from those used in the European Union, it still seemed appropriate to extend the field of observation to analyse the potential shape of the Union at the beginning of the 21st century.

As in the past, the regions are presented in an identical format through the use of maps, diagrams and statistical tables, along with commentaries on their strengths and weaknesses, natural features, population, labour market, economic fabric and the state of the environment.

This portrait of the regions of Hungary was a joint venture between Eurostat, the Hungarian Central Statistical Office and the country's regional statistical offices. The work was coordinated on the spot by ECOS-Ouverture, a cooperation programme linking the regions and cities of eastern and western Europe. My heartfelt thanks go to all those who have made such a valuable contribution to this publication.



Y. Franchet
Director-General of Eurostat

The PORTRAIT OF THE REGIONS consists of five volumes:

Volume 1	Germany Benelux Denmark
Volume 2	France United Kingdom Ireland
Volume 3	Portugal Spain Italy Greece
Volume 4	Austria Finland Sweden Iceland Liechtenstein Norway Switzerland
Volume 5	Hungary

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HUNGARY



Hungary, a country of 93 000 square kilometres and 10 million people, celebrated in 1996 the 1 100th anniversary of its foundation. Owing to its central location on the Danube in the Karpathian Basin, Hungary forms an important link in Europe between east and west and between north and south. Its main geographic regions are Transdanubia to the west of the Danube; the Great Plain east of the Danube; and the mountainous area in the north.

The Hungarian Republic consists of the capital, Budapest and 19 counties with 3 125 municipalities (205 towns and 2 920 villages). The capital and its districts, the towns and the villages each have their independent local governing bodies. Regional governments operate at the county level.

The origin of the county system dates back to the 11th century. Before the First World War there were more than 70 counties, but two thirds of Hungary's land area was annexed to neighbouring countries in the peace treaties that followed the war. The borders of the present counties were fixed during the administrative reform that followed the 1949 Constitution, when the number of counties was reduced from 25 to 19.

The local and county governing bodies are independent; there is no hierarchical relationship between them. Their rights as well as their respective responsibilities are set out in the Self Government Act. The county capitals and towns with more than 50 000 inhabitants can become towns with county rights, which means that they have county-level responsibilities in the provision of some services to the population. There are no macro and micro regional levels of administration in Hungary, but statistical regions are used at both levels for regional analysis purposes.

Regional differences in Hungary are characterized by the overwhelming dominance of the capital, Budapest – a metropolis where almost one fifth of the country's population lives – and by the rapid development of the western parts of the country as opposed to the more or less stagnating east. These differences have increased since the process of transition to a market economy started in 1989, after four decades of the centrally planned and ruled economy. This transition is still underway; Hungary is a rapidly changing country both in terms of its economy and its society.

BUDAPEST

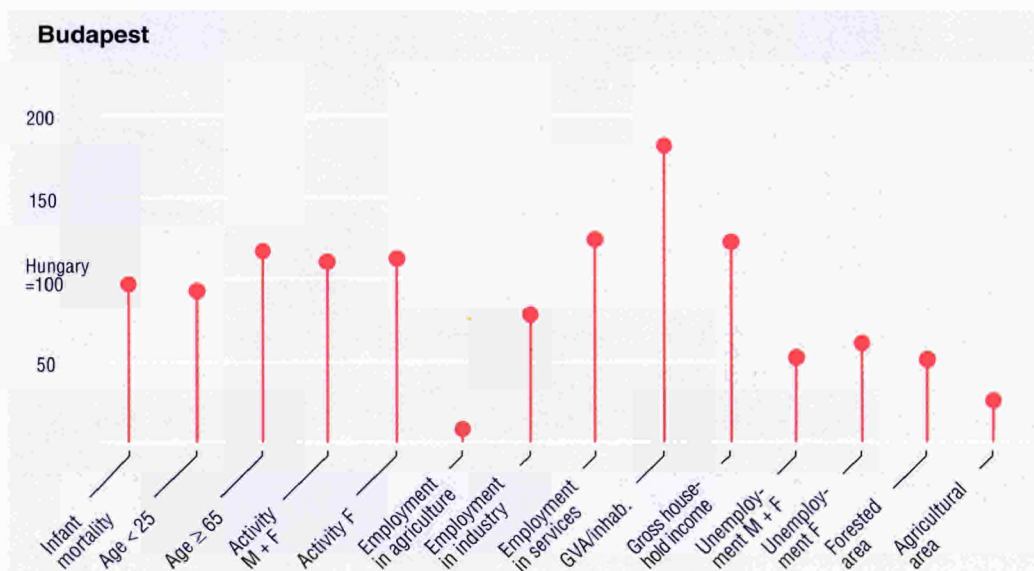
A metropolis on the Danube

Budapest, the capital of Hungary is situated on both banks of the Danube, at the foot of the Buda hills, where the plains and the hills meet. Thanks to its excellent geographical situation, human settlements existed in this region as back as the Palaeolithic Period. After the Celtic era, the Romans established a flourishing garrison here. The Magyars appeared here in about 900 AD though their settlements were ravaged by the Mongol invasion in 1241. The rebuilt city, with the Castle of Buda, became a European centre of classical culture at that time, then in 1541 Buda came under the rule of the Ottoman Turks. The 19th century saw the country's large-scale industrialization and in 1872 the three independent boroughs of Pest, Buda and Óbuda, were unified as Budapest.

Budapest developed into the present day metropolis in the second half of the 19th century. In the 20th century, due in part to rapid industrialization and the long-term agrarian crisis, to the capital's favourable location with good communications, and also to the desire to reinforce the separation from Vienna, it became the centre of the Austro-Hungarian Monarchy. Budapest became the industrial, trade, political and cultural centre of the country, and its overwhelming dominance was enhanced by the re-drawing of the national boundaries after the First World War, when the other major cities in the area, which could have had a balancing effect, were allocated to the neighbouring countries. A new era began in the city's history in 1950 when by annexing 23 of the surrounding settlements, Greater Budapest was formed. This increased the capital's size to two-and-a-half times its former area, while its population increased by 50%. Currently, Budapest is administered by 23 district governments and the Budapest City Government which has jurisdiction over the whole area.



View of Buda Castle with the Buda Hills in the background



A varied landscape

Budapest occupies a land area of 525 km², a mere 0.6 % of the country's territory. It is surrounded by the county of Pest, a considerable part of which is covered by the built-up area which extends out from Budapest. The city's extent measures 25 km from north to south and 29 km from east to west. Its lowest point is the water level of the Danube (96 m), while its highest is the peak of János Hill (529 m). Budapest's relief is highly varied: the eastern side of the Danube (Pest) is essentially flat, while the western side (Buda) is hilly. The Buda Hills, which stretch into the city, are covered with forests. Probably the best panorama of the Hungarian capital is from its natural observation tower, the top of the Gellért Hill, which is situated in the centre of the city's residential district. The famous towers, the larger buildings, the avenues, the ring roads and boulevards, and the bridges spanning the Danube are all clearly visible from here.

BUDAPEST

One in five of the Hungarian population lives in Budapest

Nearly 20% of the Hungarian population lives in Budapest – a total of 1 930 000 people. The population density of the city is 3 675 people per km² though the density in the various districts of the city varies widely, between 1 300 and 39 000. The role of the capital in the country's settlement pattern is reflected by the fact that the second biggest city in Hungary has a population of just 217 000, and there are only seven other cities with more than 100 000 inhabitants.

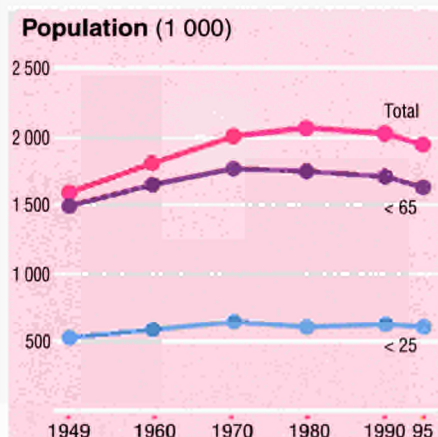
Migration always played a key role in the growth of the capital's population. In the last third of the 19th century the number of inhabitants grew dramatically, a trend which continued until the 1960s, although from the 1950s onwards the only source of population growth was inward migration. This migration always tended to be sufficient to counterbalance the natural

decreases in population and even to lead to a slight increase. During the 1980s, however, the situation was reversed and the population continued to fall in the 1990s at an average annual rate of 17 000. This high rate was caused by the consistently high mortality rates and a significant drop in birth rates.

Budapest's population is ageing. At the beginning of 1995, 15% of the population were below 15 years old, while 22% were above 59. This means that there are 40% more elderly people in Budapest than children. Despite the positive developments in the last few years both in Budapest and the country as a whole, life expectancy remains much lower than in West European countries. Thus, in 1994 the life expectancy at birth of Budapest men and women was 66.8 and 74.1 years, respectively. The rate of infant mortality

has decreased significantly when compared with the high levels of the past, but compared with the other European capitals, Budapest's achievements are rather modest.

A large number of foreign citizens live in Budapest – about 47 000 people. A third of all foreigners with residence permits staying in Hungary for a period of longer than a year live in Budapest.



Resident population of foreign nationality — 1994

		% of total population
Total	46 712	2.42
Romania	20 693	1.07
Former Soviet Union	4 905	0.25
China	2 990	0.15
Former Yugoslavia	2 336	0.12

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	297	15.4	17.2	13.8
15-24	305	15.8	17.1	14.7
25-39	363	18.8	19.6	18.1
40-54	445	23.1	23.2	22.8
55-64	204	10.6	10.0	11.2
≥ 65	316	16.4	12.8	19.4
Total	1 930	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	2 059
Births	208
Deaths	306
Net migration	+56
Population 1.1.1990	2 017

Far higher than average earnings from employment

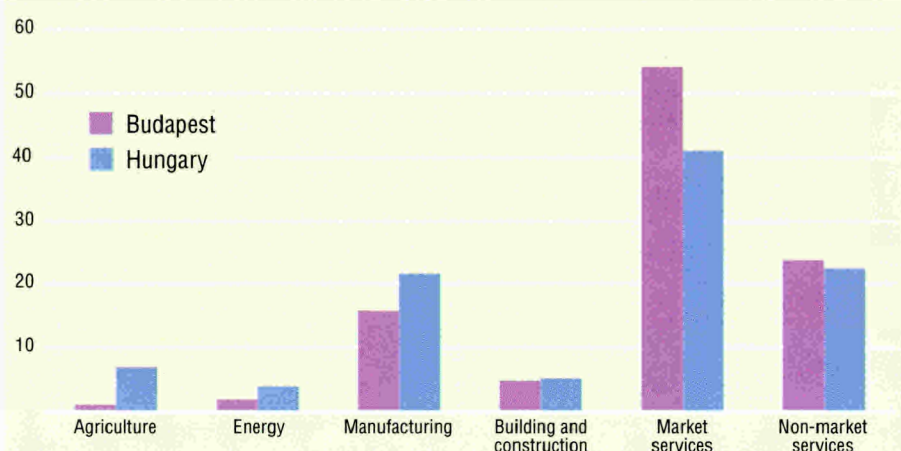
Budapest has the highest average monthly earnings in Hungary and although the nominal value of wages and salaries rose dramatically in the 1990s, these increases did not keep pace with the rate of inflation and thus real earnings fell. There have always been significant differences in earnings between the various sectors of the economy, and these have remained fairly stable in the 1990s. The gross average monthly salaries of those employed in the financial sector are by far the highest at almost twice the Budapest average salary. Above-average salaries are also recorded in commerce, real estate and some other service sector activities. The lowest earnings are recorded in health care, education and the building industry, at only about four fifths of the average.

There has been little change in the last few years in the differences in the earnings of blue and white-collar workers; the latter earn on average 80% more than blue-collar workers.

The advantage Budapest residents appear to enjoy in terms of average gross monthly earnings is less significant when one considers the supplementary incomes and other resources to which provincial residents have access. Thus, while the average gross income in Budapest from full-time and part-time employment combined exceeded the national average income by almost 40%, taking into account the other income to which provincial dwellers have access and the tax which Budapest residents have to pay, the difference dwindles to just 16%.

Close to a third of the average per capita household expenditure in Budapest is spent on food, 14% on transport and communications, and 13% on household maintenance. These proportions are essentially the same as the national average. However, as in many large cities, there are much greater than average income differences between the different social groups, with a considerable element of the extremely well off, and great masses of impoverished people. Parallel with these socio-economic processes, a higher than ever crime rate also characterizes the city.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
MOL Rt	Crude oil and natural gas
Tungsram Rt	Lighting
Richter Gedeon Rt	Pharmaceuticals and medicines
Ikarus Jármű Rt	Buses and bus fixtures
Chinoín Gyógyszer Rt	Pharmaceuticals and medicines
MMG Automatika Művek Rt	Industrial process control equipment
Ganz Ansaldo Villamossági Rt	Electrical and railway equipment
Csepeli Fémmű Rt	Copper and bronze
Taurus Kft	Lorry tyres

A further strengthening of the services sector

Budapest is the economic centre of the country. All branches of its economy, except agriculture, have national significance. Its leading role had already been established in the 18th century, and has strengthened particularly since the last third of the 19th century.

A fundamental transformation in the economic structure began in the 1990s. As Hungary's economic centre, Budapest is at the cutting edge of this process. The changes in the branch structure of the economy are characterized by the decreasing importance of the producing branches (especially industry and the building industry) in favour of services. In 1990, a little more than one third of active earners were employed in industry and the building industry, 15% in commerce, and 10% in transport, post, and telecommunications. Between 1990 and 1995, employment in industry and the building industry, fell by more than 50%, employment in commerce by than 50%, and employment in transport by 30%.

The city's economic development is enhanced by the creation and develop-

ment of the various financial institutions; the extension and development of office space and facilities for the mushrooming business sector; and by the investments in the hotel industry catering for the increasing tourist and business executive demand. The tourist industry occupies a very important position in the Budapest economy. Its hotels and other accommodation facilities receive a third of all guests requiring accommodation in Hungary, and half of all such foreign citizens. Apart from the multitude of monuments, the scenery, and the medicinal and thermal waters, many visitors are drawn to Budapest by the cultural programmes, the national and international conferences, and the increasingly vibrant business activity.

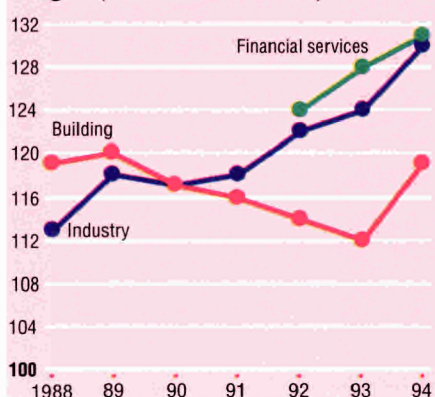
Between 1990 and 1995, the transformation of the economy gave rise to a two-and-a-half-fold increase in the number of registered businesses in Budapest. More than one third of all newly-established businesses in Hungary had their headquarters in Budapest. The role of foreign capital is becoming increasingly important; for example, every fourth limited liability

company was established with foreign participation. Thus, 60% of the foreign direct investment that flowed into Hungary went to Budapest. The number of businesses with foreign interests increased 12-fold between 1990 and 1993, and the average capital share of the foreign partners in these companies was 57%.

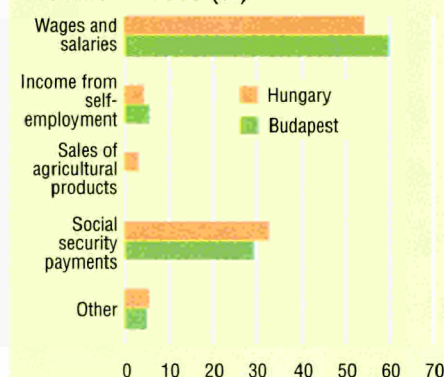
Agriculture — 1994

The data for Budapest are included in the figures for the county of Pest.

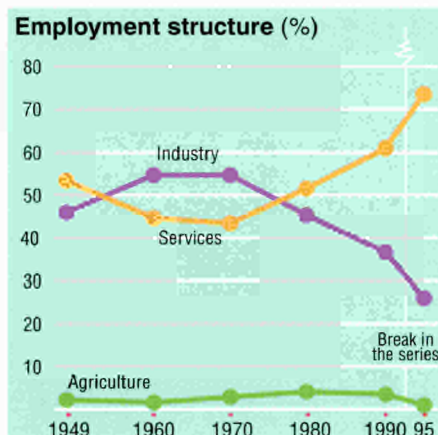
Wages (national level = 100)



Gross per capita household income — 1993 (%)



BUDAPEST



Employment — 1990 (1 000)

Resident employment	918.3
+ Non-residents having a job in Budapest	196.4
- Residents having a job outside Budapest	26.8
= Internal employment	1 087.9

The changing structure of employment

During the 1950s, due to large-scale migration to the city and an increase in the female participation rate, there was a significant growth in the number of active earners and in their proportion of the population. This process slowed in the 1960s, while after 1970 there was a turnaround and the number of active earners began to decrease until in 1990 a lower proportion of the population were active earners than in 1949. While in 1949 dependants constituted the majority of the economically non-active population, by 1990 the proportion of inactive earners (those receiving pensions, child allowances, investment income, etc.) surpassed that of dependants.

The branch structure of employment also went through significant changes. There

were considerable increases in employment in the 1950s and 1960s in industry and construction, and the weight of these branches in employment rose dramatically. The importance of industry in employment began to decrease after 1970, and since that time an increasing proportion of workers are employed in the services sector.

The staff cuts that began in the 1970s affected primarily blue-collar workers, and by 1990 the majority of active earners were white-collar. The 1980s saw the beginning of an increase in the proportion of the self-employed within the work-force. In 1949, these accounted for 13% of the active earners, in 1980 the proportion was 2%, but by 1990 the figure had reached 6%.

In 1995, the city counted 802 000 active earners, 52.5% of them males. A mere 0.7% of employment was accounted for by agriculture, 26% by the secondary sector, and almost three quarters by services. Wage and salary earners made up four fifths of active earners.

The level of education of active earners has increased significantly. In 1980 tertiary graduates made up 16% of active earners, but by 1990, this had jumped to 21%. The improvement was particularly noticeable among women.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	10	80	10	78	4
Women	12	82	6	89	9
Total	11	81	8	83	6

A quarter of all industrial production

Industry always played an important role in the development of Budapest. For decades the rate of industrial development in the capital always surpassed that of the provinces and, consequently, a larger and larger proportion of the nation's industry came to be concentrated in Budapest. The industrial significance of the capital began gradually to decrease in the 1960s, but it remained the country's industrial centre. A quarter of all industrial production and three tenths of industrial exports are accounted for by Budapest-based industry.

The structural change in the economy affected primarily large-scale industry. The loss of the Eastern markets led either to the disappearance or the splitting-up of many of the large and prestigious socialist enterprises such as the Ganz Mávag Engine and Machine Factory, the Hungarian Ship and Crane Factory and the Láng Machine Factory. In 1995, more than 95% of Budapest-based companies had 10 or fewer employees, while the proportion of those employing over 300 was less than 1%.

Budapest has since 1985 hosted the Budapest International Trade Fair, displaying mostly the latest industrial products. In the last few years, the city has been organizing more and more specialist international fairs as well.

The majority of the unemployed are female

With the beginning of the structural transformation of the economy in the early 1990s, the formerly disguised unemployment became more and more visible. Unemployment rose sharply. At the end of 1990, there were 3 000 registered unemployed; by September 1993 this figure had risen to 71 000. Since then a steady decrease has been recorded, and in September 1995, 56 000 people were officially unemployed.

The structure of Budapest's economy served to mitigate the level of unemployment. The concentration of services in Budapest and the continuing strengthening of this sector served to soak up excess labour. An increasing proportion of new jobs were provided by the newly formed companies and small businesses. Consequently, the rate of unemployment in Budapest has always been significantly lower than the national average. Thus, in September 1991 just 1.6% of Budapest's active

earners were unemployed against 6.1% nationally and by September 1995, the Budapest figure was 5.9% compared with 10.3% nationally. This relatively favourable situation is also explained by the fact that redundancies at Budapest-based enterprises impacted significantly on those who commuted and were not Budapest residents.

There has also been a change in the composition of the unemployed. At the beginning of the 1990s, the majority of the unemployed were male, and blue-collar workers. Subsequently, however, this began to change, and by August 1995 females were in the majority (52%). Blue-collar workers continue to account for the majority of the unemployed with a proportion of almost two thirds.

Those with secondary education constituted over 60% of the unemployed in August 1995. At the same time, 30% of the unem-

ployed had only primary education and 5% had tertiary qualifications.

Of those seeking manual jobs in 1995, 42% had some kind of trade, 34% were semi-skilled workers and 24% were unskilled labourers. There has been an increase in the proportion of semi-skilled workers in the last few years, but a decrease in those of skilled workers and unskilled labourers.

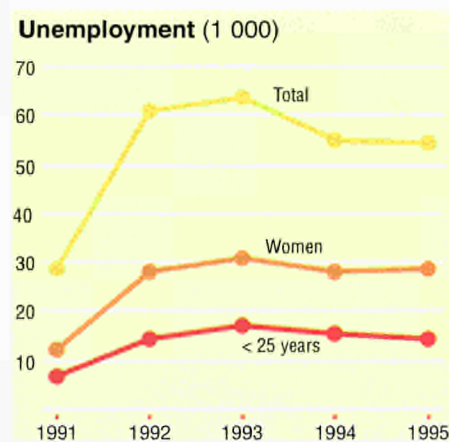
Education and health-care facilities of national importance

Budapest's schools and colleges have always attracted students from all parts of the country, as well as from abroad. There are 400 primary schools, over 200 secondary schools and 42 tertiary education institutions in the capital. Over two fifths of the nation's tertiary students study in Budapest but, owing to their specialist orientation, some of the secondary schools also play a national role.

There are a number of world famous libraries in Budapest with some unique collections. Amongst these is the National Széchenyi Library in whose archives are found handwritten books and other artefacts from the time before printing was invented. Some of these are the oldest texts in the Hungarian language and date from the 12th century, and the collection includes 35 Corvinus codices from King Matthias' library. The Ervin Szabó Library

network plays an important role in the education of Budapest's population and with the sharp rises in book prices in the last few years, demand for its books and services has increased significantly.

Budapest is also in a pre-eminent position in terms of health- and hospital care. The almost 12 000 doctors working in the capital constitute over one third of all doctors working in Hungary, while the 30 000 hospital beds account for 30% of the national total.



	M + F 1 000	F %
Pre-school	59.1	47.6
Primary	153.8	48.7
Vocational	30.6	40.7
Secondary (technical)	49.7	49.6
Secondary (general)	37.8	58.5
Higher education	26.2	:
Total	357.2	:

A variety of recreational and cultural activities

Budapest boasts about 90 museums which house the most valuable relics and exhibits of the history and folklore of the Hungarian people, fine arts, handicrafts and industrial arts and the works of many foreign painters and sculptors. Some of these museums are in the grandest buildings that adorn the city, such as, for example, the Hungarian National Museum, the Budapest Historical Museum, and the Hungarian National Gallery.

Over half of the county's theatres are in the capital. Of the musical theatres, the significance of Miklós Ybl's architectural masterpiece, the Hungarian State Opera House, is considerable. In 1984, to mark the 100th anniversary of its completion, the building was fully renovated. Amongst Budapest's other cultural institutions is the Academy of Music, whose first president was Ferenc Liszt himself. The 'Pesti Vigadó' and the Budapest Congress Centre, on the

other hand, offer different but elegant environments for a range of gala programmes and chamber performances.

The annual Budapest Spring Festival has become a tradition and attracts many visitors from all parts of the world.

BUDAPEST

The hub of Hungary's transport system

Budapest is the centre of the country's transport system. It is from here that the rail and road networks branch out, linking the counties and Europe's larger cities to Budapest, and also linking the western and eastern, as well as the northern and southern parts of Hungary. This situation has its roots in the past, as all other important transport routes were closed, and transport centres were isolated from the country after the territorial changes following the First World War.

The transport connections between Buda and Pest are provided by the northern and

southern railway links and the seven bridges across the Danube. The city has a total length of more than 4 000 km of roads, providing an urban road density ten times higher than the national average. This network has to satisfy the needs of 2.5 million people, the day-time population of the capital. There are more than 1 100 km of public transport routes. The modern 30-km long underground has revolutionized Budapest's public transport, and the 100-year old Millennium underground railway line, which was the first of its kind on the European continent, remains an important factor in the transport system. Commuter traffic is fairly high in Budapest in comparison with other cities of its size. Of the annual 1.5 billion trips made on Budapest's various public transport services, 5% are made on the suburban commuter trains and buses.

It is not so much an advantage as a great source of problems that all important transport routes, both road and rail, end at, or start from Budapest. The ring road (the M0 motorway) allowing traffic to bypass Budapest is under construction. Once

completed it will significantly reduce traffic congestion and air pollution over Budapest. There are almost 30 railway stations of various sorts in the capital and the Eastern, Southern and Western Railway Stations link Budapest to the whole of Europe. Although the Ferihegy Airport is among the smaller airports of Europe, it is used by between 20 000 and 25 000 aircraft each year from more than 20 of the world's airlines.

Surfaced public roads

	Budapest	Hungary
Length in km per km ²	5.5	0.6
Length in km per 1 000 population	1.5	5.2
Length in km per 1 000 passenger cars	5.2	24.7
Surface area in 1 000 m ² per km ²	35.5	3.2
Surface area in 1 000 m ² per 1 000 population	9.7	29.3
Proportion of national roads (%)	2.7	62.4
Proportion of local roads (%)	97.3	37.6

Telephone

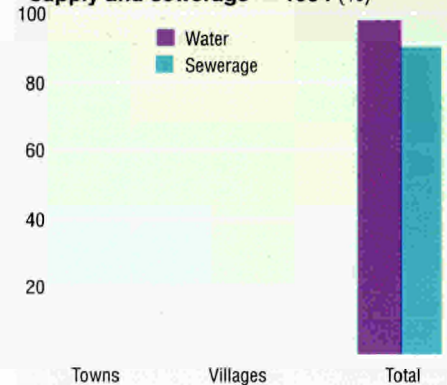
	1990		1994	
	Budapest	Hungary	Budapest	Hungary
Lines per 1 000 population	227	96	341	174
% connected to digital network	94	88	100	97

Good public utility provision except in outlying districts

Budapest's main source of water is the Danube. The chemical content of the Danube's water differs from region to region, but in many areas natural filtration renders the water from the wells on the river bank potable. Public piped water supply in Budapest is almost universally available, with 98% of households enjoying this facility. Uninterrupted water supply is available even at peak times, although the condition of some of the pipes is a source of concern; one tenth of the network was laid in the last century and due to a lack of funds the level of maintenance and reconstruction has not been sufficient. The level of development of the public sewerage network is very uneven; 90% of households are connected, but 80 000 households in the more outlying districts lack this facility, resulting in a major source of environmental pollution. Household waste is regularly collected in practically the whole of Budapest, but only a half of this waste is appropriately treated.

The telecommunications network remains probably the weakest link in Hungary's infrastructure, despite the significant development that has taken place in the 1990s.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Struggle against environmental degradation

Budapest is fighting against overcongestion, noise, air pollution, water pollution and mountains of waste, as well as against 'aesthetic' pollution due to uncontrolled construction activities and the lack of adequate building maintenance. The improvement of Budapest's environmental condition has always been an important element in the city's development plans but the funds available for environmental conservation have always been significantly less than required. Consequently, the scarce funds have always had to be concentrated in the areas of greatest need.

Water protection received the greatest emphasis in the 1980s, accounting for approximately one third of all environmental investment. Significant sums were also spent on toxic waste disposal and treatment (18%), and air-quality protection (10%). Consequently, hardly any money was left to tackle noise pollution and vibration or other environmental problems. As a result of the concentration on water

protection, between 1980 and 1994, the length of the city's public sewerage network increased by two-and-a-half times, and for every 1 km of piped water network the city had 900 m of public sewerage. However, in the 1990s, the emphasis was switched from water protection to the decontamination of, and protection against, toxic wastes. Because of the lack of funds Budapest still has significant environmental problems in the areas of air pollution, waste water treatment and waste disposal and decontamination. Air pollution often either approaches or exceeds the acceptable monthly average limits. A significant proportion of waste water is either not treated adequately, or is allowed to flow into the Danube untreated, while existing facilities for waste disposal and treatment are becoming less and less sufficient.

Environment (1991-94)

	Budapest %	Hungary %
Proportion of total national environmental investment	10.1	100.0
Proportion of environmental investments in total investment	1.4	4.6
Proportion of environmental expenditure on:		
Water protection	50.8	38.3
Air protection	9.3	11.1
Waste management	19.3	7.5

The centre of research

Hungary is an important contributor to international research and boasts a fine record in research and development in spite of its small population and chronic scarcity of funds. Budapest is the centre of research and development, and the entire gamut of research and development activities is carried out here. The Hungarian Academy of Sciences, with its central organization and most of its research institutes, and the majority of the university and business research units operate in the capital.

The structural change in the economy led to changes in the area of scientific re-

search as well. Side by side with the State-funded research establishments, much research and development activity is funded by private enterprise. In relation to Budapest's weight in the other industrial sectors, its importance in research and development is disproportionately high. More than two fifths of the country's research establishments are located in Budapest, employing 60% of its researchers and receiving two thirds of the funds devoted to this sector.

Unique qualities with all the problems of a large city

Its geographical situation and its townscape rich in architectural features place Budapest amongst the world's most beautiful cities. Its tourist attractions further include the wide variety of its cultural life, with its traditions, medicinal baths, and culinary delights. The city's attributes, together with the relatively developed economic, financial, and scientific sector have made Budapest one of the regional centres of East Central Europe.

Budapest's population is gradually ageing – birth rates are low while mortality rates are high; life expectancy is far below that

of the developed Western countries. At the same time, due to the high concentration of population and economic activity, the city's services and infrastructure are overused, leading to tensions. While the Danube is the source of high-quality drinking water, the lack of adequate public sewerage facilities and the lack of appropriate waste water treatment threatens to contaminate the Danube's catchment area. The road network is fairly dense in Budapest, but the width and quality of the roads have not kept pace with increases in traffic. This increase, together with the ageing vehicle stock, is a major source of air pollution. The com-

munications infrastructure has been expanded significantly in the last few years, but much work remains to be done.

BÁCS-KISKUN

The largest Hungarian county

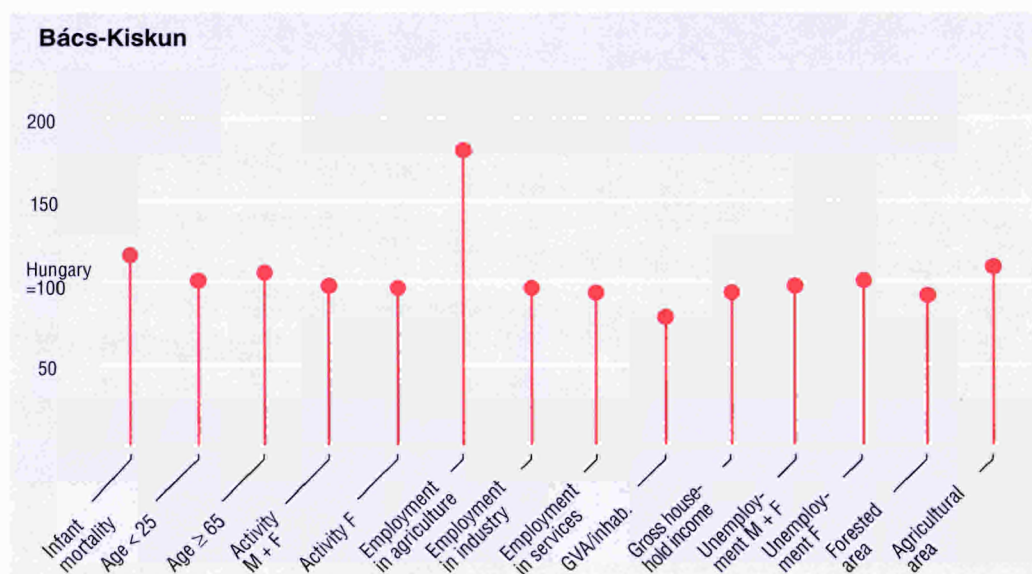
Bács-Kiskun has the largest territory of any Hungarian county, occupying two thirds of the region between the Danube and Tisza rivers. For centuries Hungarians have lived peacefully side by side here with Romanians, Germans, southern Slavs, and Slovaks.

Significant development took place in this region in the 19th century. It was mostly due to the far-reaching changes in transport, such as the extension of the railways, that it was made possible for the region to become more integrated into both national and international commerce. Agriculture was the primary beneficiary of this process, although other sectors were affected as well. At the end of the last century, the small and medium-sized landowners formed such an effective horticultural industry that they were able to ride out the world economic crisis of the time. Not even the decades following the Second World War were able to extinguish the spirit of private enterprise; of the 40 000 farmsteads that existed after the war, more than 30 000 escaped collectivization and still survive today.

The county's present administrative territory was established on 1 January 1950 by amalgamating parts of former counties. At the end of 1994, the county had 14 towns and 103 villages. Kecskemét, the county capital, occupies the largest area (321 km²), while Kalocsa is the smallest town (53 km²). Of the villages, the two extremes are represented by Újtelek (10 km²) and Szabadszállás (165 km²); the latter was declared a town in 1995.



Windblown sand between the Danube and the Tisza rivers



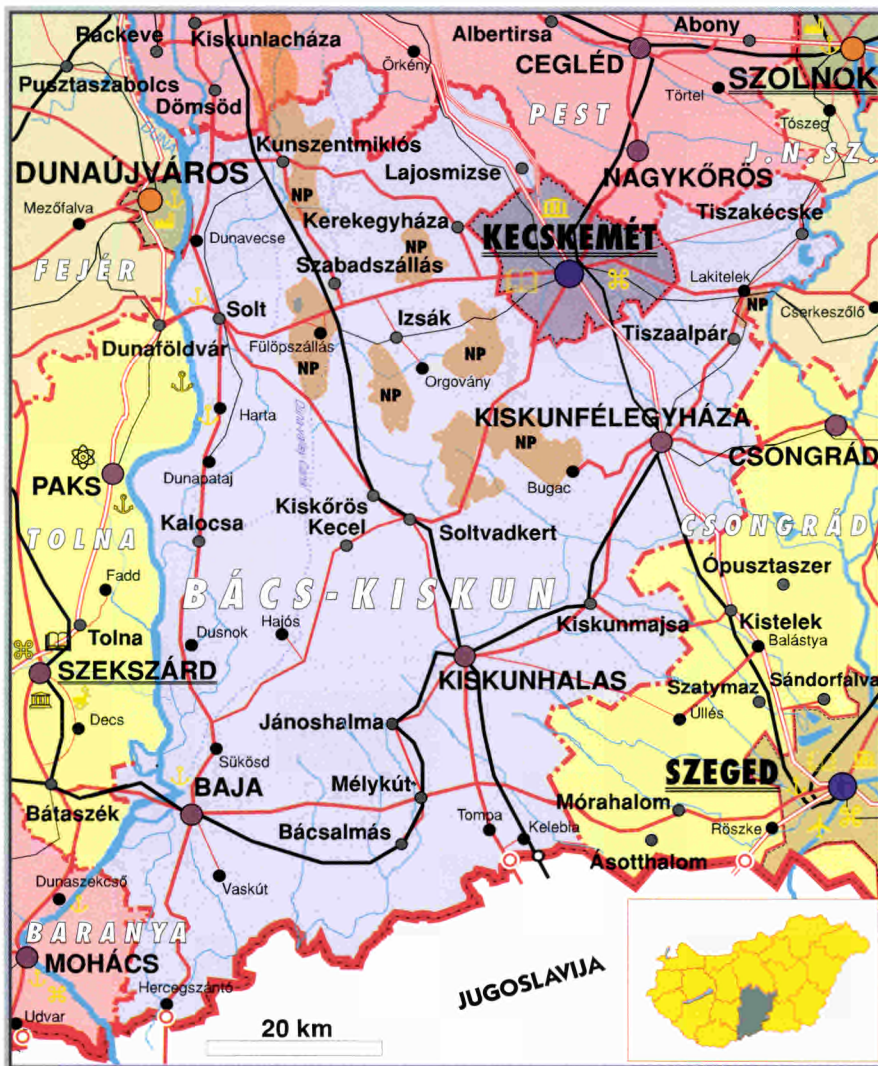
A flat but diverse region

Bács-Kiskun covers an area of 8 362 km², 9% of the country's land, and lies between the rivers Danube and Tisza. The Danube is the western border of the county, while the Tisza forms the eastern border over a 30 km stretch. Bács-Kiskun borders six Hungarian counties as well as Yugoslavia.

Even though its territory is flat, in terms of relief and other natural features it is still more heterogeneous than other parts of the Great Plain. It can be divided into three regions: the plain by the Danube, the sand tableland between the Danube and the Tisza, and the Bácska loess tableland in the south-west.

Bács-Kiskun's weather is determined partly by its continental climate and partly by the county's geographical characteristics. A significant part of the county has over 2 000 hours of sunshine annually. Temperature variations are large in the sandy regions, with relatively low air pressure both in winter and in summer, often resulting in stormy winds.

BÁCS-KISKUN



Poor water resources

The region's geological structure offers potential for the development of hydrocarbon and geothermal energy. Drilling for hydrocarbons began a few decades ago but led mostly to the discovery of thermal waters. However, significant deposits were discovered in the central and south-eastern part of the county (in the Szank-Zsana-Kiskunhalas region) whose exploitation increased the county's role in Hungary's crude oil and natural gas production. The only other raw materials are clay and gravel, which are used in the construction industry.

There are great variations in the incidence of thermal waters in the county, with the middle and eastern parts having the best supplies. Thus, for example, in the Tiszakécske area, the temperatures in the thermal wells are above 75°C, while in other parts of the county, the temperatures are only about 35-50°C. Thermal waters are utilized mainly in public baths, but also in agriculture in some areas.

Bács-Kiskun's central areas have quite poor water reserves and it is only on its borders that the rivers Danube and Tisza assure a good supply. On the alluvial plains of these rivers, alkaline lakes and other seasonal lakes are common. Many of them are quite shallow, and in prolonged dry spells they dry up, leaving natron visible in the silt.

Which EU regions are similar to Bács-Kiskun?

Land use:	30-32% in industry
15-17% forest	14-15% in agriculture
70% agriculture	Castilla-La Mancha (E)
Poitou-Charentes; Picardie (F)	Age structure:
Scotland (UK)	34% under 25
Employment structure:	15% over 65
54% in services	Leicestershire, Northamptonshire (UK)

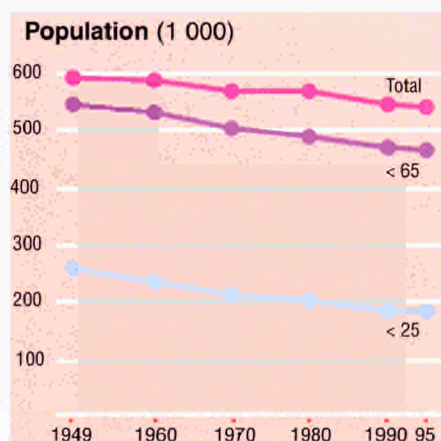
	Area km ²	Population				Activity %	Unempl. %	Employment				
		1 000	Inhab./km ²	Change (%)				Dec.1994	% Agricult.	% Industry	% Services	
				1995	1995							1980-89
Bajai	1 133	78	69	- 2.6	- 1.0	53.4	12.7	28.7	34.0	37.3		
Bácsalmási	381	19	49	- 12.3	- 4.0	51.1	14.7	46.5	26.0	27.5		
Kalocsai	1 171	65	56	- 8.6	- 1.6	54.8	10.7	35.8	27.9	36.3		
Kecskeméti	1 572	168	107	1.5	1.4	58.0	11.1	22.9	34.9	42.1		
Kiskőrösi	873	50	57	- 6.7	- 1.0	55.0	12.7	47.3	21.4	31.3		
Kiskunfélegyházai	811	53	65	- 4.6	- 2.3	53.5	10.3	30.7	34.4	34.8		
Kiskunhalasi	970	50	51	- 5.2	- 0.9	55.6	10.7	27.6	31.3	41.1		
Kiskunmajsai	392	17	44	- 13.9	- 0.8	55.7	10.7	47.7	28.3	24.0		
Kunszentmiklósi	661	23	35	- 3.4	- 0.5	52.9	17.1	34.8	27.2	38.0		
Jánoshalmi	399	18	46	- 13.5	- 3.0	49.4	18.7	45.9	22.3	31.8		
Bács-Kiskun	8 362	541	65	- 4.2	- 0.6	55.1	11.9	31.6	31.1	37.4		
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5		
							1995	Dec. 1995	1995	1995		
							Bács-Kiskun	46.8	11.7	14.5	31.5	54.0
							Hungary	48.2	12.0	8.1	33.1	58.8

BÁCS-KISKUN

Falling population

Bács-Kiskun has a population of 541 000, and is the fifth most populous county in Hungary. For a long time, however, its population has been decreasing. Since 1960, its population has decreased by over 45 000 people. In the past, population losses were mainly due to migration which, even up to the end of the 1970s, was more or less counterbalanced by natural increases. Only since 1980, has a natural decrease also contributed to population losses.

The birth rates signal unfavourable changes. Minor fluctuations aside, there is a definite decline in the number of births. At the beginning of this century, the birth rate reached almost 40 per 1 000 population which decreased to around 20 by the middle of the century, while today it does not even reach 12. The death rates, on the other hand, have been steadily increasing



since the second half of the 1960s. This is due partly to the ageing of the population, and partly to the fact that there has been a deterioration in the quality of life of various groups. From 11 per 1 000 population in the 1960s, the death rate climbed to above 14 in the early 1980s and in the 1990s has risen beyond 15. Life expectancy among males is below 64 years, while it is a little above 73 for females. Bács-Kiskun has a higher than average proportion of deaths attributed to violent causes, such as injuries, poisoning, accidents and suicide.

The population is ageing – both the number and proportion of the old-age population have been increasing. This trend is indicated by the 'ageing index', which is currently 105 (for every 100 children under 15, there are 105 people above the age of 60).

Resident population of foreign nationality — 1994

		% of total population
Total	6 209	1.15
Former Yugoslavia	2 962	0.55
Romania	2 086	0.39
Former Soviet Union	447	0.08
Germany	298	0.06

The largest ethnic minorities in Bács-Kiskun are the Gypsies, and ethnic Germans. Following these are the southern Slavs, Romanians, and Slovaks.

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	101	18.6	19.7	17.7
15-24	84	15.5	16.6	14.5
25-39	109	20.1	21.2	19.1
40-54	110	20.3	20.8	19.8
55-64	59	10.9	10.0	11.7
≥ 65	79	14.6	11.6	17.3
Total	541	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	569
Births	71
Deaths	82
Net migration	- 13
Population 1.1.1990	545

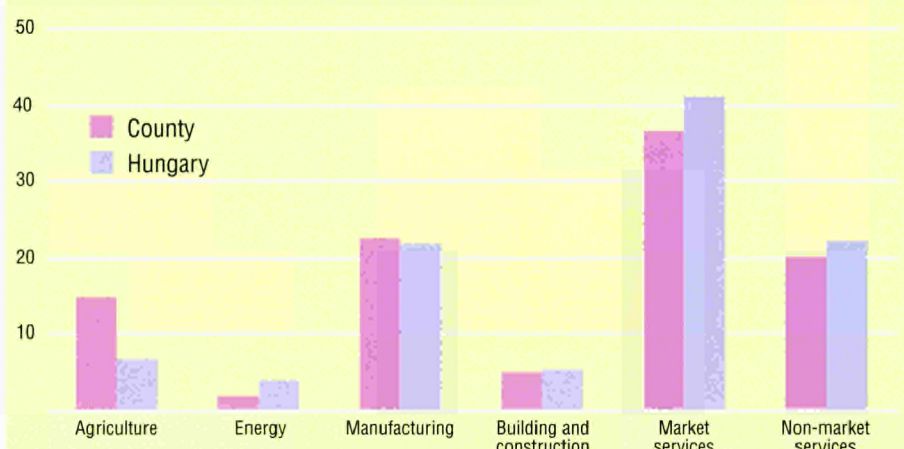
Low incomes but increasing savings

Almost 115 000 people are employed by companies with more than 20 people and by public sector organizations, and average gross monthly wages and salaries are considerably less than the national average. Just over 70% of this income is taken home as net wages. The gross wages of blue-collar workers barely reach two thirds of the county average, while the salaries of white-collar workers jumped to 36-37% above the average in 1994. Earnings are lowest in agriculture and highest in finance. Average monthly earnings in other industries differ little from the county average. Males earn 10% above the average, females 10% below.

There are wide differences between the incomes of the different social groups. Despite the low level of wages and salaries, there is a steady growth of savings deposits. The greatest increases are in hard currency deposits.

Forty per cent of net annual per capita income in 1993 in the south Great Plain region (Bács-Kiskun, Békés, and Csongrád) was spent on food, the largest single category. In addition to this, considerable sums go on rent and housing expenses and, in the case of active earners, on transport. Far behind in order of importance is spending on clothes, luxury goods, household fittings, entertainment, and education.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Univer Szövetkezet	Canned food, spices, and retail
Kunság Volán Rt	Road passenger transport
Petőfi Nyomda- és Csomagolóanyagipari Rt	Printing and packaging materials
Glória Bútoripari Rt	Wooden and upholstered furniture
Búzakalász Mezőgazdasági Szövetkezet	Mixed farming and food processing
Bácsalmási Agráripari Rt	Mixed farming and food processing
Bácska Agráripari Rt	Meat and fish processing

A diverse economy

The development of Bács-Kiskun's economic structure has been significantly influenced by its natural and settlement characteristics. Until the mid-1960s the economy was basically agricultural and the food sector has maintained its pre-eminent position. The county accounts for a proportion of agricultural production and sales of agricultural products greater than its land area. The region is most suitable for vegetable, fruit and grape growing and accounts for a large proportion of national production in these sectors. The wide range of organizational forms of farming in the 1960s made it possible for those crops amenable to mechanization and requiring large tracts of plough-land to be produced in large-scale agricultural concerns, while for those crops requiring more specialized attention to be undertaken in the more traditional confines of the family unit.

In the 1960s and 1970s, the backward industrial sector also began to develop quickly in parallel with agriculture.

Together, they acted as stimulants to the service sector. Industries associated with crude oil and natural gas production, agri-

cultural and food-processing machinery, telecommunications, vacuum and precision engineering and light industries such as textiles, leather and wood-processing all increased in importance.

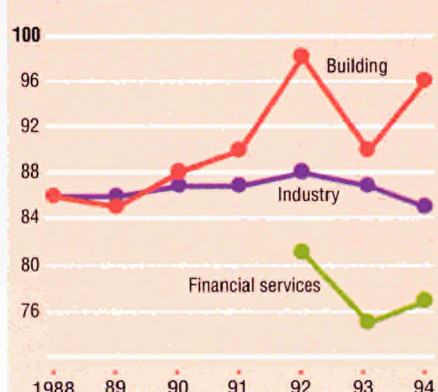
In the 1990s, significant restructuring has taken place in the economy of Bács-Kiskun together with organizational changes. There has been a growth in the number of private businesses, and a reduction in the number of the very large enterprises.

There are approximately 50 000 firms in the county, representing 5% of the national total. Eighty per cent of these are small private businesses, and most of these are self-employed tradespeople and shopkeepers. The majority of companies employ only a few people; indeed, three quarters of them have 10 or fewer employees. Ten per cent of companies belong in the medium category, employing between 21 and 50 people, while the number and proportion of those employing 300 or more is very small.

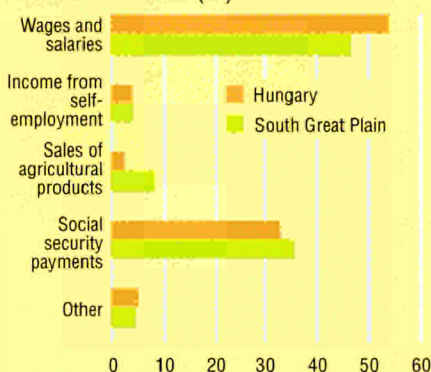
Privatization occurred first in commerce and the hotel and catering industry. By 1994, almost three quarters of shops were in private hands. In agriculture, many thousands of people have received land through the State compensation programme.

Since 1990, foreign private capital has been encouraged. At the end of 1990, there were only 201 businesses with foreign capital operating in the county; this number had increased sixfold by 1994.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



Agriculture — 1994

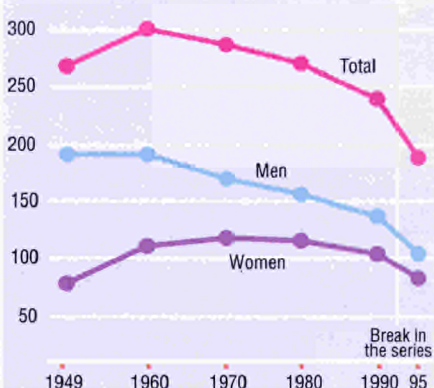
Number of holdings	11 692
Labour force	28 621
Agricultural area (ha)	591 700
Livestock (LU)	141 544
Gross per capita value of production (Hungary = 100)	101

Main products by gross value of production:

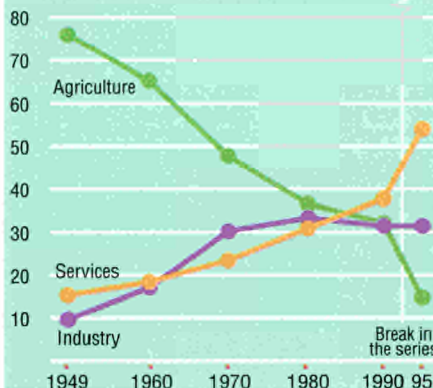
Pigs	17%
Maize	8%
Poultry	7%

BÁCS-KISKUN

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	238.5
+ Non-residents having a job in the county	42.3
– Residents having a job outside the county	42.8
= Internal employment	238.1

Agriculture is still an important employer

With the reduction and ageing of the population in the last few decades there has been a steady deterioration in the economic participation rate. Thus, it has almost reached the situation of the 1930s and 40s when a large proportion of women did not have paying jobs and consequently were not entitled to pensions.

The 1990 census indicates that almost every second county resident was an active earner; 239 000 in total (this number has been steadily decreasing since the 1960s). There has been a change in the employment structure; while agriculture employed almost two thirds of the labour force in 1960, it did not even account for a third at the 1990 census. There has been an increase in the proportion accounted for

by industry and construction, even though there has been a decline in the absolute numbers involved. The service sector has become more important in the last 30 years, employing 37% of the labour force in 1990 as opposed to just 18% in 1960.

Further significant changes have also taken place in the area of employment since the early 1990s. The transformation of the old State enterprises, and the emergence of new companies has been accompanied by the large-scale shedding of labour, which peaked in the first few years of the 1990s. Agriculture was the most hit by this trend – between 1993 and 1994 there was a 22% job loss in this sector, while commerce and repairs and maintenance lost 10%. By 1994, the rate of job

losses had slowed significantly in Bács-Kiskun just as it had done nationally. Despite the fact that in the 1990s there has been a small decrease in the number of blue-collar workers and a small increase in white-collar workers, the former still make up the majority of the work-force (around 60%).

In 1995, the primary sector employed 14.5% of all active earners, which is still well above the national average. Industry and construction accounted for 31.5%, and the tertiary sector for 54%; both below the national figures.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	12	79	9	70	3
Women	14	83	3	78	8
Total	13	81	6	74	5

Food industry dominates

Bács-Kiskun's industry has traditionally been tied to agricultural production and its processing. It was only in the 1950s and 1960s that important industrial development began to take place here with the settlement of industrial plants from other counties and particularly from Budapest. This development, however, was not able to create sufficient employment, so migration began on an increasingly large and prolonged scale, leading to a decrease in the county's population. Industrial development gained greater momentum in the 1960s leading to a jump in industrial production and the numbers working in indus-

try. This trend continued into the 1980s; then, following a mild slowdown, a new wave of transformation began with the 1990's. The county's industry has become more independent, with increasing numbers of county-based businesses.

Food processing has always been the leading industrial branch in the county, accounting for over half the value of total production. Light industry (textiles, clothing, wood, printing) and the machine industry are also important. Some of the county's best-known products are poultry, goose liver, paprika, food seasonings, can-

ned vegetables and fruits, wine, shoes, etc. In 1995, close to a third of the value of the county's industrial production was exported.

Blue-collar workers hardest hit by unemployment

While for decades full employment was the norm in Bács-Kiskun, as in the rest of the country, in the course of the far-reaching changes in the 1990s (structural change, the advent of private enterprise, and the decline or transformation of the old State enterprises and cooperatives), many people have become unemployed.

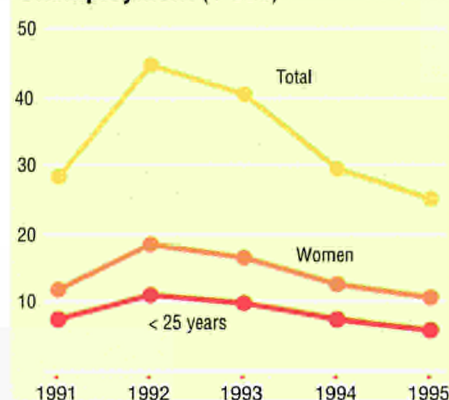
At the 1990 census, the unemployment rate was barely 3% (6 000 people). It rose sharply until 1993, after which it decreased somewhat; in 1995 just below 26 000 were unemployed. This decrease was not due to an increase in the number of jobs, but to the fact that a lot of the jobless could no longer receive unemployment benefits and were therefore excluded from registration. Considering that there are 20-30 unemployed for every job vacancy, it is most likely that the majority of these will remain unemployed for a long period. Four fifths of the registered unemployed are blue-collar

workers. The young make up 8-10% of total unemployment.

Half of the unemployed were trained as skilled workers or were educated in trade schools. A somewhat smaller proportion have completed secondary school education, while a few have tertiary qualifications. Almost half of the unemployed are between 36 and 55 and for these it will become increasingly difficult to obtain a job as they approach retirement age.

The four crisis zones in Bács-Kiskun have for some time been Bácsalmás, Kiskunmajsa, Kunszentmiklós, and Tiszakécske and its environs.

Unemployment (1 000)



Six colleges offer tertiary education

Tertiary education in Bács-Kiskun is closely tied to the county's traditions and the character of its economy but it has seen some changes recently. The six centres of tertiary education are concentrated in Kecskemét and Baja. The first two to be established, in 1959, were the Baja Teachers' College and the Kecskemét Training College for Kindergarten Teachers. In the last few years, the latter has been training other teachers as well. In 1964, the College of Automation Technology and Engineering was established in Kecskemét, and students can also study in the Faculty College of the Horticultural University. In Baja, hydrological engineers are trained in the College of Water Management.

The institutional network of secondary education was fully developed by the end

of the 1960s. The vocational secondary schools have become increasingly popular as an alternative to the traditional academically-oriented secondary schools.

Variety and colour are added to education by the institutions specializing in the arts. Thus, singing and music instruction has a pre-eminent role in Kecskemét, the birth-place of Zoltán Kodály.

Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	21.4	48.5
Primary	53.7	49.4
Vocational	10.9	40.2
Secondary (technical)	8.6	54.2
Secondary (general)	6.4	63.3
Higher education	5.2	:
Total	106.2	:

Unique museums

The foundations of the county's library network were laid in the 1950s. By the end of the 1970s, every settlement had a public library, even if there were differences in the levels of service. There are over 200 public libraries in the county and every sixth person is a member of one of them.

There are up to 300 000 visitors a year to the permanent and occasional exhibitions of the county's 45 museums. Apart from the traditional museums of local history and those which feature the lives and works of outstanding personalities, there

are a number of other museums in the county that are unique in Europe. Examples are the Prison Museum in Kiskunfélegyháza, the Toy Workshop and Museum, the International Pottery Studio, the Enamel Workshop and the Naïve Artists Museum in Kecskemét, the Medical and Medicinal History Museum, the Folk Industrial Arts Museum, and so on.

Kecskemét houses the county's most important cultural establishment, the József Katona Theatre which took only five years to build on the occasion of the

Millennium (1896) of the Hungarian Conquest. About 500 performances are staged to an annual audience of over 150 000.

Increasing transit traffic

On account of its central location, a lot of the nation's traffic necessarily crosses the county. The total length of main roads in the county is over 2 000 km – in other words, for every 100 km² of land area, there are 27 km of main road. Despite the fact that a tremendous amount of work has gone into improving the quality of the roads in the last decade, there has been a deterioration in their condition on account of their intensive use.

There is no motorway in the county apart from the 16 km stretch of the M5. Seventy-

two kilometres of the E75 cross the county; this is Hungary's and also western Europe's most important road link with the Balkans. There are a further 31 km of primary main roads, and around 500 km of secondary main roads.

The length of railways exceeds 600 km and the most important lines in the county are between Budapest and Kelebia (which carries international traffic) and Budapest and Szeged. In addition to the main and secondary lines, there are a number of narrow gauge tracks for 'nostalgia trains' which operate as tourist attractions.

The river Danube offers a potential means of transport; this, however, has not yet been exploited. Of the three Danube bridges south of Budapest, two are in Bács-Kiskun, and both of these are suitable for road and rail traffic. The only airport in the county is a military one; thus there are no facilities for civil aviation.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.4	0.6
Length in km per 1 000 population	6.2	5.2
Length in km per 1 000 passenger cars	26.2	24.7
Surface area in 1 000 m ² per km ²	2.2	3.2
Surface area in 1 000 m ² per 1 000 population	34.7	29.3
Proportion of national roads (%)	68.9	62.4
Proportion of local roads (%)	31.1	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	67	96	129	174
% connected to digital network	77	88	88	97

Progress in infrastructure but deficiencies remain

A few decades ago, the county's cities and villages were under-provided with public utilities compared with the rest of the country. This was particularly true for the scattered and outlying farmsteads. Subsequent development has not been uniform in the county either. The Bácska region and those adjacent to the Danube have always been better supplied, while the supply in the cities and villages of the sand tableland (Homokhátság) is far from satisfactory – most of them lack even basic public utilities.

The electrification programmes of the past decades means that today every settlement has electricity; this, however, is not the case for every detached farmstead on account of the high costs of connection.

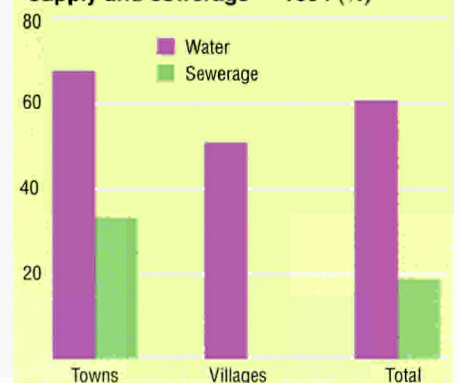
There were 78 settlements in the county linked to the piped gas network in 1994. In the 10 years to 1994, the number of settlements connected increased two-and-a-half fold, and the length of the network more than fourfold.

Only four cities have district heating and a communal hot water supply network. All settlements have public water supplies but, as with electricity, the detached farmsteads are without access to piped water.

The 'public utilities scissors' (the length of the sewerage network for every kilometre of piped water network) is less than 250 m. Only one third of the dwellings connected to the public water supply network also have public sewerage.

There have been great improvements in the supply of telecommunications facilities over the years. Nine out of 10 telephone lines are connected to the long-distance and international networks.

Connection of dwellings to public water supply and sewerage — 1994 (%)



The Kiskunság National Park

Approximately 20 million m³ of waste water are drained from the county annually, 40% of this from private households and little more than half of the piped drinking water supplies. Less than a third of the total water used by the population reaches the public drainage system and consequently most of the waste water ends up in the soil. There is regular municipal waste collection in 72 settlements and half of the county's dwellings and second homes are covered by this programme. This proportion is significantly smaller than the national average, despite the fact that between 1980 and 1995, there was a threefold increase in the number of dwellings covered.

The region's most serious environmental problem is the desertification of the sand tableland between the rivers Danube and Tisza. Due to the long-term lack of sufficient precipitation and to intensive agricultural use, the level of phreatic waters has declined considerably in the area. The solution of the problem is a concern at central governmental level.

The Kiskunság National Park consists of six separate units. The Kiskunság Puszta is one of Central Europe's largest alkali flats, with unique flora and fauna. The Tós forest has conserved the landscape which probably existed at the time of the Hungarian Conquest, with its river flats, forests, and thick, bushy undergrowth. The ancient juniper grove near Bugac can be visited with guides. The natron lakes around Fülöpszállás and Szabadszállás are rather isolated – this area is the bird sanctuary of the National Park. Unique features of the park are the different types of sandhills, the remainders of the sandy Puszta, the fens, marshes and forests. The interests of the economy and of nature protection are, with some notable exceptions, well balanced.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.5	100.0
Proportion of environmental investments in total investment	5.3	4.6
Proportion of environmental expenditure on:		
Water protection	52.4	38.3
Air protection	1.3	11.1
Waste management	3.3	7.5

Outstanding results in agricultural research

The 100-year history of agricultural research, and the more recent technical, medical, and social research have played an important role in the shaping of Bács-Kiskun's present profile. It was in the sandy soils around Kecskemét that the newly established Vegetable Research Institute conducted its first tests in the 1940s. Its work has since become internationally recognized. The same is true of the work of the Grape Research Institute – 7 000 grape hybrids and almost 100 grape species have been developed there and good results have been achieved in the improvement of species and in the development of virus-resistant varieties. The

Kecskemét faculty of the Horticultural University researches into the biological, chemical, technical, and economic aspects of food production and preservation.

The centre of technical research is the College of Automation and Engineering, but important work is also being conducted by the Hungarian Academy of Sciences' Institute of Astronomy. Highly complex operations are undertaken in the county's hospitals, especially in the area of internal medicine. The Aviation Medical Research Institute is also based here where, amongst other things, astronauts are prepared and trained. Social-economic re-

search is carried out at the Great Plain Scientific Institute of the Hungarian Academy of Sciences' Centre for Regional Research.

The central location has benefits, but also brings problems

The county has an important place in Hungary's food industry and exports. The flexible structure of its economy has been able to cope with the challenges of the transition period and, consequently, the county has gained more economic independence and has attracted considerable foreign capital. Bács-Kiskun's central geographical location, with sound traditions in research and education, should ensure continuing development in the future.

On the other hand, there is the ageing of the population, the unfavourable demographic balance, and the characteristic settlements structure with a high propor-

tion of people living in detached farmsteads where the development of an infrastructure is very difficult. The level of domestic and international transit traffic is very high due to the county's central position and the road network is inadequate both in quantitative and qualitative terms.

One of the region's biggest problems is that of the water supply in the areas on the sand tableland. The desertification of the area threatens the region's traditional agriculture.

The tourist industry, based on the unique natural features, on the architectural heri-

tage and the varied cultural life and recreational opportunities, has the potential to inject new blood into the economy.

BARANYA

A county of small villages

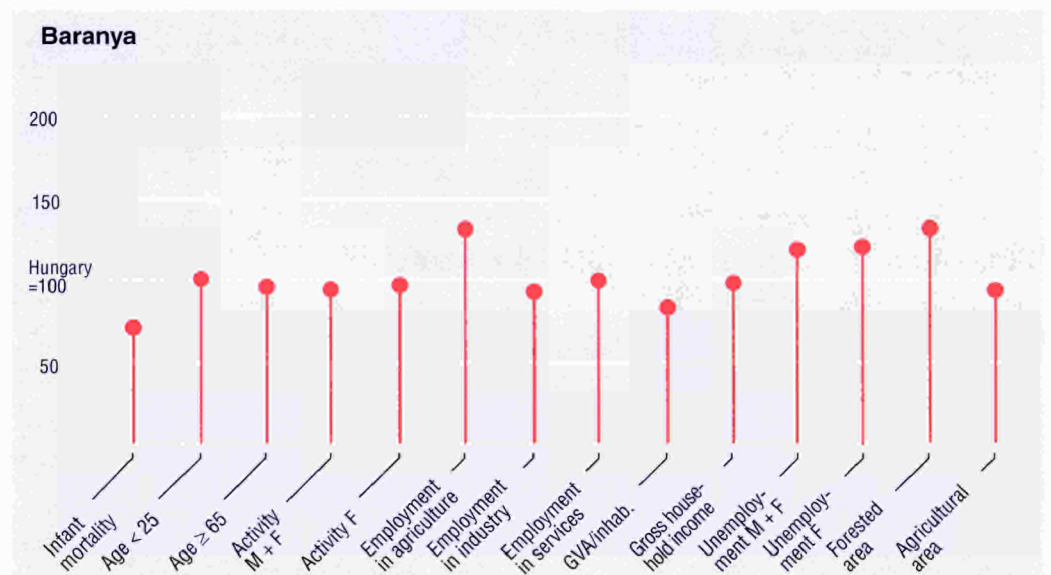
The first settlements on the current territory of Baranya were established about 6 000 BC. From this time on it is possible to trace the history of the people living here from archaeological finds. It belonged to the Roman Empire as a part of the autonomous province of Pannonia and the Romans built one of their major roads across the region linking the east and west of the Empire, branching off to the north at Pécs (Sopianae). This road network was one of the major reasons why commerce continued to thrive in this region following the Hungarian Conquest.

The famous defeat at Mohács occurred on the territory of Baranya in 1526 and led to the beginning of the 150 year Ottoman rule in Hungary, which has left its mark on numerous settlements in the county.

Baranya's settlement structure is characterized by small villages. Sixty per cent of the county's 412 000 population live in the seven cities (Pécs, Komló, Mohács, Pécsvárad, Sásd, Siklós, and Szigetvár), with the remaining 40% in the 295 villages. Close to nine out of ten villages have a population of less than 1 000. From an ethnographic and folk art point of view the Ormánság is a region of special significance, while the Mecsek-Villány wine-growing areas are among Hungary's most important wine regions. The county capital, Pécs, is a university city, and is one of the country's most important educational and cultural centres.



The 15th century castle of Siklós



A submediterranean climate

Baranya is in the southernmost part of the country. Its 4 487 km² land area is bordered in the north by Tolna, in the east by the River Danube and by Bács-Kiskun, in the south by Croatia, and in the west by the county of Somogy. Its terrain is varied; the eastern and southern areas are more or less flat and, much like the country as a whole, there are no high mountains. The Mecsek mountain range is located in the centre of the county, dividing it into north and south and is home to the highest peak in Baranya (Zengő, 682 m). The smaller Villány range in the south of the county divides the Dráva Plain in the same way.

Owing to the warm and moist air masses coming from the Mediterranean Sea and to the protecting belt of the Mecsek mountains, the county is under a submediterranean climatic influence – this is unique in Hungary. Thus, winters are mild, spring comes early, summers are warm, autumns are long, there is a lot of sunshine and plenty of well-distributed precipitation. The climate is therefore well-suited for agriculture.



Which EU regions are similar to Baranya?

Area:
4 400-4 500 km²
Molise (I)
Luxembourg (B)

Population:
0.4 million inhabitants
Luxembourg (grand-duché)
Guadeloupe (F)
Mellersta Norrland (S)

Employment structure:
58-61% in services
29-31% in industry
10-11% in agriculture
Basse-Normandie (F)

Gifts from nature

The mountain ranges are rich in energy and mineral resources. To date, 50 industrially useful rock types have been found. For a century and a half, the most important mineral resource was the Mecsek's black coal, which played a leading role in the county's development. Commercial mining began in the middle of the last century. A more recent, but also important activity is uranium mining. Limestone, the main rock of the region's mountain ranges, is in many places mixed with clay and is used in cement manufacturing. In some areas the limestone is pigmented and may be used as marble; hence the 'Siklós marble', which is well known abroad.

The county's hilly regions have many streams, but the most important rivers remain the Danube and the Dráva. Baranya has no natural lakes, but there

are more and more artificial lakes being formed. The Orfú and Abaliget regions have become important resort areas centred precisely on such artificial lakes. The other lakes are smaller, but are well-stocked with fish.

The population's most important source of water is the Danube, but the water supplies from the karst hills are also significant.

The county has rich thermal and mineral water resources. Of the thermal springs, probably the best known are the Harkány Thermal Water Wells with their 62°C sulphurous, radioactive waters; the Szigetvár Wells with their waters also at 62°C but iodine and salty; and the Sikonda Wells with their 30-35°C carbonated and mildly radioactive medicinal waters.

	Area	Population				Activity	Unempl.	Employment			
		km ²	1 000	Inhab./km ²	Change (%)			%	%	% Agricult.	% Industry
		1995	1995	1980-89	1990-94	1990	Dec.1994	1990	1990	1990	
Komlói	315	43	137	- 3.3	- 2.3	53.2	13.4	7.7	56.9	35.4	
Mohácsi	853	53	62	- 7.9	- 1.6	53.3	13.6	30.3	30.4	39.3	
Sásdi	384	16	43	- 9.3	- 0.3	53.5	19.2	39.8	26.9	33.2	
Sellyei	411	14	33	- 10.5	- 0.2	52.4	25.5	38.9	27.2	33.9	
Siklósi	624	36	58	- 5.8	- 0.5	53.2	16.8	22.7	32.4	44.9	
Szigetvári	669	29	43	- 8.0	0.7	54.3	17.8	30.8	31.2	38.1	
Pécsi	1 023	209	205	- 0.1	- 2.1	53.8	9.0	6.6	40.5	52.9	
Pécsváradi	210	12	56	- 8.0	- 1.9	53.4	11.9	18.5	43.9	37.6	
Baranya	4 487	412	92	- 3.6	- 1.6	53.6	12.3	15.4	38.7	45.9	
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5	
						1995	Dec. 1995	1995	1995	1995	
						Baranya	45.3	14.2	10.6	30.8	58.5
						Hungary	48.2	12.0	8.1	33.1	58.8

An ageing, multicultural population

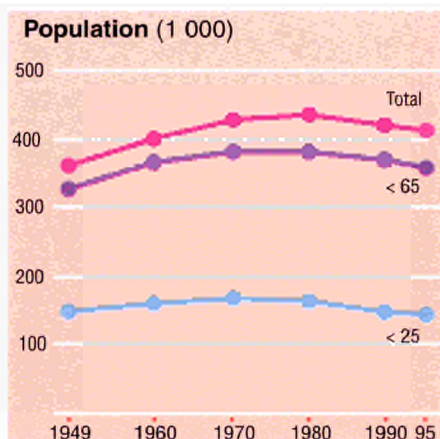
Much as in the rest of the country, with the beginning of the 1980s, a natural population decrease began. Despite the fact that the earlier net losses due to migration were replaced by net gains, this was not sufficient to compensate for the lower birth rate.

On account of these low birth rates, the population has been ageing for a long time. Owing to higher male mortality rates, the female surplus is continuously increasing with age. In the 35-39 age-group there is relative balance between the sexes, but above this age-group females are in the majority. For example, in the 80-84 age group, there are over twice as many females as males.

Hungary has one of the lowest life expectancies in Europe, and those of Baranya are similar to the national averages: 64

years for males, and 73 for females. Infant mortality, however, has decreased in line with the national rate.

Foreign nationals settled in a number of waves throughout the course of history. One of the major characteristics of the county is its multicultural population: it is the home of Germans, Croats, Serbs, Slovenes, Slovaks, Romanians, Gypsies, and other ethnic groups, who nurture their cultures and languages. According to the latest census, more than 3% of Baranya's population was German, and the Croats and Gypsies made up 1% each. The proportion of each of the other ethnic groups was less than 1%. In all, 6% of the population belongs to one or another ethnic minority group.



Resident population of foreign nationality — 1994

		% of total population
Total	5 169	1.25
Romania	1 892	0.46
Former Yugoslavia	915	0.22
Poland	631	0.15
Former Soviet Union	367	0.09

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	75	18.2	19.2	16.7
15-24	65	15.7	16.7	14.9
25-39	86	20.8	22.2	20.0
40-54	85	20.6	20.7	20.5
55-64	47	11.4	10.6	12.1
≥ 65	55	13.3	10.6	15.8
Total	412	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	434
Births	52
Deaths	59
Net migration	- 9
Population 1.1.1990	419

Increasing differentiation in incomes

Right up to the 1990s, incomes in Baranya county were significantly higher than in the rest of the country, due mostly to the high incomes obtained in mining. With the changes in economic structure, however, this also changed. Today, earnings in the county's industry and construction are lower than the provincial average. At the same time, much as in the country as a whole, there has been a steady decrease in the real incomes of wage and salary earners. The year 1994 was an exception, when real incomes increased by 9%.

It is clear from the income structure of households that each year a smaller proportion of total income is derived from wages and salaries, and by 1994 it did not even account for half of total net income in the region. There is an increase in the

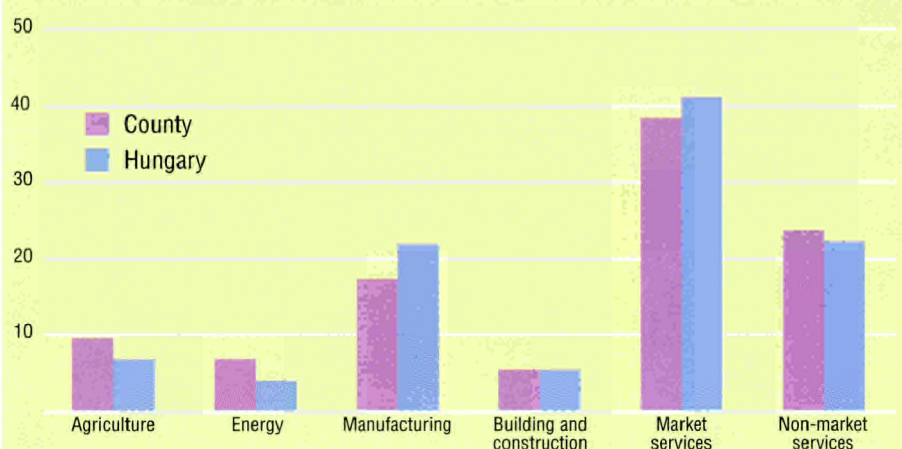
proportion of household income deriving from social security but at the same time, there is also an increase in the proportion deriving from business activities. An important reason for this is the fact that with increased unemployment many people have established businesses in an attempt to regain their previous standards of living.

The population's propensity to save has not been affected by these changes; increases in all types of bank deposits are recorded each year. However, there has been a dramatic decline in borrowing since 1990. Naturally, only a segment of the population is responsible for most of the increased savings, and there are great differences in the material welfare of the different groups in society. A stratum has

developed that can be considered well-off even in Western terms, side by side with others that are becoming increasingly impoverished.

The differences in disposable income are also reflected in the consumption patterns of the various social groups. More than half of the expenditure of the low income earners goes on food and household expenses, while the same proportion for the higher income earners is spent on luxury goods.

Gross value-added by sector — 1994 (%)



The difficulties of the transitional period

Baranya's natural features (soils, climate, and mineral resources) provide favourable conditions for mining, the building industry, and agriculture. The areas south of the Mecsek mountains are suitable for the growing of early vegetables, fruit and grapes. The slopes of the hills are used for cattle and sheep grazing. At the same time, there are also significant expanses of forest.

As well as mining, the county had already developed by the 19th century a food processing industry, as well as wood, musical instrument making, leather, glove manufacturing, and ceramics industries. The meat, dairy, and grain industries, as well as beer and wine-making were all based on the productive agricultural sector.

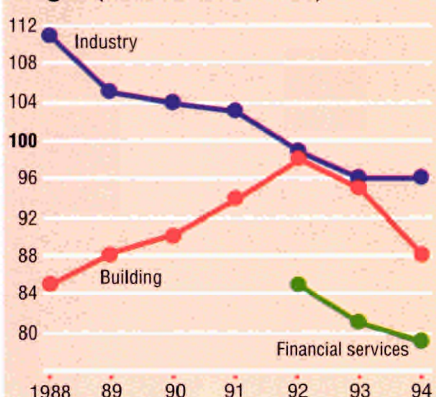
The economic policy of the post-Second World War period made mining the dominant industrial branch in Baranya. Investments were concentrated in this sector to the detriment of the traditional light industry branches.

The final year of the 1980s and the early 1990s brought far-reaching changes to the

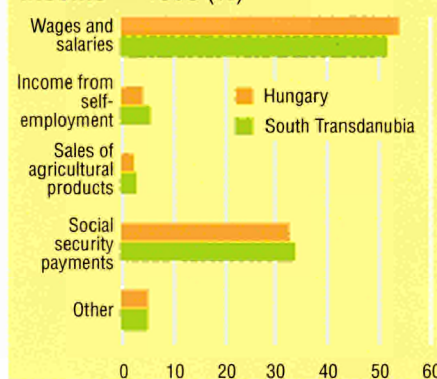
structure of the county's economy. Mining was amongst the first to enter into crisis, light industry lost its eastern markets, while both in the building industry and in agriculture very significant problems arose. Added to the loss of the eastern markets was the war south of the border, which led to Baranya losing not only agricultural but also industrial markets and opportunities for cooperation as well. At the same time, the slow pace of technical development has made gaining access to the more demanding Western markets a difficult and drawn-out process.

The services sector has come out best from the changes over the last decade. Almost half of all employees are now employed in this sector, and it is here that most new businesses are established. There have been continuous and large-scale increases in the number of businesses in the 1990s. Owing partly to the disbanding of the large socialist enterprises and partly to the establishment of totally new businesses, by the end of 1994 there were more than 8 000 companies and 35 000 sole traders in the county.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



Main enterprises

Name	Activity
Délmagyarországi Húsipari Rt	Meat products
Pécsi Sörfőzde Rt	Beer
Baranya megyei Tejipari Rt	Milk products
BAT Pécsi Dohánygyár Kft	Tobacco products
Hunor Rt	Leather garments
Zsolnay Porcelángyár Rt	Porcelain products
Mohácsi Farostlemezyár Rt	Fibreboard
Beremendi Cement- és Mészipari Rt	Building materials
Pécsi Erőmű Rt	Electricity
Déldunántúli Áramszolgáltató Rt	Electricity
Déldunántúli Gázszolgáltató Rt	Distribution of gas

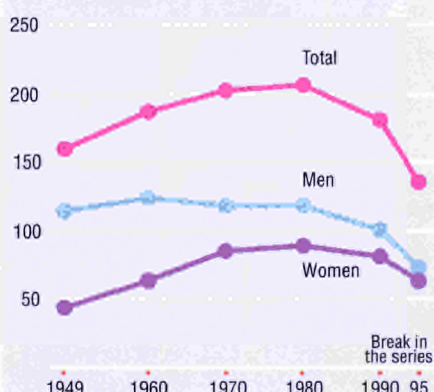
The businesses that came into existence either in the course of the privatization or through private capital injection are seeking joint venture opportunities in order to gain access to more capital, new technology, know-how, and labour organization techniques. In 1994 there were more than 600 businesses in the county with foreign capital.

Agriculture — 1994

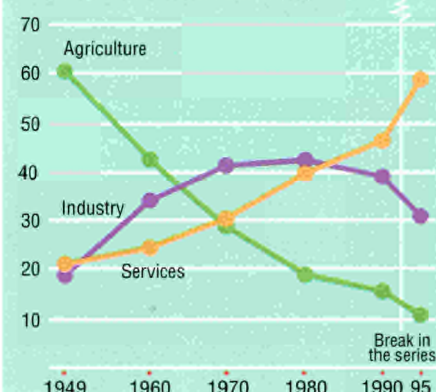
Number of holdings	1 570
Labour force	15 856
Agricultural area (ha)	276 100
Livestock (LU)	73 737
Gross per capita value of production (Hungary = 100)	92
Main products by gross value of production:	
Pigs	22%
Maize	17%
Milk	9%

BARANYA

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	178.8
+ Non-residents having a job in the county	51.5
- Residents having a job outside the county	51.4
= Internal employment	178.9

Fewer but better qualified active earners

The fall in the number of active earners is a nation-wide phenomenon, and Baranya is no exception. Between the 1980 and 1990 censuses the proportion of active earners decreased from 48 to 43% of the total population, while the activity rate of the population of working-age decreased from 78 to 75%.

Furthermore, the villages recorded greater decreases in the proportion of active earners than did the cities. An important reason for this is the structural change taking place in the economy and the closure of the subsidiaries of industrial enterprises in the provinces.

At the same time, however, there has been a significant increase in the level of

qualifications of the workforce. In 1990, close to two thirds of the active earners had secondary school qualifications, while over 10% were tertiary graduates. The Baranya County Employment Centre provides continuous retraining and further training courses for the unemployed.

There was a relative increase in the proportion of the 30-54 age-group among the active earners compared with the other groups. More than two thirds of the active earners come from this group. Since the rate of decrease in the numbers of active earners was greater among males than females, the proportion of females in the labour force rose from 43% to 45% in the 10 years to 1994.

The economic crisis has also made its mark on the branch structure of employment. Thus the greatest reductions in the number of active earners have been in industry and agriculture, while there has been an increase in the proportion employed in the services sector. In 1990, on account of the disproportionately high weight of industry due to mining, nearly four fifths of all workers were employed in this sector, while over 15% were employed in agriculture. By 1995, industry accounted for less than one third, and agriculture for 10% of all employment.

Approximately half of all wage and salary earners were employed by companies employing 300 or more employees.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	12	81	7	74	4
Women	15	80	5	84	11
Total	13	81	6	79	7

Expanding processing industry

A structure of heavy industry has existed in Baranya for the last 40 years based on mining, coal processing, electricity generation, gas production, and the building industry. This industrial structure changed significantly in the 1990s. With the decline in deep coal and uranium mining, the centuries-old processing industry has once more become the most important industrial branch in the county. Today this accounts for over two thirds of the value of production and for all exports.

The processing industry is very open. The leather, glove, textile and furniture indus-

tries use significant amounts of imported material, but are also export oriented. The basic materials of the food processing industry are provided by the developed agricultural sector, especially in the meat, dairy, grain and flour milling industries, in beer brewing and wine making.

The location of industry is concentrated in the cities, especially in the county capital, Pécs. The internationally known Zsolnay porcelain, the gloves of Pécs, the Villány wines and articles made of MOFA chip-board are all products of Baranya. The annual Pécs Trade Fair provides an impor-

tant opportunity for the exhibition of new products and for the forging of new business contacts and relationships.

Slowly decreasing unemployment

In June 1995 the rate of unemployment was 11% in the county of Baranya, slightly higher than the national average, and the ninth highest out of all the counties. The rate of unemployment increased dramatically up to 1992; it has been decreasing year by year ever since. In June 1995 there were 22 000 registered unemployed.

Almost half of all the unemployed are from Pécs and Komló and their districts but, due to the fact that there are also large numbers of active earners, the actual rate of unemployment is lowest in these parts. The southern parts of Baranya, characterized by the small village settlement structure, had the highest rate of unemployment in June 1995 at 22%.

Almost two thirds of the unemployed are males, and the majority of the male unemployed are in the 36-45 age-group. Most of the unemployed females are in the

26-35 age-group. The most common qualification found among the unemployed males was the technical secondary school diploma, while among females it was the mandatory eight years of primary education.

There has been little change since 1992 in the proportions of the unemployed in terms of job categories. The proportion of skilled workers remains 34%, that of labourers 3%, and that of semi-skilled workers 20%. Sixteen per cent of the unemployed are white-collar workers.

While there has been a decrease in the rate of unemployment, there has been an increase in the proportion of the long-term unemployed – that is, those that have been unemployed for a year or longer.

The young unemployed that are still seeking their first job constitute a special

category. Fortunately, their numbers are decreasing faster than the average. In June 1995, 1 600 such young people in Baranya did not have suitable jobs. Almost a half of them had technical secondary school qualifications, over a third of them were from general secondary school and only 3% had tertiary qualifications.



Quality tertiary education with a long history

Since the county's population is multicultural, 2% of kindergarten children and a quarter of primary school children are educated in a language other than Hungarian.

Pécs, a centre of learning of national significance, is also the centre of the educational and cultural life of the county. Its university, established in 1367 and abolished in the Middle Ages, was reconstituted in 1923. Currently three of its institutions (the Janus Pannonius University, the Pécs University of Medicine, and the Episcopal College of Religion) are based in the city. Furthermore, there are branches of the Ferenc Liszt College of Music and the Dénes Gábor College of Information Science established in the city. In the 1994/95 academic year more than 8 000 students were conducting their studies in Pécs, 7% of the national total.

The services offered by the University of Medicine and its associated clinics play a large role in providing a significantly higher level of health-care services in Baranya than the national average.

	M + F 1 000	F %
Pre-school	15.2	48.7
Primary	39.3	49.2
Vocational	7.7	41.3
Secondary (technical)	6.4	46.9
Secondary (general)	5.9	66.4
Higher education	4.1	:
Total	78.6	:

A diocesan centre since the Middle Ages

Baranya's rich cultural life is historically associated with the fact that Pécs is also a diocesan centre. The legacies of the building activities and artistic patronage of Pécs' bishops have been treasured by the city since the Middle Ages. Bishop György Klimó established the first public library in Hungary in the 18th century, and the collection has been maintained complete to this day. Baranya is home to a number of Roman and Ottoman memorials and architectural features. There are 48 museums in the county (including one displaying the works of Victor Vasarely, a

native of the city), and more than 60 permanent exhibitions.

The Pécs National Theatre built in the Secessionist style has its own theatre, opera, ballet, and puppet troupes. There are a number of choirs and orchestras in the county, the best-known being the Pécs Symphony Orchestra.

A number of television and radio studios have been established in Pécs. The most important local newspaper is the *New Transdanubian Journal*, and one of the

most important literary journals is edited in Pécs as well.

BARANYA

Centralized transport facilities, disadvantaged small villages

Baranya's transport network and infrastructure is influenced by the county's varied topography and small village settlement structure. The last few decades have seen an increasing density in the road network, and a reduction in the rail network; many minor railway lines have been closed but all villages have been linked to the county's road network.

The road network is concentrated on the cities and smaller regional centres. Communications between settlements are made more difficult by the fact that a high

proportion of settlements have access roads leading to them, but none going through them. These villages are clearly in a disadvantaged situation compared to those in more central locations.

Baranya's most important road crosses the county from north-east to west passing through the county capital, Pécs.

Historical factors have caused the railway network to be centred on Pécs, the city being linked to Budapest (240 km away) by an electrified line. There are four inter-city and four express train services daily between the two cities. Much of the commuter traffic has been diverted onto the roads by the closing of the smaller and secondary railway lines.

At the end of 1994, there were 2 300 passenger vehicles for every 10 000 population; this is 350 more than the Hungarian provincial average.

The River Danube plays a role in freight transport, along with the port of Mohács.

The water transport potential is far from fully exploited.

Air transport is underdeveloped. The small-capacity airport at Pécs is unsuitable for international air services.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.7	0.6
Length in km per 1 000 population	7.3	5.2
Length in km per 1 000 passenger cars	31.6	24.7
Surface area in 1 000 m ² per km ²	3.5	3.2
Surface area in 1 000 m ² per 1 000 population	38.7	29.3
Proportion of national roads (%)	62.8	62.4
Proportion of local roads (%)	37.2	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	95	96	173	174
% connected to digital network	81	88	98	97

Infrastructure better than in many other counties

At the end of 1994, the proportion of households linked to the drinking-water network (84%) was higher than the national average (78%). The public sewerage network was much less developed with only half the dwellings connected. However, this situation was still more favourable than nationally.

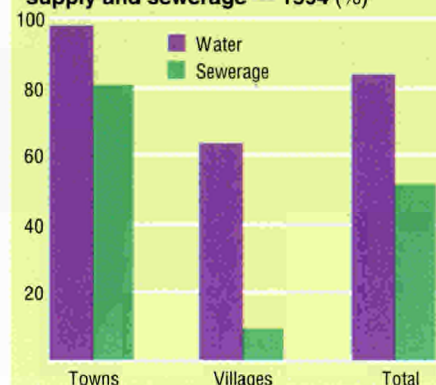
One tenth of settlements were connected to the piped gas network. Between 1980 and 1995, the length of this network increased eightfold to 865 km. There were almost 53 000 households using piped gas in 1995 – more than double the 1980 figure.

In terms of telecommunications, both Hungary and the county of Baranya lag significantly behind the European norms. But very significant advances have been made in Baranya since 1991. The establishment of new telephone exchanges has made the connection of more telephone lines possible. Consequently, by 1994 there were 173 telephones per 1 000

population – significantly higher than the provincial average. This indicator puts Baranya in third position among the counties.

The banking network is quite extensive. Apart from the regional directorate of the Hungarian National Bank, 49 commercial bank branches, 92 savings cooperative branches, and 11 insurance establishments offer financial services.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Pressures on the natural environment

Approximately 4% (18 000 ha) of Baranya's land area is a nature reserve. Of the 160 caves in the county, seven are strictly protected. There are eight plant varieties and 20 animal species in the county that are also protected. The county's natural environment, however, has to contend with many pressures.

The old mining regions still await re-vegetation and rehabilitation. Pit-heaps cover 882 ha of the county's territory and only one quarter of these has been re-cultivated.

The quality of the surface water is endangered by the unsatisfactory level of development of both the public drainage network and the waste water purification facilities, and by the untreated effluent from a number of industrial companies. The main sources of air pollution are the Pécs coal-fired power station, cement manufacturing at Beremend, opencast mining and traffic.

All the cities, but only half the villages, have organized refuse collection. In all other settlements the residents are responsible for their own waste disposal. Consequently, there are many unofficial rubbish dumps. Owing to the lack of selective waste collection services, all sorts of waste, including sometimes dangerous industrial materials, find their way to both the legal and illegal tips in significant quantities. The most environmentally dangerous tip in the county is the one for hazardous wastes at the village of Garé; amongst other things, the waste material from the hide works, the fatty effluents from the meat works, and the chlorobenzene wastes from the local chemical works all end up here.

Two thirds of the investments in environmental protection in the early 1990s were in water protection, while one fifth was directed to air protection.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.5	100.0
Proportion of environmental investments in total investment	4.8	4.6
Proportion of environmental expenditure on:		
Water protection	43.2	38.3
Air protection	18.0	11.1
Waste management	2.1	7.5

Regional disadvantage in research and development

The county capital's tertiary educational institutions have research and development programmes. Unfortunately, the recession hit Baranya harder than elsewhere in the country in this sector. Consequently, while in 1989 10% of the national research personnel in tertiary educational institutions were in Baranya, by 1994 this proportion had decreased to 4%.

There were 688 people working in research and development in 1994. Research was always concentrated in university laboratories, but since the economic crisis of the early 1990s it is now almost exclu-

sively so. A mere 1.5% of the resources spent on research and development in 1994 came from the private sector. The inadequacy of this contribution is indicated by the fact that the private sector in the other counties of the South Transdanubia region contributes significantly more both in absolute and relative terms.

Many advantages, but handicapped by poor infrastructure

Baranya has many attributes that support the modernization of the economy: its industrial culture is well established and the processing and service industries are getting stronger and stronger. The conditions for agricultural production are good; average yields are high. Its geographical situation is also advantageous, lying on the Danube-Main-Rhine transcontinental shipping route close to the Balkan countries. Pécs, the county capital, is also a regional centre and its university provides high standards of education. The county's varied landscape, historical monuments, and health resorts are important tourist attractions.

On the other hand, the underdevelopment of the road and telecommunications networks constitute major handicaps. The small village settlement structure characterizes the county, and the uneven provision of infrastructure continues to disadvantage the more backward areas. The county's industrial technology is by and large out-of-date, and it lacks the latest technologies that would guarantee competitiveness in the longer-term future. The mechanization of agriculture is low, and the ageing of the population is also a source of concern.

BÉKÉS

An agricultural region

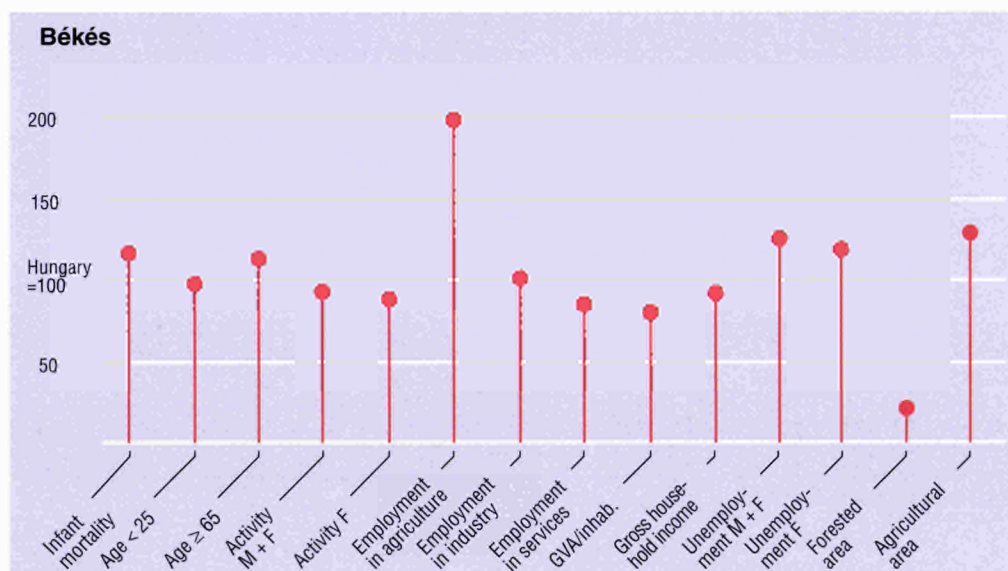
A predominantly agricultural region, the county of Békés lies in the south-east corner of Hungary, on the sediments of the Körös and the old Maros rivers. It has no natural borders; to the south-east there is the almost 140 km-long Hungarian-Romanian international frontier, to the north it is bordered by the counties of Hajdú-Bihar and Jász-Nagykun-Szolnok, and in the west by Csongrád.

Throughout history the region has been destroyed and depopulated several times. The foundations of today's population and settlement network were laid in the early 18th century. In this period the returning Hungarians, accompanied by Slovak, German, and Romanian settlers, were organized to populate the desolate plains. During the time of the Austro-Hungarian Monarchy the county developed well, but then lost its advantages in a matter of two or three decades due to a lack of capital, the failure to switch to intensive agriculture, and to the concentration on industries (textiles, building materials) which required large quantities of cheap, unskilled labour.

It was in the spring of 1950 when the county of Békés, as we know it today, was established and its population was at its highest: 472 000. Békéscsaba became the county capital. During the 1960s and 1970s, successful industries settled here, though the county maintained its agricultural character. Population density is well below the national average, exceeding it only in the Békéscsaba district.



Békés – the breadbasket of the country



Ninety per cent of the county's land is cultivated

The county's land area is 5 631 km² representing 6.1% of the country's total. The so-called 'giant village' settlements characterize the county. The biggest and oldest cities are Békéscsaba (population 65 217), Gyula (33 844), Orosháza (33 527), Békés (21 943), and Szarvas (18 381). Of these, Békéscsaba, Gyula, and Békés constitute an agglomeration: they are a mere few minutes from each other by car. In addition to the 13 towns there are 62 villages.

It is characteristic of the county's relief that the difference in altitude between the highest and lowest points amounts to just 25 m. Its southern region is the tableland formed by the sediments of the River Maros. In the north is the Körös region, which was formed by the sediments of the Great Plain rivers which have long since ceased to exist though the complex network of their old river beds is still visible. The county's weather is among the most extreme in the country.

Water management measures, the regulation of rivers, the building of dykes and weirs, have all

fundamentally changed the natural environment. This resulted in the county becoming one of the country's most intensive agricultural regions. In 1994, 90% of the county's land area was under cultivation. Ninety-seven per cent of this cultivated land was used for agricultural purposes, 2.2% as forest, and the rest as reed fields and as fish ponds. Close to 90% of the agricultural land is ploughed, mostly for grain, particularly maize and wheat.

Long-term population decline

The population of Békés is characterized by low fertility, high mortality, and a net outward migration. From 435 000 in 1980, the population decreased to 405 000 by 1995.

Annual natural population losses exceeded 1 000 from 1982 onwards, and in some years approached 2 000. Birth rates decreased from the 1980 figure of 13.2 per 1 000 population to 10.7 in 1994, while death rates increased from 14.7 to 15. There has been a great improvement in infant mortality: in 1980, 21 died per 1 000 live births, by 1994 this figure was down to 13, though this was still above the national average.

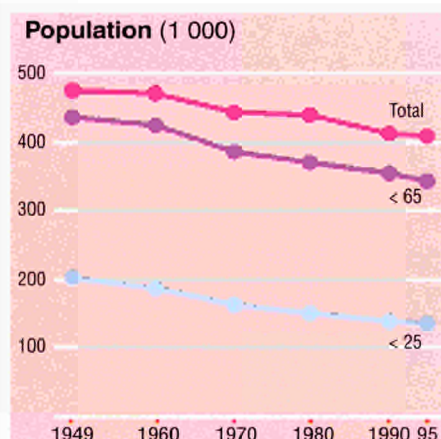
Migration has played an important part in the population decrease; between 1980 and 1989 the county lost approximately 13 000 through outward migration. This loss began to slow in the 1990s, but the

migration balance was still negative in 1994. Those leaving the county were mostly in the younger age group.

The age structure of the population is more unfavourable than in the rest of the country. In 1994 for every 100 adults of working age (15-59), there were 31 children and 35 elderly. Thus, every 100 adults of working age had to maintain 66 dependants, while in the country as a whole this figure was only 61. For every 100 children there were 116 elderly people as opposed to 104 nationally. The proportion of the elderly who are over 70 years of age is higher than in the country as a whole. The sex structure of the population is accordingly characterized by a surplus of women.

At the January 1990 census, 3.1% of the population declared themselves to be of an ethnic origin other than Hungarian –

this is higher than the national average. The majority of the 13 000 constituting the ethnic minorities are Romanians, Slovaks and Gypsies, but there are also small numbers of ethnic Serbs, Germans, Croats, and Slovenes. In 1994 there were 5 500 foreign nationals residing in the county: 13.5 per thousand population.



Resident population of foreign nationality — 1994

		% of total population
Total	5 475	1.35
Romania	3 926	0.97
Former Yugoslavia	805	0.20
Former Soviet Union	279	0.07
Germany	153	0.04

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	72	17.8	18.8	16.9
15-24	60	14.8	15.7	14.0
25-39	79	19.5	20.3	18.4
40-54	84	20.7	21.3	20.3
55-64	46	11.4	10.7	12.1
≥ 65	64	15.8	13.2	18.4
Total	405	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	437
Births	50
Deaths	62
Net migration	- 13
Population 1.1.1990	412

Low purchasing power

The average gross wages of the county's employees is about 97% of the provincial and 87% of the national average. The real value of earnings has fallen in the 1990s on account of consumer price increases and higher taxation. Both within the county and nationally a process of impoverishment is visible.

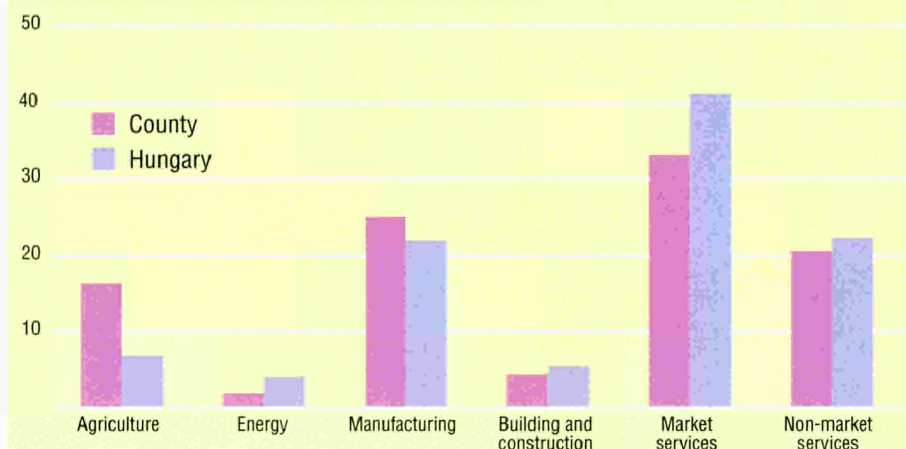
There are wide differences in the average gross earnings of the various economic branches. Much as in the rest of the country, it is those in the area of finance that earn the most: their earnings are approximately 70% higher than the county average. The activities offering the lowest earnings are agriculture, building, hotel and catering, health and other personal services.

Since 1991 the earnings of white-collar workers have increased at a faster rate than those of blue-collar workers due to the increasingly greater recognition of the importance of higher qualifications. The gross wages of blue-collar workers in 1994 were 60% (66% net) of those of white-collar workers and the gross wages of males were 24% higher than those of females.

The South Great Plain region, to which the county belongs, enjoys higher gross per capita household income than the north-eastern part of the country, but lags behind the Transdanubia region, Pest, and especially Budapest. The average per capita gross income of the South Great Plain households in 1993 was 7% below than the national average (6% for net income).

Half of gross incomes in 1993 came from paid employment and from businesses, 21% from pensions and allowances, 9% from the sales of agricultural produce, 7% from child allowances, 4% from unemployment benefits, and the rest from other sources. In terms of income composition, there are significant differences from the national average only in the proportion of income originating in paid employment and businesses, and the sale of agricultural produce: the proportion of the former in the South Great Plain region is much lower, while the latter is higher.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
BCB International Egyesült Textilművek Rt	Textiles and clothing
Orosházi Öblösüveg Gyártó és Kereskedelmi Kft	Glass and glass products
Gyulai Húskombinát Rt	Beef and pork products
Merian Orosháza Rt	Poultry products
Szírén Ruházati Szövetkezet	Clothing
Csabai Konzervgyár Rt	Food products
Mezőhegyesi Állami Ménesbirtok Rt	Mixed farming and horse breeding
Szarvasi Vas- és Fémipari Szövetkezet	Lighting, small household appliances
Kner Nyomda Rt	Printing and packaging materials

The role of large-scale agriculture is decreasing

The county of Békés is agricultural in character. The soil quality here is generally better than in the rest of the country and consequently agriculture and the associated food industry always played a leading role in the county's economy. It is for good reason that it is still known as the country's bread-basket.

In the 1960s and 1970s more industry settled in the county. A large proportion of the new, expanded, or refurbished industrial works were modern and up-to-date. The county continued, however, to maintain its agrarian character. The development of the infrastructure proceeded slowly, and it is still significantly less developed than in most other counties.

Industry and agriculture are both important in the economy of Békés, although in the 1990s their weight decreased somewhat in favour of the tertiary branches, with an increase in the numbers employed in various services areas. There has been a significant increase in the number of economic actors: a lot of new businesses have been established, while most of the old ones have been transformed. In 1994

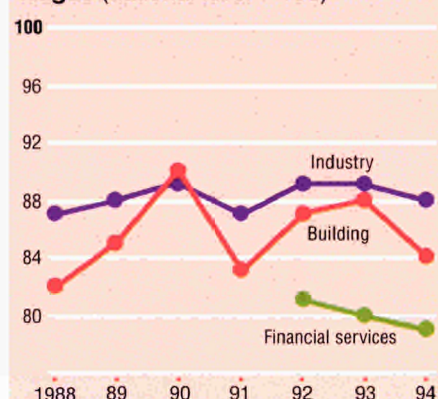
there were approximately 2 100 businesses with legal status operating in the county – more than three times as many as in 1990 and most operated in the branches of trade and repairs, industry and agriculture. Three quarters of these businesses employed fewer than 20 people. The number of businesses in 1994 without legal status was close to 2 400, three-and-a-half times as many as four years earlier, and there were about 25 500 sole traders, a one-and-a-half times increase on 1990.

The changes in ownership and land use in agriculture fundamentally altered the nature of what used to be called large-scale agriculture. With the compensation process a large proportion of the agricultural land was privatized. This loss of land severely disrupted the animal husbandry activities of the large-scale agricultural concerns, though livestock reductions were less severe on private smallholdings. On the basis of 1995 figures, however, agriculture seemed to be consolidating its position.

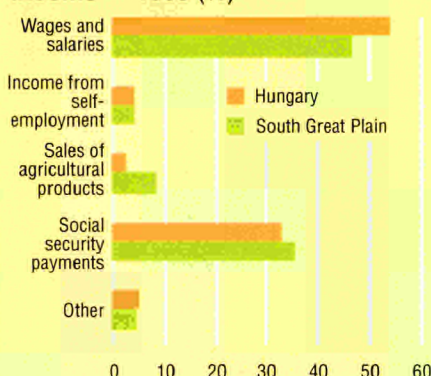
Foreign business interest is also present in Békés, but significantly less capital invest-

ment has been attracted than in the cases of Budapest and the western counties.

Wages (national level = 100)



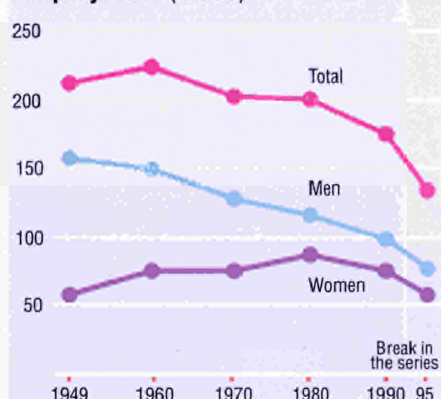
Gross per capita household income — 1993 (%)



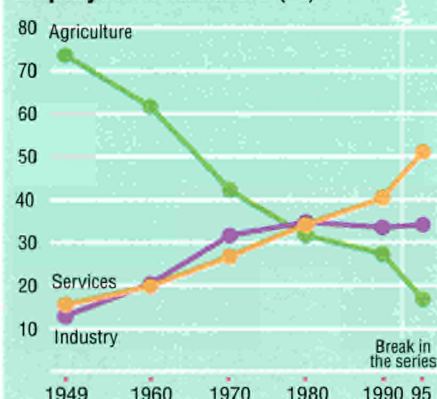
Agriculture — 1994

Number of holdings	5 085
Labour force	21 908
Agricultural area (ha)	465 100
Livestock (LU)	125 095
Gross per capita value of production (Hungary = 100)	100
Main products by gross value of production:	
Pigs	22%
Wheat	15%
Maize	10%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	173.3
+ Non-residents having a job in the county	31.9
- Residents having a job outside the county	32.7
= Internal employment	172.5

Agricultural employment double the national average

Between 1949 and 1990 there was a 13% decrease in population and a 16% decrease in the number of active earners. During this period the total number of dependants halved and the number of inactive earners (those who do not work but receive income from pensions, child allowances, investments, etc.) increased to 15 times their 1949 number. The greater tendency for women to work and the decrease in birth rates contributed to the reduction in the numbers of dependants but the effect of these two factors was moderated to some extent by the increase in the average number of years spent in education. The extension and unification of the pension system and the greater take-up of the child-care allowance both played a role in the dramatic increase in the number of inactive earners.

Between 1949 and 1980 the proportion of active earners within the female population jumped from 23% to 36% and, within the 15-54 age-group, from 46% to 70%. During this same period, the economic activity rate of males decreased both in the total and in the working-age male populations, due primarily to the expansion of tertiary education. However, the high rate of male participation is still a social tradition. In 1949, the proportion of active earners among able-bodied working-age males was 93%, in 1980, 88%, and in 1990, 84%.

The economic transformations of the 1990s led to the shedding of labour in all sectors and to dramatic increases in unemployment. First affected were the out-of-date, large enterprises in industry and agricul-

ture. The rate of dismissals peaked in the period 1991-92. By 1995, there were just 133 000 active earners within the 15-74 age group, and the share of agriculture in employment had dropped from 27 to 16%, that of industry remained stable at around 34%, and services employment grew from 40 to 50%. The proportion of agricultural employment is still the second highest in the country.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	80	7	75	3
Women	11	86	3	86	6
Total	12	82	5	80	4

The food industry dominates

The county's economy is characterized by the domination of the food industry, which is based upon the county's agriculture, and that of the textile and clothing industries.

Within industry, a third of employment is in the manufacture of food products and drinks and a quarter is in textile and clothing manufacture – notably greater proportions than the national averages. Considerable numbers are also employed in the machine industry and in the building materials industry. A number of food industry branches (poultry and pork processing and the manufacture of sugar, flour and

preservative products) have a leading position even in national terms. The county's manufacture of plate glass and roof tiles makes up a sizeable proportion of the country's total production, while, on account of the Kner Printing House, the production of paper and printed material is famous throughout the country.

The county's industry is open; exports accounted for 32% of all sales in 1994 – this is higher than the national average. The most export-oriented industry is clothing and textiles, with over 60% of production exported.

Over half the unemployed are under 35

In December 1990, the County Employment Centre registered just 3 690 people unemployed. Henceforth the numbers increased dramatically, reaching a peak in February 1993 of 36 300, after which it decreased continuously to 24 760 by June 1995. At this stage the rate of unemployment was 13.7%, 3.6% above the national level, and the fifth worst among the counties. The level of unemployment was above 20% in the Szeghalom, Mezőkövácsháza, and Gyomaendrőd areas.

In June 1995 there were just over 9 000 people who were receiving unemployment benefits. Parallel with the decrease in the numbers receiving these benefits, the numbers receiving income supplements and social security payments of various sorts, and the numbers not receiving any benefits at all have increased.

Hospital bed provision lags behind

In keeping with the national trend, there has been a reduction in interest in vocational training. In the county's 19 vocational training schools there were 6 900 students in 1994/95; 23% less than in the 1990/91 academic year. In the 41 secondary schools there were a total of 11 500 students, 11% more than four years earlier; 57% of these students are in technical secondary schools, 43% in general secondary schools. Twenty-seven per cent of the pupils commute daily from the rural areas. In the 1990s there has been an increase in interest in languages (especially German and English), and denominational education also plays a part.

There are six colleges of advanced education in the county with a total of 2 634 students. The number of institutions and the

Eighty-five per cent of the unemployed are seeking blue-collar employment and almost half of these are skilled. More than a quarter of those seeking white-collar jobs are looking for management positions. Males make up 62% of the unemployed, females 38%. The number of those out of work for more than six months is steadily increasing.

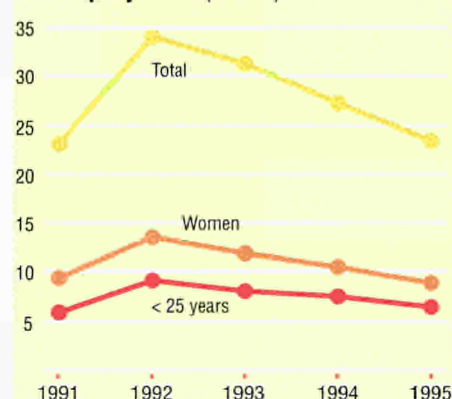
The proportion of the unemployed made up by those who are unskilled and have no more than eight years of formal education is relatively large (41%). The chances of these obtaining employment, as with the unskilled who do have a secondary school education, are minimal. Thirty-seven per cent of the unemployed have a skilled worker's education, 12% have completed secondary school, and just 2% have tertiary qualifications.

number of students more than doubled between 1990 and 1994. Thus the lack of places in institutions of higher education has eased somewhat, but still a large proportion of the county's students study in other parts of the country.

The county has six hospitals with almost 3 000 beds. The largest hospitals are at Gyula and Békéscsaba. There were 74 hospital beds per 10 000 population in 1994, four less than in 1990, and the county occupied 18th position in the national rankings.

Eleven per cent of the unemployed in June 1995 were below 20 years old. The 21-35 and 36-55 age-groups each accounted for roughly the same proportion (40 and 47% respectively), while the over 55 age bracket accounted for only 2% of the unemployed. The chances of obtaining a job are the least for the unskilled first-time job seekers and for the over 50s.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	16.1	49.2
Primary	38.5	49.1
Vocational	8.2	41.7
Secondary (technical)	6.6	47.1
Secondary (general)	4.9	68.9
Higher education	3.9	:
Total	78.2	:

The county's famous sons

The popular cultural institutions are mostly maintained by local governments. Cultural events, community education programmes, amateur artistic performances, clubs and educational courses are part of their regular functions.

The Békéscsaba-based Jókai Theatre and guest companies hold over 200 performances in the county annually. Attendance is, however, decreasing, and the same is true for the cinemas. The performances held in the castle of Gyula are, however,

very popular throughout the country and even beyond.

The county has 45 museums. Between 1990 and 1994 there was a 13% increase in the number of exhibitions, but attendance figures remained unchanged. The most frequently visited museums have been the Castle Museum of Gyula and the great Hungarian painter Mihály Munkácsy's Museum and Memorial House in Békéscsaba. The museums of the towns of Békés and Szarvas, as well

as the Kner Printing Trade Museum at Gyomaendrőd also attract visitors. In addition, Gyula also has a museum and memorial house for the great son of the town, the composer Ferenc Erkel who composed the music of the Hungarian Anthem, and for Albrecht Dürer, whose family originated from there.

Fundamental changes to the historic rail network

By far the most important forms of both passenger and freight transport in the county are the railways and road: river transport is negligible. The planned extension of the Békéscsaba airport would improve air communications.

An international railway line links the county to the national capital, and onwards to Austria, Germany, and the Czech Republic in the west and Romania in the east. The most important roads are the M44 towards Kecskemét and the M47 in the direction of Debrecen, both passing through areas without railways.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.4	0.6
Length in km per 1 000 population	5.6	5.2
Length in km per 1 000 passenger cars	33.0	24.7
Surface area in 1 000 m ² per km ²	2.3	3.2
Surface area in 1 000 m ² per 1 000 population	31.3	29.3
Proportion of national roads (%)	69.1	62.4
Proportion of local roads (%)	30.9	37.6

In terms of freight transport, the opening in 1858 and 1871 of the Pest-Szolnok-Békéscsaba-Arad and the Orandea-Békéscsaba-Szeged-Rijeka railway lines was of great importance in Békéscsaba's development. The county's situation was altered by the changes in the frontiers following the First World War. The Orandea-Rijeka line ceased to operate, its remaining sections having only internal significance. Many other railway lines suffered the same fate, and with the development of the road network, the majority of these were abandoned. Prior to the First World War the county's railway network was denser than the country's as a whole; by the 1970s, however, Békés' network lagged far behind. The renovated Békéscsaba-Budapest line maintained its international role and is responsible for the bulk of the county's freight and passenger transport by rail.

The quantity and quality of the roads are below the national average. There are 1 445 km of roads in the county, 5% of the national total. Only 77 km are primary, and 149 km secondary, main roads. The com-

pletion of the planned southern motorway would make communication easier with 10 counties, and would also facilitate international communication.

The county has a much more developed bicycle route network than the country as a whole having 100 km of bicycle track: 10% of the national total.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	57	96	101	174
% connected to digital network	83	88	85	97

Great efforts to update the infrastructure

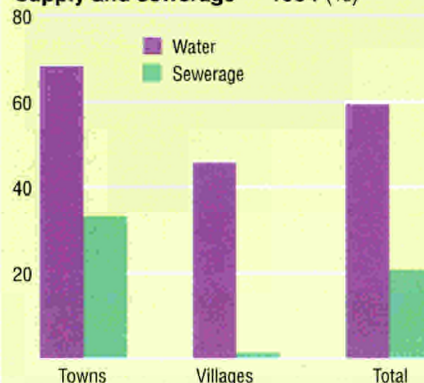
Great advances have been made in the supply of telephone facilities. Despite the improvements, the county's 101 telephones per 1 000 population are only 58% of the national average and 75% of the provincial average, and in terms of the county-ranking are third from bottom. The expansion of the financial services networks went hand in hand with the change-over to a market economy. Investment companies, financial advisers, commercial banks and branches of insurance companies have all been established in the county.

There has been marked progress in the provision of piped gas. In 1994, 52 (70%) of the county's settlements had piped gas; the total length of gas pipeline was 36% greater than four years earlier and there were 27% more customers. Eighty-five per cent of all dwellings built in 1994 had piped gas connected, as opposed to two thirds nationally.

The biggest differences are in the area of public water supply and drainage. In 1994

only one settlement did not have a public water supply, while over two thirds (52) of settlements did not have public drainage. Sixty per cent of dwellings in the county in 1994 were linked to the public water supply network, this percentage being just three quarters of the national average, and a total of 21% were linked to the public drainage network (not even half the national average). This position is significantly worse than most other provincial counties.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Pheasant's eye plants and bustards

There are 15 nationally and 120 locally protected areas within the county. The region's rich wildlife offers good hunting and fishing opportunities. Out of the more than 25 000 ha of nationally protected areas in the county, perhaps the most important is at Dévaványa, where a significant proportion of Europe's remaining bustard (*Otis tarda*) population is protected. Unique natural features of the county are the White Lake at Kardoskút (on Unesco's list) with its rare bird species; the tiny one hectare isle of ancient grassland near Orosháza which acts as a reminder of the former loess puszta's flora; and the habitat of the pheasant's eye plant *Adonis vologensis* near Csorvás. One of the pearls of the county is the Szarvas Arboretum with its outstanding collection of trees in beautiful surroundings, known by its nickname 'Pepi' Garden.

The greatest concern within the county is still posed by the pollution of ground water due to the lack of adequate public drainage and sewerage treatment, and the

water's high natural arsenic content. In 1984 an ambitious 15-year programme of water purification was launched to improve the situation for 31 of the county's settlements. However, financial difficulties are being encountered, which means that there will be significant delays in the programme's realization.

Based on measurements continuously taken in Békéscsaba, Békés, Gyula, and Orosháza the county's air is cleaner than that of most other counties.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.8	100.0
Proportion of environmental investments in total investment	6.7	4.6
Proportion of environmental expenditure on:		
Water protection	31.2	38.3
Air protection	5.3	11.1
Waste management	5.3	7.5

Agricultural research

While the county does not undertake large-scale research and development comparable with the neighbouring counties of Csongrád and Hajdú-Bihar with their large universities, its agricultural research is still of national significance. In 1994 366 people were employed in R&D, representing 4.2% of the country's provincial research staff, and 3.5% of expenditure.

The Institute of Irrigation Research and the Institute of Fish-Breeding Research in Szarvas are internationally recognized in agricultural research circles. The Faculty of Agricultural, Water and Environmental

Economics of the Debrecen University of Agriculture and the Szarvas Arboretum of the University of Horticulture and Food Industry play important roles in research and professional training. The Great Plain Institute of the Hungarian Academy of Sciences' Regional Research Centre is in Békéscsaba.

By adapting to the transformations in agricultural production, Szarvas has become the centre of research into the agricultural uses of water as modern methods of irrigation and fish-breeding are studied in the research institute. The arboretum is a protected area of national significance with

82 ha and 1 600 species of trees and shrubs and many other plant, mushroom and bird species. The university's research programme encompasses the maintenance and development of the gene pool, and the development of new species.

Border location – the two sides of the coin

The county's peripheral situation, with an international border, is both an advantage and a disadvantage at the same time. The county suffered disadvantages during the former regime when there were no real attempts to rectify the imbalance in its settlement structure, infrastructural backwardness, and other deficiencies. The great distances and the below average quality road network make communication with Budapest and other parts of the country difficult.

Its border situation can, on the other hand, be advantageous in terms of commerce and cooperation not only with Romanian

but also with other East European entrepreneurs. These eastern countries are potential markets not only for the county, but also for the country as a whole, as demonstrated by the business links that have already evolved. This proximity to the border is also often an important factor for foreign investors when deciding to settle in the county.

Future communications, both national and international, will be significantly eased by the construction of the planned southern motorway. The widening of the M44 to four lanes as far as Kecskemét would enhance communication with Budapest.

The conditions for agricultural production are favourable in the county and there is a long tradition of food processing. The environment is relatively free of industrial contaminants. The county's geothermal resources and the favourable salt composition of its thermal waters make the establishment of health spas possible throughout its territory. Its relatively clean waters and its protected natural areas also hold potential for tourism.

BORSOD- ABAÚJ-ZEMPLÉN

Heavy industry in the heart of nature

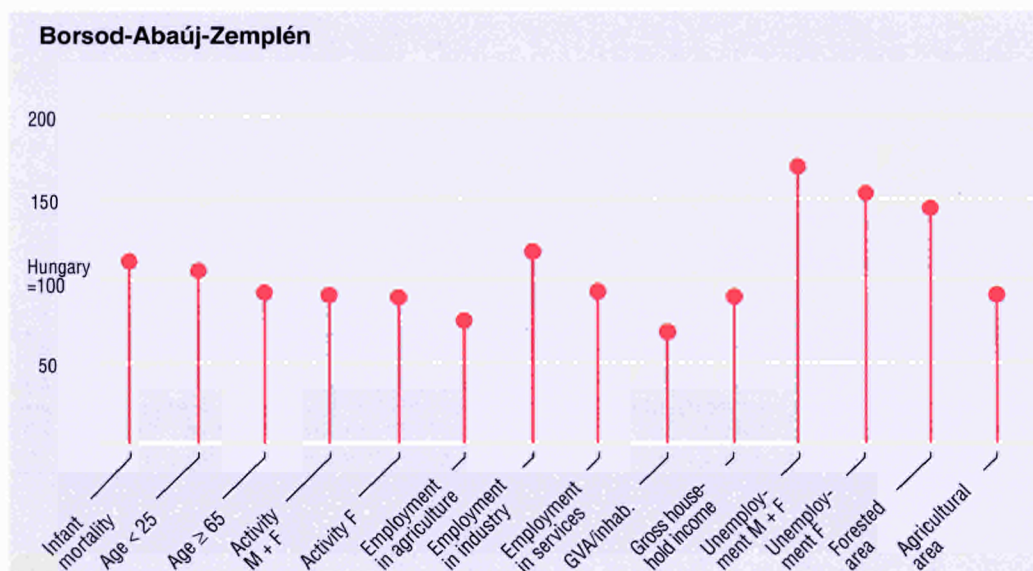
Borsod-Abaúj-Zemplén has both unspoiled natural areas and centres of heavy industry. The Great Plain and the highlands meet here, and over the centuries this has had a strong influence on the development of the region's economy. Industrialization commenced after the Second World War when heavy industrial plants were established in the county, something that is still characteristic of the county's economic profile. The Borsod industrial region enjoyed a level of government support in the last few decades that was without parallel in Hungary. This advantage has today turned into a hindrance as, with the problems experienced in private industry, the county has become a 'crisis region'.

Borsod-Abaúj-Zemplén is the second largest county in Hungary, with a land area of 7 247 km². In the north, it borders Slovakia and the River Tisza constitutes the southern and south-eastern border. Miskolc, the county capital, is the region's economic, communications, and transport centre, and is situated at the foot of the Bükk Mountains. The E71 international road route which crosses the county links Hungary with Slovakia and Poland. Budapest is two hours from Miskolc by the inter-city railway service.

There is variety in the county's settlement structure. In the Sajó valley around Miskolc medium-sized villages dominate, while in the northern part small villages are in the majority. There are 355 settlements in Borsod-Abaúj-Zemplén – the highest number of any county. Over half the population lives in the 15 cities, while two fifths of the villages have populations below 500.



Grape harvest in the Tokaj vineyards

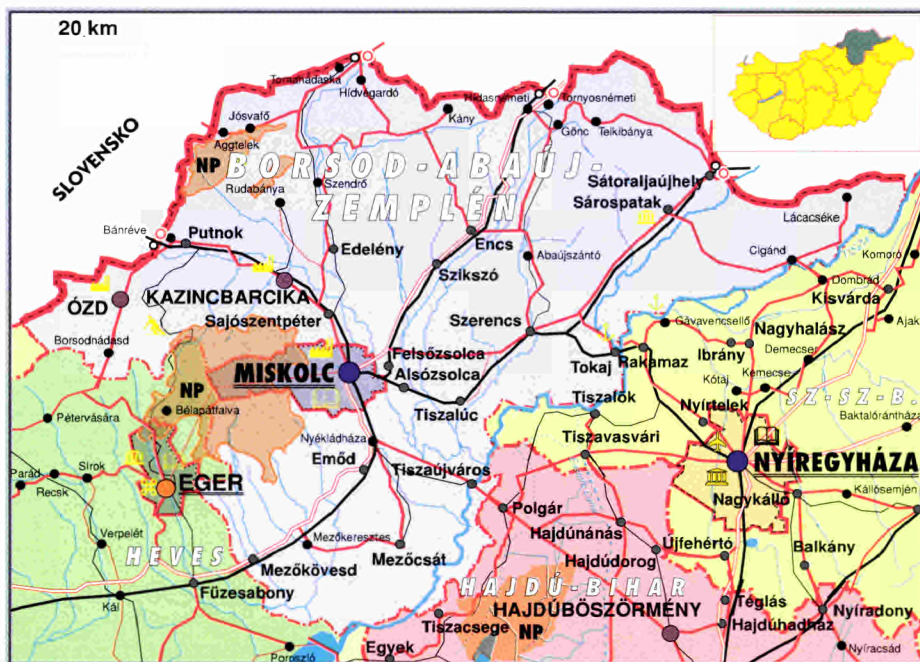


The 'Hungarian Ruhr'

Owing to its climatic conditions, geographical situation, and natural resources, Borsod-Abaúj-Zemplén is one of the most diversified counties in Hungary. The county's northern areas are mountainous and hilly, dissected by valleys and basins, while the south is flat. The highest points lie in the Bükk and Zemplén Mountains at 959 and 896 m, respectively. The continental climate is significantly moderated by the county's relief. Two fifths of the county's land area is ploughland, one fifth is grassland, while a quarter is covered by forests.

The industrial cities of Miskolc, Ózd, Tiszaújváros, and Kazincbarcika are in the Borsod industrial region in the Sajó Valley. On account of the concentration of heavy industry, this area was known as the 'Hungarian Ruhr'. Sátoraljaújhely, Sárospatak, Szerencs, and Tokaj constitute a string of historic cities at the meeting of the Zemplén Mountains and the Great Plain. The other small cities are of a more agricultural character.

BORSOD- ABAÚJ-ZEMPLÉN



Which EU regions are similar to Borsod-Abaúj-Zemplén?

- Area:**
7 000-7 300 km²
Zuid-Nederland (NL)
País Vasco (E)
Salzburg (A)
- Population density:**
101-104 inhabitants per km²
Trier; Lüneburg (D)
Asturias (E)
Bretagne (F)
- Age structure:**
35-36% under 25
13% over 65
Madrid (E)
Rhône-Alpes (F)
Sardegna (I)
Overijssel (NL)

Many natural resources

Brown coal has been mined in the Sajó valley since the second half of the 19th century, while in the last few decades opencast mining of the considerable lignite deposits of the Bükk foothills began. The main body of the Bükk Mountains and the Aggtelek karst consists of limestone and dolomite, used as decorative stones on buildings, but also mined for use in burnt lime and cement manufacture. The other mineral resources to be found in the county are: plaster-anhydrite, marl, andesite, bentonite, kaolin, silica, perlite, rhyolite tufa and zeolite. The Sajó and Hernád valleys provide river gravel and sand.

Among the natural features of the county are the beech, oak, and pine forests that cover most of the highlands and the mineral, medicinal, and thermal waters. The county's rivers (the Sajó, Bódva,

Hernád, and the Bodrog) belong to the River Tisza's catchment area, and reservoirs have been built to tap the water of the smaller rivers (the Rakaca and the Lázberc).

The county's terrain and climatic conditions generally make it unsuitable for agriculture, except in the flatter areas. However, the volcanic soils around Tokaj are excellent for wine-growing.

	Area km ²	Population		Change (%)		Activity	Unempl.	Employment		
		1 000	Inhab./km ²	1980-89	1990-94	%	%	% Agricult.	% Industry	% Services
		1995	1995			1990	Dec.1994	1990	1990	1990
Miskolci	1 058	282	266	- 3.3	- 3.3	55.8	13.4	5.2	45.5	49.3
Edelényi	739	36	49	- 8.2	1.3	49.3	20.6	24.3	38.9	36.8
Encsi	796	35	44	- 8.7	1.8	48.8	24.9	30.8	25.7	43.5
Kazincbarcikai	504	67	132	- 5.5	- 3.3	56.3	16.8	5.8	58.9	35.3
Mezőkövesdi	724	47	65	- 5.9	- 0.5	50.6	14.6	21.8	37.8	40.3
Ózd-Putnoki	550	78	143	- 9.5	- 1.2	50.5	19.7	5.1	62.8	32.1
Sárodpataki	478	29	60	- 8.2	0.2	50.6	24.4	32.6	26.0	41.4
Sátoraljaújhelyi	712	45	64	- 12.2	- 1.5	50.2	18.1	23.4	36.3	40.3
Szerencsi	837	64	77	- 5.8	- 0.1	51.5	21.1	23.6	37.3	39.1
Szikszo	312	20	64	- 9.3	0.7	51.3	24.4	26.0	32.0	42.0
Tiszaújvárosi	539	45	84	- 1.7	0.4	60.3	13.4	16.1	54.4	29.5
Borsod-Abaúj-Zemplén	7 247	750	103	- 5.9	- 1.6	53.6	16.8	12.8	45.3	41.9
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5
						1995	Dec. 1995	1995	1995	1995
						Borsod-Abaúj-Zemplén		6.1	38.9	55.0
						Hungary		8.1	33.1	58.8

BORSOD- ABAÚJ-ZEMPLÉN

Many of the young leave the county

With 750 000 inhabitants in January 1995, Borsod-Abaúj-Zemplén is the second most populous county in Hungary, accounting for 7.3% of the country's population. Its population, however, decreased by 49 000 between 1985 and 1995.

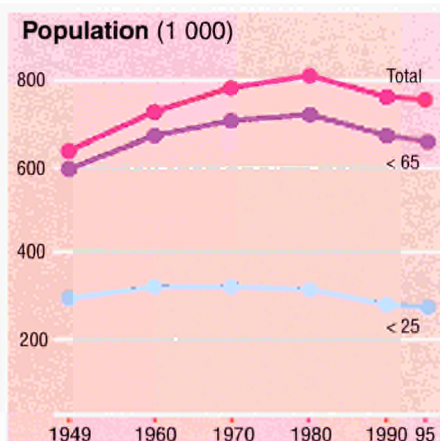
At the time of the establishment and expansion of heavy industry, large numbers of people moved to the county and primarily to the cities hosting the heavy industrial complexes: Miskolc, Ózd, Kazincbarcika, and Tiszaújváros. Subsequently, however, the county's attraction waned and more people left the county than arrived. Until the early 1980s the natural population increase was able to compensate for the migration but the economic decline and the increasingly few job opportunities led to a net outflow of 56 000 people between 1980 and 1990. Fewer people left the county in the 1990s,

but the net movement was still outwards. The majority that left the county were of the younger age group.

Apart from the net migration, a drop in the birth rate and an increase in the mortality rate also contributed to the population decreases. Since 1992, the number of deaths has exceeded the number of births, despite the fact that Borsod-Abaúj-Zemplén still has the second highest birth rate in the country. The age composition of the population, which in the past was younger, today reflects the national average. The life expectancy of women at birth is 73 years, while that of men is 63.

The average population density in the county is 103 persons/km². However, there are great sub-regional differences. Miskolc and its agglomeration is six times more densely populated (266) than the county's

most sparsely inhabited district around Encs (44).



Resident population of foreign nationality — 1994

		% of total population
Total	4 631	0.62
Romania	2 098	0.28
Former Soviet Union	996	0.13
Germany	421	0.06
Former Czechoslovakia	398	0.05

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	152	20.3	21.5	19.1
15-24	116	15.5	16.6	14.4
25-39	152	20.3	21.5	19.1
40-54	148	19.7	19.9	19.6
55-64	85	11.3	10.5	12.1
≥ 65	97	12.9	9.9	15.7
Total	750	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	809
Births	109
Deaths	100
Net migration	- 56
Population 1.1.1990	762

High share of social security benefits in household incomes

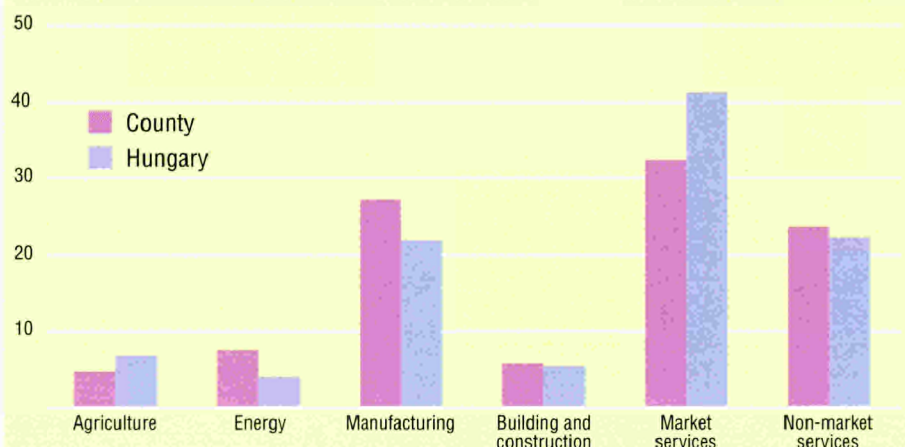
Owing partly to the early retirements associated with economic restructuring, the active period spent in employment is getting shorter and shorter. Over 40% of the males aged between 55 and 60 in Borsod-Abaúj-Zemplén are retired, while the official retirement age is 60. The official retirement age for women is 55, but due to the advantageous retirement conditions that have been available, almost half of the women aged 50-54 are retired. Combined with the high unemployment rate and the relatively high birth rates, which result in benefit payments and child allowances, the share of social security incomes in total household income is higher, and that of income from full-time employment lower, than nationally.

In 1993, an average household in Borsod-Abaúj-Zemplén consisted of 2.8 people. There were more dependants (98) and unemployed (18) for every 100 active earners than nationally. Of the annual per capita gross income of households, 46% came from wages and salaries, 20% from pensions, 10% from social security payments of various sorts, and 4% from unemployment benefits. Income from businesses accounted for a mere 1%. Eighty per cent of per capita gross income remained as disposable household income, of which 35% was spent on food.

The average gross monthly earnings are highest in financial services, followed by electricity, gas and water supply. The

lowest wages are recorded in agriculture and in hotels and catering. Within industry, mining offers the highest wages. Since 1990, earnings in all economic branches have been below the national average.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Tiszai Vegyi Kombinát	Chemicals
Akzo-TVK Rt	Paints
Borsodchem Rt	Chemicals
Diósgyőri Acélipari Művek Kft	Steel industry
Drótáru és Drótkötél Kft	Steel industry
Hejőcsabai Cement-és Mészipari Rt	Building materials
Nestlé Hungária Kft	Food industry
Borsodi Sörgyár Rt	Food industry
Tiszai Erőmű Rt	Electricity supply
Északmagyarországi Áramszolgáltató Rt	Electricity supply
Mátra Fűszért Rt	Food and chemicals

Three regions with different economies

Borsod-Abaúj-Zemplén can be divided into three regions according to the level of economic development. Ózd, Miskolc, and the Sajó valley mining district account for half the county's population, and it was mining, the concentration of iron and steel, and the machine industry that determined the direction of economic development. An economic crisis in this region began in the 1980s and peaked in 1993. After 1993, industrial production began once again to increase, but has not even approached its former level. As a result of the crisis, large-scale unemployment emerged since the industrial infrastructure was not able to absorb the effects of wholesale economic restructuring.

The county's northern strip adjoining Slovakia is a backward, agricultural region with very little industry, undeveloped infrastructure, weak transport and communications links, and a small entrepreneurial sector. South Borsod, Tokaj-Hegyalja and the Zemplén on the other hand form a more advantaged agro-industrial area, with more variety in the structure of industry, greater balance between the number of agricultural and

industrial entrepreneurs, and with a long tradition of private business.

Despite the decline in production, industry remains important to the county. Thus, in 1994 Borsod-Abaúj-Zemplén's industry accounted for 7.7% of national industrial sales. One third of the production of the processing industry is exported. The importance of the chemical and metallurgical industries extends beyond the country's borders and a number of products (polyethylene, polypropylene, PVC-powder, paints and dies, varnishes, rolled rods and wire products) are competitive abroad. The food processing, textile, cement and machine industries, and the production of non-metallic mineral products also play an important role in the county's economy.

The county accounts for less than 5% of the national gross value of agricultural production. The most important agricultural products are grain, sugar beet, sunflower and potatoes, and of the fodder crops; silage-maize and lucerne. The region is best suited for cattle and sheep raising, but pigs are also important. The

Tokaj wine region stretches along the southern and south-eastern foothills of the Zemplén Mountains producing the world-famous 'Tokaj' wines. Its success is attributable to the exceptional qualities of the volcanic soils, the local climate, and the experience of many generations of local wine-makers.

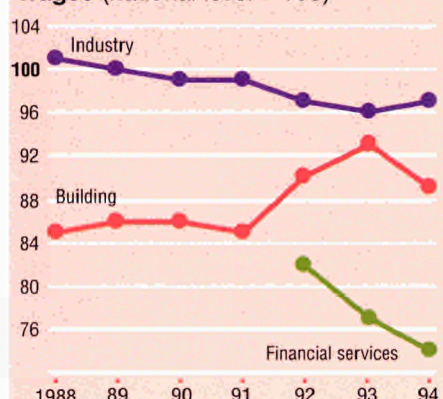
Agriculture — 1994

Number of holdings	2 650
Labour force	14 543
Agricultural area (ha)	431 900
Livestock (LU)	68 011
Gross per capita value of production (Hungary = 100)	99

Main products by gross value of production:

Pigs	13%
Wheat	13%
Potatoes	9%

Wages (national level = 100)

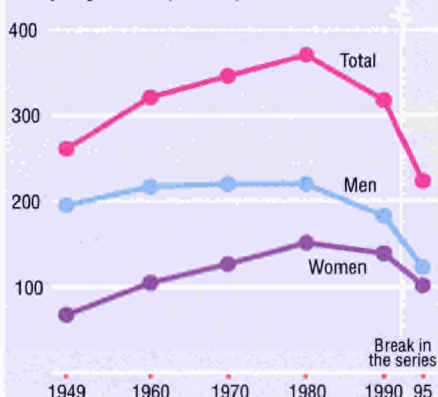


Gross per capita household income — 1993 (%)

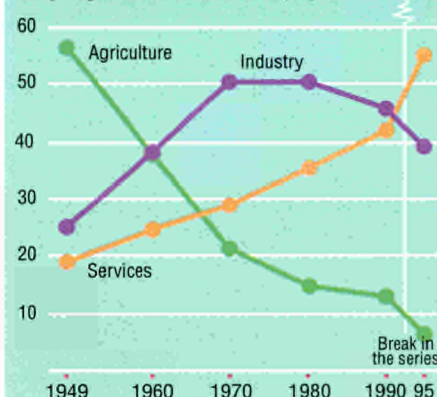


BORSOD- ABAÚJ-ZEMPLÉN

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	318.1
+ Non-residents having a job in the county	107.5
– Residents having a job outside the county	105.2
= Internal employment	320.4

A transformation in the structure of employment

The numbers employed in industry fell from 140 000 in 1986 to 116 000 in 1990 and to 69 000 in 1994. In the Borsod metallurgical plants, for example, where 35 000 people were employed in the mid-1980s, more than 22 000 have lost their jobs. Some of these were forced into retirement, while the rest found employment in the services sector, but here, too, job opportunities became more and more scarce with the passing of time.

Large-scale transformations took place in agriculture as well, where 23 000 jobs were lost between 1986 and 1990 and 35 000 between 1990 and 1994. Some of these people went into private production, but on account of the shortage of capital, most were unable to.

On account of the large-scale job losses, by the end of 1994 the number of people employed was a mere 70% of the 1990 figure. Owing to the changes in the structure of the economy, there was a decrease in the proportion of total employment in industry and agriculture, and an increase in the proportion in the services sector. The 'producing' character of the county is demonstrated by the fact that despite industry's decline, 40% of wage and salary earners were still employed in industry in 1994. For every 100 employees in industry and agriculture ('producers'), there were 108 providing services; this is less than the national average, but close to the provincial average. The ratio of male to female employees is almost equal, with females occupying over

45% of posts. The most important reason for this is that job losses were heaviest in the traditionally male occupations.

Every 10th active earner has tertiary qualifications, while every second has been educated either in a secondary school, a trade school, or a skilled workers' school. The majority of tertiary graduates are employed either in health care, social services or cultural services, with a fifth in industry. Half of those in blue-collar jobs are skilled workers.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	11	83	6	87	1
Women	12	85	4	90	7
Total	11	84	5	89	4

Few foreign investors

By the end of 1994, foreign companies had invested in more than 300 companies in the county and 60% of their registered capital value was from foreign-owned sources. This level of foreign investment is less than would be expected given the county's area and population size. Foreign capital is concentrated mostly in the chemical and the food processing industries.

The economy of Borsod-Abaúj-Zemplén is based on large enterprises and there are few medium-sized businesses. Many small businesses were established in the

1990s, but the majority of production is still accounted for by companies with a staff of 50 or above. At the end of 1994, there were 287 companies in the processing industry with more than 20 employees; 101 of these companies employed between 51 and 300 people, and 43 more than 300. The latter employed more than three quarters of the industrial work-force.

The companies that play the most important part in the county's economy are to be found in the chemical, iron and steel, cement and lime and food and beverages industries and in electric power generation.

Higher than average unemployment

Unemployment first appeared in the county at the end of the 1980s, and became a serious social problem in the 1990s. Unemployment increased at a rapid rate up to 1993 and then stagnated before beginning slowly to decrease. In June 1995, 55 000 were registered as unemployed. There are 16 unemployed for every 100 economically active people in the county, as opposed to 10 nationally.

Of the unemployed in 1995, 63% were male, 37% were female, and more than four fifths were blue-collar workers. A quarter are 25 and under, 44% are aged between 36 and 55. Seven per cent of the unemployed are young, first-time job seekers, two thirds of whom have trade school or technical secondary school educations.

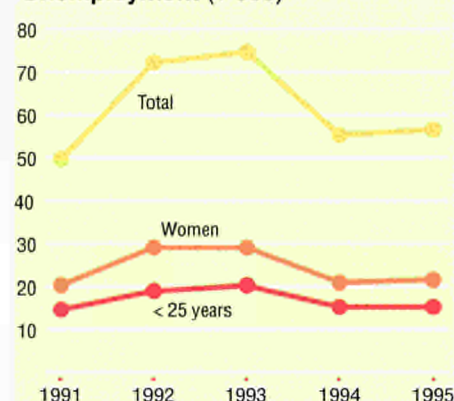
Sixty per cent of the unemployed in 1995 had been out of work for over two years. The changes that have taken place so far

in the county's economy have not created many new jobs, thus there were 21 unemployed for every job vacancy. One third of the unemployed had completed skilled workers school, a further one third had completed only primary school, one tenth had not even completed primary school and 2% were tertiary graduates. A large proportion of the unemployed live in the industrial centres (Miskolc, Ózd, Kazincbarcika), but the unemployment in the county's backward northern agricultural regions tends to be more long-term.

The national government's Employment Fund was created to finance retraining and job-creation programmes, and counties are able to draw from it according to the gravity of their employment situation. In addition to the retraining courses and programmes which are run on commercial lines, retraining is conducted by the Regional Retraining Centre in Miskolc. In 1993, the centre retrained 5 800 people,

while the number in 1994 was 7 300; most of these were unemployed. The increased costs of retraining have caused more and more companies to withdraw their financial support, while the poor financial situation of workers limits the extent of their participation. The biggest retraining challenge remains that of the steel industry workers.

Unemployment (1 000)



More variety in university education

Basic education is well-organized, with primary schools functioning even in small settlements, while secondary education is afforded by the county's 76 secondary schools. There are six tertiary educational institutions in the county, four of which are in Miskolc. Technical and music education at tertiary level have long traditions, as does teacher training. The Protestant Theological Academy in Sárospatak has reopened its doors. In a departure from the formerly exclusively technical subjects at the University of Miskolc, economics, law, and arts are now being offered. By 1995, there were twice as many tertiary students in the county as there were in 1980, and in the 1994/95 academic year 13% of 19-24 year olds were enrolled in a tertiary educational institution.

There are more than 400 libraries in the county, a large majority of which are run by the local councils. Some of the libraries in the tertiary educational institutions have long and distinguished traditions, such as the Monument Library of the Sárospatak Protestant College, and the Miskolc University Library.

Seven of the county's cities have hospitals, and the county hospital in Miskolc is of regional significance. The thermal waters of Mezőkövesd are used for the medical treatment of rheumatic disorders. The opportunities to exploit the medicinal and thermal waters in terms of medical science and tourism have not been developed to their full potential.

Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	30.2	47.6
Primary	80.4	48.6
Vocational	14.4	39.5
Secondary (technical)	14.7	48.7
Secondary (general)	10.0	66.0
Higher education	8.6	:
Total	158.3	:

More than 60 museums

The first stone theatre of the country was built in Miskolc in the 19th century; it was refurbished in the recent past, and now hosts a wide variety of programmes and performances. Of the more than 60 museums in Borsod-Abaúj-Zemplén, the most important is the Ottó Herman Museum, known for its rich collection of folk art and local history artefacts. In Mezőkövesd the Matyó Folk Art Museum is found, and in Monok the house of Lajos Kossuth — the leading politician of the Hungarian reform age, and the leader of the 1848 War of Independence. The

Diosgyőr Castle is a venue for annual festivals, while the Sárospatak Castle hosts a permanent exhibition on the 1711 War of Independence led by Ferenc Rákóczi II.

The county also has religious relics and there are many castles and manor houses that, owing to a lack of resources, are still awaiting restoration.

Difficult access to peripheral regions

Miskolc is an important transport and communications centre linked to Budapest by the M3 main road. There is a motorway from Budapest to Gyöngyös, whose eastward extension is planned to begin in 1997. Miskolc is linked by a number of major roads to other county capitals and to cities in neighbouring countries. The length of the border between Slovakia and Borsod-Abaúj-Zemplén is about 200 km, with a number of international border crossings. The major sections of the road and railway networks follow the river basins.

The M3 is the county's most important road which, passing through Miskolc, continues in the direction of Košice in Slovakia. This is the backbone of road transport and communications and consequently is very congested. Another main road follows the basin of the Sajó River north towards Sajószentpéter, Kazincbarcika, and Putnok, and another leads to Sátoraljaújhely in a north-easterly direction. On account of the small village settlement structure, the length of road network per 100 km² exceeds the provincial average, but the low proportion of primary and secondary main roads indicates the difficulty of access to the county's peripheral regions. Furthermore, there are also fewer service stations per 100 km of road than the national average.

and more outlying villages is time-consuming and difficult. Village transport services are not well integrated and have been cut back in the last few years.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.6	0.6
Length in km per 1 000 population	6.0	5.2
Length in km per 1 000 passenger cars	38.2	24.7
Surface area in 1 000 m ² per km ²	3.2	3.2
Surface area in 1 000 m ² per 1 000 population	30.5	29.3
Proportion of national roads (%)	62.0	62.4
Proportion of local roads (%)	38.0	37.6

The railway lines tend to run parallel to the road network. The most important railway is the double-track electrified line between Budapest and Miskolc. A number of international railway services cross the county towards Slovakia and Poland. Every settlement in the county can be reached by bus, but access to the smaller

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	85	96	164	174
% connected to digital network	88	88	97	97

Underdeveloped communal infrastructure

In terms of the county as a whole, the level of public utilities provision is below the national average, and is unevenly distributed. The relatively good infrastructure of Miskolc, Kazincbarcika and Tiszaújváros developed along with the establishment of industry but the level of public utilities provision in the county's rural northern and north-eastern regions is much more modest.

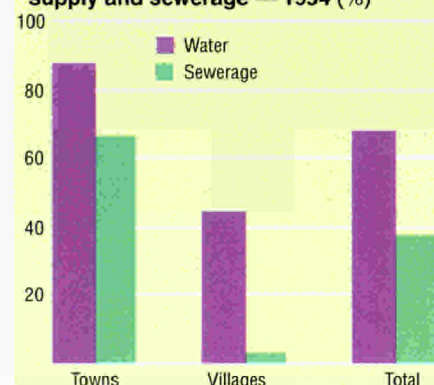
Eighty per cent of the county's settlements have a public water supply, but hardly a tenth have an enclosed public sewerage network, and most of this is in the cities and their immediate surroundings. The expansion of the piped gas network has so far been limited to the central and southern parts of the county; the northern parts are beginning to be developed, while the eastern areas have hardly been touched. By the end of 1994, 103 settlements were linked to the piped gas network, 10 of which were cities and two thirds of the population were living in areas with piped gas services. Between 1990 and 1994, the

number of households using piped gas increased one-and-a-half times to 124 000.

Great improvements have been achieved in telecommunications services. There was a doubling of the number of telephones between 1990 and 1994, and all are linked to the long-distance network. Despite this, however, it has proved difficult to keep up with the ever-increasing demand.

The banking network is in the process of development, but still has a way to go. Seventeen banks have branches and regional directorates in Borsod-Abaúj-Zemplén, and it was here that Hungary's first regional bank was established with its headquarters in Miskolc.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Progress on tackling environmental problems

The county has many natural treasures and 14% of its territory is covered by nature reserves. Two of Hungary's five national parks are in Borsod-Abaúj-Zemplén; the 19 000 ha Aggtelek National Park, and the 25 000 ha Bükk National Park, to which are added the 63 000 ha of landscape protection areas. The Aggtelek National Park and the karst region associated with it were put on Unesco's World Heritage list in 1995. Among the tourist attractions of the county are the caves and thermal baths at Miskolc-Tapolca; the Aggtelek-Jósvafő cave, which belongs to one of Europe's largest limestone cave systems; and the Szeleta cave in Miskolc-Lillafüred which has archaeological significance. There are also many forts, castles, and mansions of interest.

Environmental pollution affects the county unevenly. The settlements in the Zemplén mountains are in a considerably more favourable situation than the industrial areas. At the time that industry was first

established in the county, environmental considerations were almost totally absent and it was only once pollution had reached serious levels that more attention focused on the prevention of further damage and environmental protection. The environmental situation is of most concern in the Sajó valley.

With the decline in production in the mining, metallurgy, and machine industries there has been a decrease in the amounts of effluents entering the county's waterways. Consequently, there has been an improvement in water quality in the rivers even in the industrial regions although in these areas, air pollution remains a problem.

The most important environmental concern at the moment is the disposal and treatment of industrial and municipal waste. Even though more tips have been created, the treatment and decontamination of waste is still very much in its infancy.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.7	100.0
Proportion of environmental investments in total investment	3.0	4.6
Proportion of environmental expenditure on:		
Water protection	55.1	38.3
Air protection	7.4	11.1
Waste management	4.0	7.5

Industrial and humanities-related research

The county has a range of scientific institutions with extensive international links and highly-qualified professionals. Apart from at the University of Miskolc, research is conducted in independent research institutions and within enterprises. Over 500 researchers are engaged in both industrial and humanities-related research. However, at the beginning of the 1980s the R&D staff was more than 2 000. The majority of the R&D potential is linked to technical and natural sciences, based at the University and the Mining Chemical Research Laboratory in Miskolc. Significant research activities are carried out at the Tisza Chemical Works in Tiszaújváros,

while agricultural (wine) research is centred in Sátoraljaújhely. Social sciences have gained momentum with the establishment of new faculties at the Miskolc University.

Problems caused by heavy industry

Borsod-Abaúj-Zemplén's natural features are very favourable: it is rich in minerals, its geographical position renders it an important transit route, and it has a variety of tourist attractions (national parks, historical and natural sites, and health resorts). There remains tremendous scope for the fuller exploitation of these resources.

The industrial sector that has traditionally played an important role in the county's economy still has a lot to be proud of, especially in the chemical branch, where world quality products are made and exported. Further assets of the county include

the well-developed industrial infrastructure. The biggest problem, however, is posed by the extended crisis in the earlier over-developed heavy industry. The contraction in almost all branches of industry has led to high levels of unemployment, the county's most pressing current problem. In addition to this, the provision of infrastructure is very uneven. The road network is not sufficient in places, and one of the biggest drawbacks of the county is that there is no motorway leading to it (though one is planned).

Economic recovery is held back by the lack of capital, and the quality of business

services is inadequate. Despite the fact that the county has plenty of unspoilt natural areas, there are very serious environmental problems in the heavy industrial regions.

CSONGRÁD

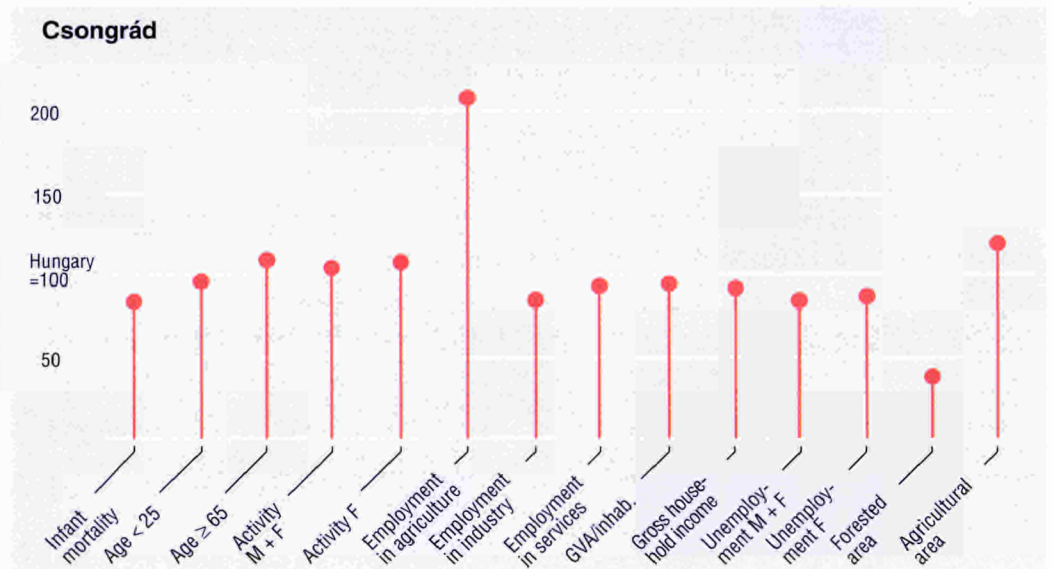
From the Blood Treaty to oil wells

The county of Csongrád is situated in southern Hungary, on the lower reaches of the River Tisza. Its 900 year history has been marked by dramatic milestones. According to sources which may not be totally reliable, it was at the present site of Ópusztaszer where the ancestors of the Hungarians held the first council of all the tribes in the new homeland resulting in the historic Blood Treaty. During the Mongol invasion and the later Ottoman wars most traditional settlements were destroyed or became depopulated. In 1879 the Tisza flooded practically the whole region, causing untold damage. The reconstruction significantly altered the profile of the settlements, and especially that of Szeged, which is the county capital and at the same time the main centre of the South Great Plain region with nationally significant scientific, educational, cultural and health institutions. One of the most important milestones in the county's history was the discovery in the early 1960s of the country's largest reserves of crude oil and natural gas, which has had far-reaching consequences both for the county's economic development and the lives of its inhabitants.

The county is adjacent to three other Great Plain counties, and in the south and south-east it is bordered by Serbia and Romania. The neighbouring regions of these countries are inhabited by significant numbers of Hungarians and close commercial as well as family relations consequently exist between these people despite the international borders.



Backwater of the Tisza at Mártély



Varied settlement structure

Both in land area (4 300 km²) and population (430 000) Csongrád is an average county. Its territory is the lowest-lying area in Hungary and has almost no difference in level. The county capital, Szeged, enjoys one of the warmest climates in the country. The county's territory falls into three different natural geographic regions: the Tisza valley in the centre, the sandy ridge between the Danube and the Tisza in the west, and in the eastern part, the Békés loess tableland. Almost four fifths of the land is under agricultural cultivation with ploughland in the east, and vegetable and fruit farming on the sandy soils in the west. There are not many forests and the existing ones are protected sites along with numerous dry areas and natron lakes with their special wildlife.

One finds the full range of settlements in the county, from detached farmsteads to the extensive villages and medium-sized towns and to the county capital with over 160 000 inhabitants. Three quarters of the population live in the eight towns, the rest in the 51 villages.

Szeged is the major influence in the settlement structure, with the other towns and their surrounding villages as satellites.



Crude oil, natural gas and thermal waters

With alluvial soils in the Tisza valley, chernozem rich in humus and deep-saline chernozem on the loess tableland, and less fertile but easily cultivable sandy soils on the ridge, the agricultural land had long been regarded as the most important natural asset. However, in the early 1960s, Hungary's largest reserves of crude oil and natural gas were discovered in the several thousand metres layers of marine and river sediments in the part of the county previously believed to be poor in natural resources. The county now provides three quarters of the national crude oil, and two thirds of the national natural gas production. Clay minerals are present in significant quantities providing raw material for the building materials industry.

Csongrád has several sources of thermal and medicinal waters. The thermal water resources, most abundant in the northern part of the county, began to be utilized in the last two decades chiefly in agriculture and for public baths and district heating schemes. The medicinal waters are helpful for digestion problems and locomotive disorders.

The axis of the county's river network is the Tisza, which is joined by the Triple Körös at the town of Csongrád and the River Maros at Szeged. There are several lakes, some of them a consequence of regulating the flow of the rivers and others which have developed through wind erosion.

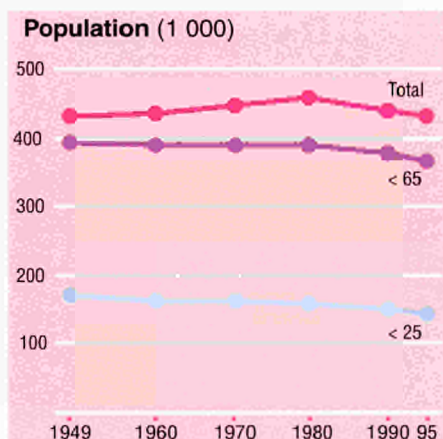
Which EU regions are similar to Csongrád?

Land use: 7-8% forest 78% agriculture Sicilia (I)	Lincolnshire (UK)
Population density: about 100 inhabitants per km ² Cantabria (E)	Employment structure: 28% in industry 15-17% in agriculture Castilla y León (E)

	Area km ²	Population				Activity %	Unempl. %	Employment				
		1 000	Inhab./km ²	Change (%)				Dec.1994	% Agricult.	% Industry	% Services	
				1995	1995							1980-89
Csongrád-Szentesi	1 153	73	63	- 9.1	- 3.2	52.9	11.7	27.1	33.1	39.8		
Hódmezővásárhelyi	708	62	87	- 6.5	- 1.8	55.2	12.0	20.7	45.0	34.3		
Kisteleki	410	20	48	- 9.1	- 2.1	48.9	12.9	38.1	27.0	34.9		
Makói	704	52	74	- 8.6	- 2.4	52.2	12.8	26.2	35.1	38.7		
Mórahalomi	412	17	41	- 11.9	- 1.0	54.5	13.3	50.7	19.8	29.5		
Szegedi	876	206	235	1.8	- 2.2	54.9	8.8	10.6	36.9	52.5		
Csongrád	4 263	429	101	- 3.8	- 2.3	53.9	10.6	19.5	36.1	44.4		
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5		
							1995	Dec. 1995	1995	1995	1995	
							Csongrád	50.4	10.2	16.9	28.0	55.1
							Hungary	48.2	12.0	8.1	33.1	58.8

An ageing population

From the turn of the century until the late 1980s Csongrád's population showed steady growth, but its share of the country's population gradually decreased from 5.3% in 1900 to 4.2% in 1994. At the same time as the significant population losses suffered by villages, there has been a moderate growth in the smaller towns and a rapid growth in Szeged. The birth rate is low (11 per 1 000 population), while mortality rates are quite high – since 1980 the number of deaths has been exceeding births. There are wide differences within the county in terms of both the birth and the mortality rates. The period 1984 to 1994 saw a net reduction in population of over 7 000, despite the moderate (but falling) gains from migration. In recent years the trend in migration within the county has been from towns to villages, while the cities have attracted population from other counties.



High wages in the oil industry

The average level of gross wages and salaries in Csongrád is more than 6% below the national average, but over 4% above the provincial average, being the second highest among the counties. Wages in crude oil production are almost twice as high as the county average, followed by the financial sector, public administration and the electricity, gas and water supply sectors. The white-collar workers' wages exceed those of blue-collar workers by 75%. Women's wages average 83% of men's; but in the case of white-collar workers, men earn 42% more than women. The wages in agriculture, construction, in the financial sector, in education and in health care are higher than the provincial average; and in public administration they exceed even the national average.

The last 50 years have brought about a steady ageing of the population; the proportion of young people has gradually decreased, while that of the elderly doubled, resulting in a moderate decrease in the proportion of active population. However, the average life expectancy is better than the national average: 65 for males and 74.4 for females. Women make up 52.3% of the county's population. Infant mortality at 9.6 deaths per 1 000 live births is significantly lower than the national average of 11.5.

One per cent of the county's population belong to ethnic minority groups; the most numerous are the Slovaks, Romanians, Serbs, Germans and Gypsies. Owing mostly to the Balkan crisis and the political and economic changes in Romania, there are more than 11 000 foreign nationals, the majority of them ethnic Hungarians, in

Csongrád. At 25.9 for every 1 000 population, this is the highest proportion in the country.

Resident population of foreign nationality — 1994

		% of total population
Total	11 098	2.59
Former Yugoslavia	5 582	1.30
Romania	3 496	0.81
Former Soviet Union	300	0.07
Germany	266	0.06

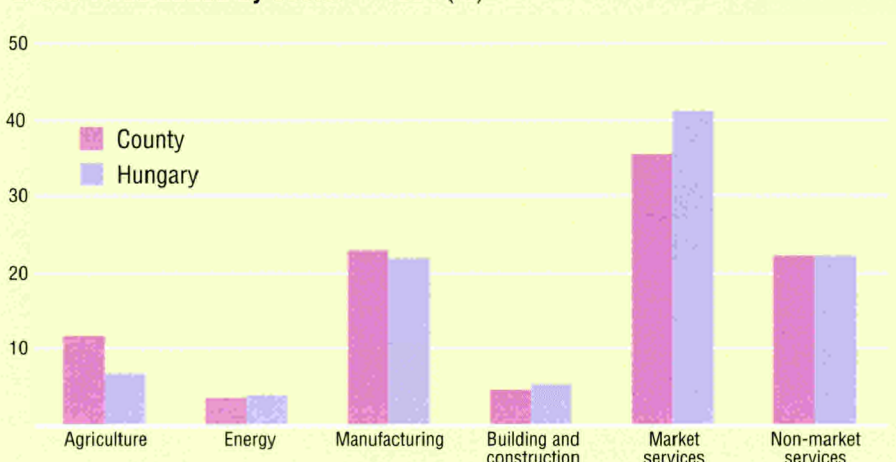
Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	76	17.7	19.0	16.5
15-24	67	15.6	16.6	14.7
25-39	84	19.5	20.5	18.8
40-54	92	21.4	21.5	21.0
55-64	46	10.7	10.2	11.2
≥ 65	65	15.1	12.2	17.9
Total	429	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	456
Births	53
Deaths	65
Net migration	- 5
Population 1.1.1990	439

Gross value-added by sector — 1994 (%)



The driving forces are the oil and food industries

The county of Csongrád can be most accurately described as an industrial-agrarian region. Its socio-economic development is linked to the region being one of the country's most important provincial cultural, educational and scientific centres. The reforms of 1990 and the subsequent modernization transformed the economy although there was no truly large-scale structural change owing to the relative unimportance of heavy industry in the county's economy. Changes were limited primarily to the ownership and sizes of companies.

A section of the county's industry is highly specialized, and many of its branches represent a high proportion of national production. By far the most important branch is manufacturing. Light industry was the main branch of employment right up to 1991, though subsequently, however, this branch suffered the greatest proportional falls in production and employment. Since 1990, the importance of the machine industry has also been steadily declining. The county produces an average of over 1.1 million tonnes of crude oil and over 2 500 million m³ of natural gas

each year. The relatively recently established building materials industry accounts for the entire country's semi-porcelain household fittings production.

The export-oriented, profitable and well-equipped food processing companies produce top quality products with a long tradition, like Pick salami and Szeged paprika. This branch accounts for 38% of industrial production and 46% of exports. Its most important sub-branches are meat, dairy, and poultry processing.

The county has a strong and productive agricultural sector, producing almost 17% of the nation's vegetables; half the production of onions, paprika, root-vegetables and garlic originate in Csongrád. However, grape and fruit growing are declining, as are livestock numbers.

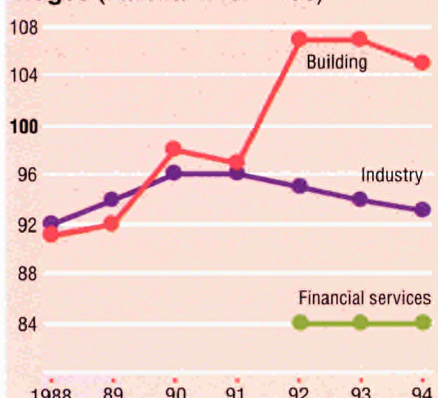
Due to the regional, and in some spheres even national, role of Szeged, the services sector is well developed and continuously increasing in importance. Especially strong are the education and health sectors and the significance of the trans-

Main enterprises

Name	Activity
Délmagyarországi Áramszolgáltató Rt	Electricity
Pick Szeged Rt	Food industry
Délalföldi Gázszolgáltató Rt	Distribution of energy
Tisza Volán Rt	Transport
Alföldi Porcelángyár Rt	Porcelain products
Taurus Emergé Gumiipari Kft	Rubber industry
Szegedi Kábelgyár	Cable products
MOL Rt	Petroleum industry

port and trade sectors also extends beyond the county borders.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



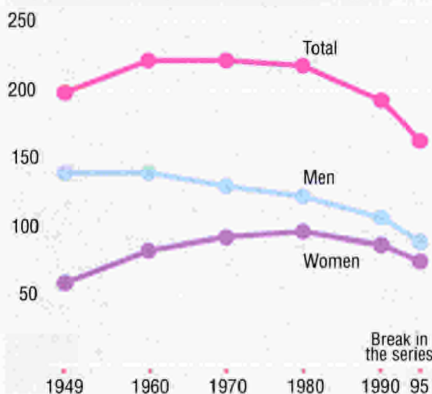
Agriculture — 1994

Number of holdings	6 440
Labour force	24 922
Agricultural area (ha)	337 200
Livestock (LU)	105 166
Gross per capita value of production (Hungary = 100)	85

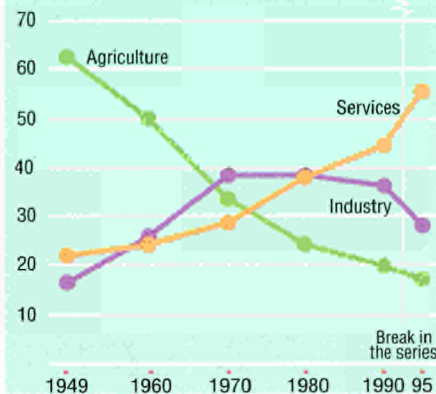
Main products by gross value of production:

Pigs	24%
Maize	8%
Milk	8%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	190.6
+ Non-residents having a job in the county	29.5
- Residents having a job outside the county	28.6
= Internal employment	191.5

The highest proportion of agricultural employment in the country

The employment structure of the county has undergone dramatic changes since the Second World War. In 1950, more than 60% of active earners had jobs in agriculture, with industry accounting for 16%, and services for 22% of employment. By 1970 the share of those employed in agriculture had dropped to 33%, while industrial employment increased to almost 40% with 28% in the tertiary sector. Since the late 1970s the total labour force has been decreasing. Agricultural employment continued to diminish and industrial employment began to fall back, but the services sector recorded gains both in absolute numbers and proportionally to the extent that in 1995, 17% of active earners were employed in agriculture, 28% in industry and 55% in services. The pro-

portion of agricultural employment is still the highest in the country, while the share of industry and construction is the lowest outside Budapest. At the same time, however, the share of employment in the tertiary sector is much higher in Csongrád than in other agricultural counties.

Female employment has increased significantly in the post-war period. Women made up 46% of the active earners in 1995 as opposed to 30% in 1950. The number of active earners fell by 25% between 1980 and 1995, with a 28% decline for males and 23% for females.

More than two thirds of the active earners are employees. While the great majority of businesses have fewer than 21 em-

ployees, those with 21 or more, together with the publicly financed institutions, employ over 100 000 people out of the total workforce of 162 000. Processing industries (particularly food, textiles and engineering), education, health care, agriculture and transport employ the largest numbers.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	11	80	9	75	3
Women	15	80	5	80	7
Total	13	80	7	77	5

Small and medium-sized enterprises dominate

In the course of the change to a market economy the county has regained some economic independence. A lot of the large State-owned enterprises which were controlled mainly from Budapest have been replaced by smaller firms that are locally owned. Today 95% of firms have fewer than 300 employees, with a majority employing fewer than 21 people. Two thirds of the small businesses can be found in the services sector. Employment, however, is much more concentrated, since just 35 large enterprises employ two thirds of industrial employees. In agriculture, the transformation of the

cooperatives, the distribution of their capital and the privatization of land resulted in the rapid increase in the number of private holdings and specialized businesses.

After Budapest and the County of Pest, Csongrád has more joint venture companies than any other county, accounting for more than 10% of the provincial total. However, the same is not true for the total and foreign capital put into these operations, with Csongrád having less than 3% of the provincial total of foreign capital.

More than one fifth of the county's industrial production is exported. Three quarters of exports originate in the processing industry and half of these are produced by the food industry.

Well-qualified unemployed

Since unemployment first emerged in 1990, the unemployment rate has always been below the national average. It was at its highest at the beginning of 1994 when over 12% was recorded. By the end of 1995 the rate had dropped to 9% which gives sixth best place to Csongrád among the counties. There are about 2 500 vacancies for 20 000 unemployed. This means that approximately one out of eight jobless is able to find employment through the institutional channels.

Unemployment tends to be more long term in Csongrád than in the country as a whole. While in 1995, 43% of the registered unemployed nationally had been out of work for longer than 18 months, the proportion in Csongrád was 45%.

The county's population (including its unemployed) is better educated than the national average. Csongrád has the highest proportion of unemployed with

secondary school and university educations.

In 1995 there was a slight increase, to 20.5%, in the proportion of white-collar workers among the unemployed. Almost half of the jobless are in the 36-55 age-group and one quarter of them are aged 26-35. Among the unemployed, the proportion of men has decreased slightly to 57.4%. The proportion of unemployed first-time job seekers is decreasing. The average unemployment benefit is higher than nationally, owing to the bigger share of the unemployed being middle-aged and older.

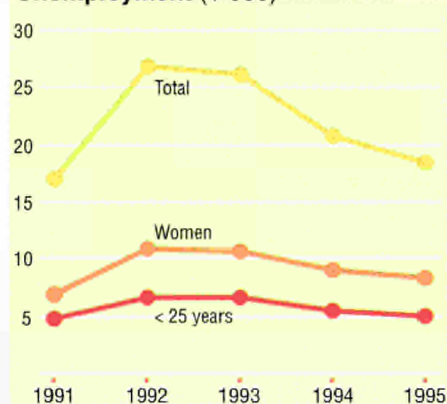
Szeged - a university city

The 1920s brought great changes to the county's educational facilities; many schools were established in the county and it was during this time that the Szeged university construction was completed. However, the provision of education and choices available are by no means uniform throughout the county. There are 42 secondary schools, but most of them are in the towns and tertiary education is concentrated in two large cities, Szeged and Hódmezővásárhely. The Szeged University consists of seven tertiary educational institutions: the Albert Szent-Györgyi University of Medicine, the József Attila University of Sciences, the Teacher Training, Food Industry, Music and Animal Husbandry Colleges, and the College of Religion. Technical education is missing from the palette. There are more than 10 000 daytime students in the county; their presence gives Szeged a younger

profile and makes it a more lively city. The teaching community, with many high-ranking academics and internationally recognized lecturers, gives character to the city.

Owing to the large range of facilities (four hospitals and the University Clinic with a total of 4 500 hospital beds) and to the specialist medical skills available, Csongrád's health-care is better than the national average and Szeged is a nationally important health-care centre.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	17.3	48.4
Primary	40.1	49.1
Vocational	7.7	37.4
Secondary (technical)	10.2	48.7
Secondary (general)	6.8	62.8
Higher education	5.2	:
Total	87.3	:

A traditional homeland of the arts

Szeged has a permanent theatre and an opera company which is internationally recognized. The annual Szeged open-air festival has been held since 1931 and the performances, held on the Dome Square with a seating capacity of 5 000, are frequented not only by local audiences, but by people from across the country and beyond. The venue is claimed to have some of the best acoustics in Central Europe. In recent years, the National Historic Memorial Park at Ópusztaszer has also become one of the most important cultural attractions in the county.

The county has always been a traditional homeland of the arts. Many of the outstanding characters of Hungarian culture were and are linked to Csongrád. Local culture is represented in literary, musical, fine arts and folk arts workshops and the region is home to many artists.

Road network in need of upgrading

Road and rail are the most important forms of transport in the county. With the increasing numbers of private and company cars, the role of public transport is diminishing. This trend is accelerated by higher public transport fares.

There are approximately 5 000 km of road in the county. A large proportion of traffic is the international transit traffic on the two major international roads. Financial constraints have prevented the city bypass roads from being built and the road network from being upgraded to the

appropriate level and this makes the handling of the international traffic more difficult. There are no motorways on the county's territory, although 107 km of national trunk roads and 160 km of secondary main roads cross the county.

The number of passenger cars doubled between 1980 and 1994, and the same is true for lorries, vans and special-purpose vehicles. The average age of passenger cars is 11.62 years, and about one fifth of them have two-stroke engines – rather unfavourable from an environmental point of view. The main means of public transport by road are the long-distance and local buses, which carry 111 000 and 93 000 passengers annually respectively.

One international railway line crosses the county and some pressure has been taken off the roads by the new railway service, the 'rolling highway': the ROLA between Wels in Austria and Szeged.

In terms of telecommunications, the county can be divided into two regions. Around Szeged, an acceptable service is

provided in 47 settlements, while in the districts to the north only Szentes has an automatic telephone exchange. In neither region, however, are there connections to the detached farmsteads.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.5	0.6
Length in km per 1 000 population	5.0	5.2
Length in km per 1 000 passenger cars	24.9	24.7
Surface area in 1 000 m ² per km ²	2.9	3.2
Surface area in 1 000 m ² per 1 000 population	28.9	29.3
Proportion of national roads (%)	66.5	62.4
Proportion of local roads (%)	33.5	37.6

Telephone

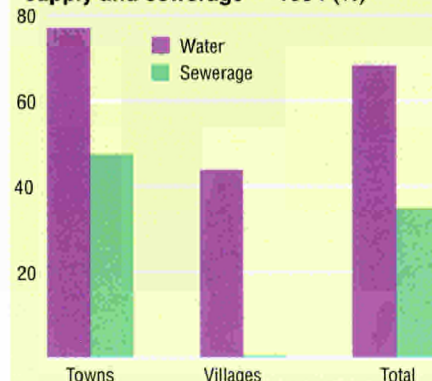
	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	90	96	165	174
% connected to digital network	87	88	96	97

Rural areas lack basic utilities

The most important forms of energy in the county are natural gas and electricity, and, in terms of its future potential, geothermal energy. Forty-five settlements are linked to the high-pressure gas pipelines that cross the county, and these pipelines are also important for the international transportation of gas. The county is well supplied with electricity, though in order to complete the connection of the detached farmsteads, new networks and lines need to be put in place.

The public water supply reaches 90% of the county's population and this is higher than the national average. In the rural regions, however, the supply is much worse. The water supplies do not meet the required standards everywhere and in some places the water has to be treated for the high natural arsenic concentrations. The provision of public sewerage and treatment facilities have not kept pace with water supply and this leads to a considerable source of environmental pollution.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Natural habitats of international significance

The county's natural features – the vast river flats of the Tisza and the Maros, the chain of natron lakes, the meadows and wetlands, the riverside forests and reeds – provide habitats for diverse flora and fauna. Nature protection areas cover 8% of the territory and there are three Bird Protection Areas listed among the internationally significant wetlands (Ramsar List). Oil extraction carried out in the neighbourhood is the biggest threat to the bird populations.

Intensive agriculture has had serious, but not irreversible, effects on the soils in terms of acidification, losses in organic matter content and pollution by liquid manure. With decreases in the use of fertilizers and pesticides as well as reduced numbers of livestock, agriculture has become more environmentally friendly. Wind erosion, however, remains an important concern.

The quality of the county's main rivers is poor from the bacteriological point of view.

Ground water resources which provide drinking water from 200-600 m below ground are of good quality and with adequate treatment technologies even those with high arsenic, iron or methane contents are suitable for drinking. However, the level of the water table is very high and the waters directly below the surface are polluted both chemically and bacteriologically. Municipal sewage treatment facilities are available only in 13 settlements.

Air pollution is not significant due to the low presence of heavy and chemical industries and the increased preference for gas heating. Most of the county's hazardous wastes are either transported to other parts of the country, or are in temporary storage for future reuse and treatment and only 2.5% is treated locally.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	2.3	100.0
Proportion of environmental investments in total investment	3.3	4.6
Proportion of environmental expenditure on:		
Water protection	63.1	38.3
Air protection	3.3	11.1
Waste management	8.9	7.5

A research base that has produced world famous scientists

The county's research institutions, especially those of Szeged, are important nationally. The Biological Research Institute of the Hungarian Academy of Sciences, established in 1973, continues a long tradition in biological sciences. The main focus of research is the regulation of biological processes. Szeged was also the home of Albert Szent-Györgyi, the Nobel Prize winning chemist who achieved international acclaim for his production of Vitamin C in its pure form. All universities and tertiary institutions run independent research programmes as well. The Grain Growing Research Institute enjoys both domestic and international renown in the

field of the improvement of bread grains, animal feed grains and onions. Private sphere research is also of considerable importance in the county.

This institutional network is second in size only to that of Budapest. The county's R&D staff and outlays represent 10% of the national total and 20% of the total of the provinces.

Gateway to the Balkans

Csongrád plays a significant role in the country's social and economic life. Owing to the well-developed food industry it is frequently called the 'larder of the country'. With the extraction and processing of Hungary's largest oil and natural gas reserves, the county's role is dominant in the energy industry. Several high-quality products come from Csongrád-based enterprises, notably in the field of precision engineering, hemp products and porcelain household fittings.

The county's tertiary educational institutions are of significance nationally and even internationally. Its health care

institutions also play a central role. The research and development activities carried out here employ an intellectual potential which is matched only in Budapest. R&D activities cover a wide range of subject matters, the most important of them being biotechnology.

The county's geographical position has an important influence on its socio-economic life. Due to its borders with Serbia and Romania it is known as the Gateway to the Balkans. Transport is characterized by heavy transit traffic both on domestic and international routes. The county's frontier position and its potential in road, rail, water

and air transport would be an excellent basis for the development of a multi-functional logistic centre for efficiently organizing and controlling transport and storage in the region.

FEJÉR

The coronation site of Hungarian kings

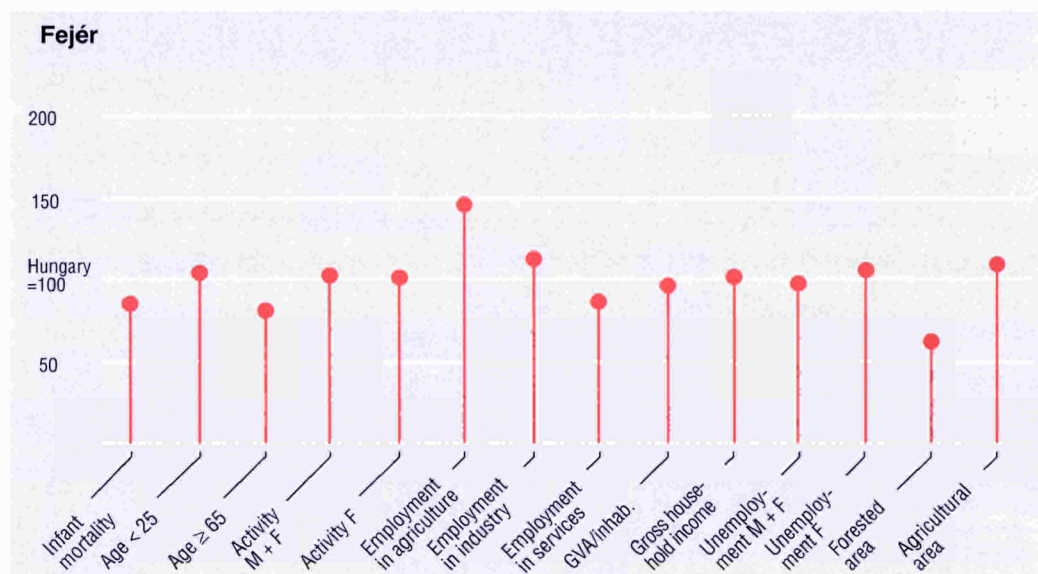
The county of Fejér was settled even in Roman times. Székesfehérvár, the county capital, known by its mediaeval name of Alba Regia, became one of the country's royal seats, and the coronation and burial place of Hungary's kings. The nation's chronicles were written and kept here, as were the national archives. Székesfehérvár was also important in terms of the national administration of justice, for the presence of the country's mint, and as the venue for the national fairs. A considerable proportion of the county's population either perished or fled the county during the period of Ottoman rule and the long process of resettlement really only took off in the middle of the 18th century, with Hungarians, Germans, and Slovaks settling in the county. For a long time its economy was dominated by agriculture and the food industry.

Fejér is situated in the western part of the country in the area known as Transdanubia and borders six counties. It is easily approachable from Balaton in the west and from Budapest in the east. From the north-west it can be reached through the Mór gap between the Vértes and Bakony Mountains, and from the west through the area between the northern and southern parts of the Bakony Mountains.

With its seven cities (among them Székesfehérvár and Dunaújváros), 99 villages and a population of 426 000, Fejér is one of the country's medium-sized counties.



Lake Velence – the second largest lake in Hungary and a paradise for water sports



Mountains and undulating plains

Fejér covers 4 373 km² and is almost in the centre of Hungary. Most of its territory is situated in the Mezőföld area. With little forest, the landscape is characterized by undulating plains with a thick layer of loess. In its northern region are the Velence Mountains, parts of the Bakony and Buda Mountains and the majority of the Vértes Mountains.

The county is centred on the capital, Székesfehérvár which, with 40% of the population living there and in its surroundings, has a crucial role both economically and culturally in the life of the county. The other big city, situated on the right bank of the Danube, is Dunaújváros with a population close to 60 000. Of the county's small cities (with a population of 10 000 or so), Mór and Bicske are primarily industrial towns, while Sárbogárd and Enying are the administrative and cultural centres of the surrounding agricultural settlements. Gárdony, a resort town, is the centre of the Lake Velence holiday district.

One third of the country's bauxite deposits

The county's most important mineral deposit is bauxite; almost a third of the country's reserves are located in Fejér. Bauxite deposits can be found around Gánt in the South Vértes Mountains, as well as in the eastern Bakony Mountains. Considerable deposits of brown coal are also located in the Bakony Mountains and around Nagyegyháza. The county has commercial quantities of various sands, aplite, fluorite and kaolin.

Large areas of the county are covered by chernozem-type, thick topsoil with a high humus content, but there are also areas of forest and meadow soils and loose sand.

The smaller rivers and streams in the county are dwarfed by the Danube, Central Europe's largest river. In terms of size, Lake Velence is Hungary's third largest lake, but in terms of its importance as a resort it is second only to Lake Balaton and it is the county's best-known resort and tourist destination. The county's karst water reserves are more or less sufficient to supply the needs of both the population and industry.



Which EU regions are similar to Fejér?

Land use: 11-12% forest	Population density: 97 inhabitants per km ²	Age structure: 35-36% under 25, 11-12% over 65
Canarias (E)	Umbria (I)	Vorarlberg (A)
Bretagne (F)	Pays de la Loire (F)	Pohjois-Suomi (FIN)
Wales (UK)		Île-de-France (F)

	Area km ²	Population				Activity %	Unempl. %	Employment			
		1 000	Inhab./km ²	Change (%)				% Agricult.	% Industry	% Services	
				1995	1995						1980-89
Bicskei	633	37	58	- 3.6	2.9	56.5	10.1	19.0	40.9	40.1	
Dunaújvárosi	751	110	147	- 2.6	1.7	60.7	10.8	10.6	54.4	35.1	
Enyingi	481	25	51	- 6.5	1.4	56.4	16.8	41.2	27.2	31.6	
Gárdonyi	379	32	84	2.7	1.8	57.7	10.3	27.0	28.0	45.0	
Móri	295	28	96	1.0	0.6	58.7	8.1	13.6	56.3	30.2	
Sárbogárdi	654	30	47	- 3.4	2.0	54.4	17.3	26.6	34.7	38.7	
Székesfehérvári	1 181	164	139	3.0	0.3	59.8	9.9	9.2	47.7	43.1	
Fejér	4 373	426	97	- 0.3	1.2	59.0	10.9	14.9	46.0	39.1	
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5	
						1995	Dec. 1995	1995	1995	1995	
						Fejér	49.4	11.6	11.8	37.2	50.9
						Hungary	48.2	12.0	8.1	33.1	58.8

Age structure younger than the national average

With 426 000 inhabitants, Fejér accounts for 4.2% of Hungary's population. There was a jump in the rate of population growth in the county in the 1950s when the labour requirements of industrialization attracted tens of thousands of people. Between 1949 and 1980 the county's population increased by 50% and growth in the major cities was even more spectacular; the population of Székesfehérvár increased to two-and-a-half times its 1949 size, and that of Dunaújváros to 15 times its 1949 size. There was no appreciable change in village population sizes and in 1980 almost two thirds of the county's population were still village-dwellers. There was no significant population increase in the following 15 years, and by 1995 over half the population lived in the county's seven cities. In recent decades there had been large-scale migration from the villages to the industrializing towns. In the 1990s,

however, this process was reversed, with a movement back to villages within close proximity of the cities.

On account of the younger than average age structure of the population, the birth rate for a long time exceeded the death rate. However, in 1993 and 1994 the slight increases in population were attributable to inward migration. The birth rate dropped from 15.1 in 1980 to 11.5 in 1994, while there was a slight increase in the death rate which, however, is still the lowest in Hungary. The number of deaths exceeded that of births for the first time in 1993. The age-structure of the population is characterized by ageing, especially in the villages.

As a result of the labour shortages in the 1950s, it was a predominantly male population that was drawn to Fejér from

other parts of the country but, with lower male life expectancy, there is now a female surplus in the population, though this surplus is smaller than elsewhere.

The proportion of the national minorities does not reach the 1% mark of the total population, largely due to natural assimilation.

Population by age — 1995

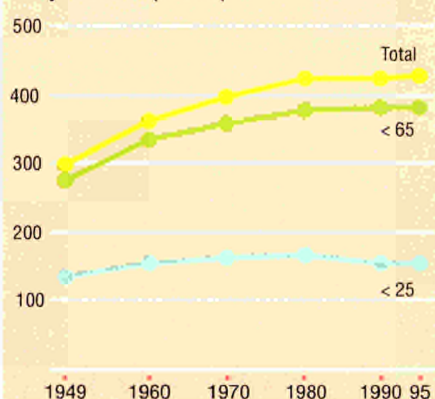
	M + F 1 000	M + F %	M %	F %
< 15	83	19.5	20.3	18.4
15-24	70	16.5	17.4	15.7
25-39	89	20.9	22.2	20.3
40-54	88	20.7	21.3	20.3
55-64	46	10.8	9.7	11.5
≥ 65	49	11.5	9.2	13.8
Total	426	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	422
Births	57
Deaths	51
Net migration	-7
Population 1.1.1990	421

ployment is 10% higher than the national average and equals that of Budapest. The most important household expenses are food (34%), dwelling maintenance (15%), and transport (12%).

Population (1 000)



Resident population of foreign nationality — 1994

		% of total population
Total	4 190	0.98
Romania	2 275	0.53
Former Soviet Union	578	0.14
Former Yugoslavia	473	0.11
Germany	281	0.07

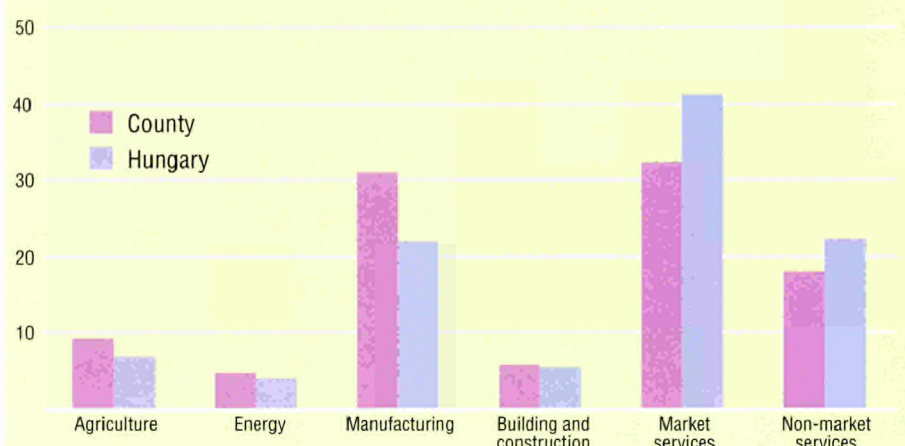
Higher than average standard of living

The average monthly wages per employee, both gross and net, were more than 10% higher than the provincial average in 1994 and offer the population a material standard of living above the national average. The high wages are attributable to the greater importance of industry in the county. Within industry, the highest gross monthly wages are in metallurgy and metal processing, electricity, gas, heating and water supply, where the wage levels were twice those in clothing and textiles and leather-goods production. While agricultural earnings are higher in Fejér than nationally, they are lower than those in other branches of the economy.

The salaries of white-collar workers were one-and-a-half times higher than those of blue-collar workers in 1994. The wages of

males in blue-collar jobs were one-and-a-half times those of females in the same type of jobs, while those of white-collar workers were 70% higher than those of females in similar jobs. The worst paid are female agricultural workers, those in clothing and textiles, leather-goods manufacture, commerce, repairs and maintenance and hotel and catering. Female employees receive on average one third less in wages than males in industry, commerce and financial services.

The gross annual per capita income of North Transdanubian (the counties of Fejér, Komárom-Esztergom, and Veszprém) households is close to the Transdanubian average, and above the Great Plain and North Hungarian counties' average, but does not reach the Budapest level. The share of income from em-

Gross value-added by sector — 1994 (%)


Diversified economy, strong foreign investment

Before the Second World War, except during the industrialization due to the war preparations in the early 1940s, Fejér occupied the bottom position in the rankings of Hungarian counties, in terms of both industrial employment and production. With the 1950s an explosion of industrialization occurred in the county, based on the favourable natural and economic resources. By the mid-1950's, Fejér had become one of the most dynamic developing regions and its economy was characterized by strong industry and developed agriculture.

Since the late 1980s, there have been rapid changes taking place in the county's economic life, especially in terms of organizational structure and ownership. Some of the former large enterprises have been transformed into smaller companies, while at the same time many new, mostly small, privately-owned businesses have come into existence, with foreign capital playing an important role.

On account of the county's favourable business environment, notably the advantageous geographical location, the

developing infrastructure, qualified labour-force and investment-promoting policies of the councils, many strategically important companies have invested in the county. At the end of 1994 there were approximately 500 companies in the county with foreign capital; about one tenth of these were totally foreign-owned, while the rest were joint ventures. After Budapest and the county of Pest, Fejér was the most popular destination in 1994 for foreign capital.

Industry is the most important sector in the county's economic structure, providing employment to almost half of those employed in organizations with more than 20 employees, as opposed to one third nationally. The number of industrial employees per 1 000 inhabitants is the second highest of all the Hungarian counties.

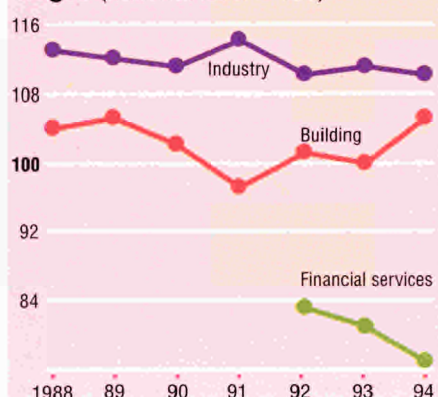
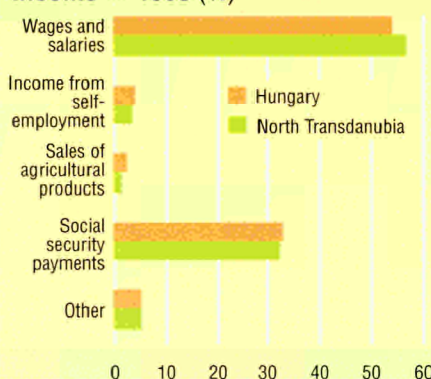
As a result of the transformations in agriculture since 1990 there has been a gradual decrease in the land area accounted for by cooperatives, and by 1995 one third of agricultural land was privately owned. Wheat, barley, and maize yields are favourable, and the wines from

Main enterprises

Name	Activity
Fejértej Parmalat Rt	Dairy products
Cerbona Rt	Grain and rice products
Hungrana Kft	Starch and isosugar products
DWA Dunaferri-Voest Alpine Kft	Steel
Dunaferri Acélművek Kft	Steel
Dunaferri Lemezalakító Kft	Radiators and tubing
Alcoa-Köfém Kft	Aluminium semi-manufactures
Ford Hungária Kft	Motor vehicle parts
IR3 Video International Kft	Video cassette recorders
Ikarus Móri Alkatrészgyártó Kft	Motor vehicle parts

the Mór and Etyek regions are of good quality.

The most spectacular development is in commerce and services, and in addition to the many new small businesses, the representatives of all the major commercial enterprises, multinational banks and oil companies are present.

Wages (national level = 100)

Gross per capita household income — 1993 (%)


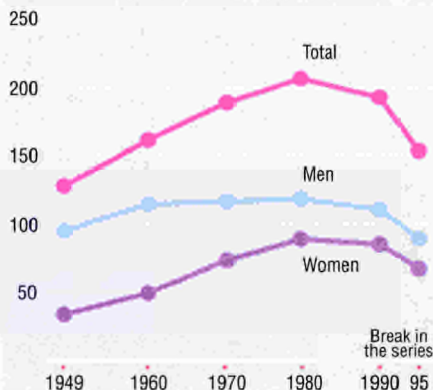
Agriculture — 1994

Number of holdings	1 421
Labour force	16 181
Agricultural area (ha)	309 800
Livestock (LU)	99 054
Gross per capita value of production (Hungary = 100)	93

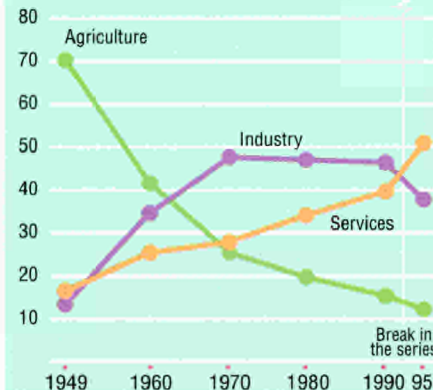
Main products by gross value of production:

Pigs	19%
Wheat	13%
Milk	13%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	192.5
+ Non-residents having a job in the county	52.0
– Residents having a job outside the county	63.8
= Internal employment	180.7

Well-qualified work-force

In 1994, 66% of males were of working age (that is, aged between 15 and 60) as were 56% of females (15-55). The activity rate of the population aged between 15 and 74 years was 54%, close to the national average, though this had fallen to below 50% in 1995.

In the 1970s and 1980s the county was characterized by almost full employment and the dominant role of industry. In the 1990s, the labour market situation changed fundamentally. With the worsening economic situation, large-scale redundancies hit industry and agriculture. This was felt most severely in the machine industry where 40% of the employees were made redundant. The transformation of the large-scale agricultural enterprises

led to a 50% decrease in the number of employees, with private production by smallholders increasing in importance.

In 1994 there were 104 000 employees in the county working in organizations with more than 20 staff. Industry accounted for 45 000 of these, and agriculture 11 000. There were 85 service employees for every 100 in the productive sector (industry and agriculture). From the beginning of the 1990s, changes have favoured the services sector but, compared with the country as a whole, the proportion of productive sector workers is still high.

The overwhelming majority of employees (70%) work for the 62 employers with a

staff of above 300; a quarter work in medium-sized establishments with a staff of 50 or more, while 5% were employed in small businesses. There has been a gradual increase in the proportion of sole-trader businesses since 1990 and by 1994 their number was equivalent to one quarter of all employees.

On account of the past importance of large-scale industry in the county, a generation of well-qualified professionals has emerged. Half of all workers have secondary school education, and a tenth are university or other tertiary graduates.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	81	6	80	1
Women	14	82	4	89	6
Total	14	81	5	84	3

Strong regional economic position

In the past the county's industry was associated with Székesfehérvár, Dunaújváros and Mór, but today a fourth industrial centre is in the making, that of Bicske. Most of the joint-venture companies, set up in the interests of creating new markets and modernizing their product structure, are over the difficult stages, and strong growth is taking place. Well-known companies like Philips undertook green-field development and, joining with Grundig, are manufacturing video cassette recorders in the county. Alcoa-Fujicura, has joined the Székesfehérvár Light Metal Works to produce

aluminium semi-manufactures, Ford produces car parts and Stollwerck makes confectionery.

Industrial production is concentrated mostly in the processing industry, and within this in metallurgy and metal processing which, with a quarter of those employed, accounts for more than half the value of the county's industrial production. The machine industry, producing mainly communications equipment and road vehicles, employs another quarter of the workers, while the food processing industry accounts for a further 15%. A third

of all industrial production, the second highest proportion among the counties, was exported.

Commercial fairs are regularly organized in the county, the most important of these being the Business Days in which the county's small businesses present themselves, and twice a year (spring and autumn) the Agricultural Expo and the Car Festival.

Unemployment peaked in 1992

With the fall in the demand for labour in the 1990s, large numbers of people became unemployed. The greatest staff reductions took place in 1991 and 1992; smaller cut-backs as a result of with privatization and reorganization became characteristic thereafter. At the end of 1992 the number of unemployed in the county reached its peak of 27 000. Thereafter this figure stabilized and gradually decreased and in the first half of 1995, 20 000 people were registered as unemployed. The rate of unemployment in the county has been similar to the national average.

The length of unemployment continued to increase. By the second half of 1995, more than half the unemployed had been without a job for over two years. The bulk of the long-term unemployed (58%) are males. In all age-groups, the majority of the long-term unemployed are the unskilled with low levels of education.

New hospital facilities

The facilities for in-patient treatment are not well spread throughout the county: 90% of the operational hospital beds are located in the cities. In the reconstruction of the Székesfehérvár hospital, three new wings have been built (a new polyclinic unit, a diagnostics unit, and a well-equipped in-patient unit) which should significantly raise the quality of treatment available.

In the 1994/95 academic year there were almost 20 000 students in the county's various educational institutions. The technical secondary schools have devised new and flexible curricula to cater more for the needs of the labour market. The secondary schools specialize in preparing students for tertiary education but also offer specialist training. There is a long tradition of technical education at tertiary level. The five institutions of advanced

Males made up 52% of the unemployed in 1995, and three quarters of them had been without a job for over six months. Two thirds of the unemployed were in the 26-50 age-group, a quarter were under 25, and one in 10 was over 50. Approximately half the unemployed have some kind of trade qualification and two fifths have completed at least elementary school. The rate of unemployment for those with tertiary qualifications is low.

The composition of the unemployed varies from district to district depending on the economic and demographic characteristics. In the Székesfehérvár and Dunaujváros areas most of the unemployed come from industry, while in the case of Mór and its surroundings the sources of unemployment are divided more or less evenly between industry and agriculture. In the agricultural-based towns most of the unemployment is a result of

education, which count approximately 3 000 students, are based in Székesfehérvár and Dunaujváros. Székesfehérvár has established a new college of advanced education for training language teachers, tourism and communications specialists.

the break-up of the former large scale agricultural enterprises.

There continues to be a mismatch between supply and demand in the labour market, as the considerable number of unfilled positions attests. The Labour Centre attempts to address this imbalance by running a variety of retraining programmes in the most needed skill areas.



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	18.3	48.2
Primary	42.9	48.7
Vocational	7.5	39.5
Secondary (technical)	8.3	50.4
Secondary (general)	4.0	66.2
Higher education	4.0	:
Total	85.0	:

The burial site of King St Stephen

Gorsium, a settlement dating back to Roman times, is situated just a few kilometres from the county capital. Archaeological diggings are under way which aim to uncover and display the settlement in its entirety and the ancient walls are brought to life each year during the open-air theatre performances. The county's most precious treasures are found in the King St Stephen Museum in the royal city of Székesfehérvár, the traditional place of coronation for Hungary's kings. Buried in the 'garden of mediæval ruins' at King St Stephen's Church are the founder of the

Hungarian State himself, and 14 other Hungarian kings.

The Beethoven concerts held in the Brunsvik (Brunswick) castle in Martonvásár, which for a while was home to the great composer, have offered a special musical experience for lovers of classical music for many years.

The Vörösmarty Theatre of Székesfehérvár has been functioning since 1985 as a venue for visiting artists, and since 1995 has had its own theatre company.

At the crossroads

All the important railways and highways leading to Transdanubia (the part of Hungary west of the Danube) and beyond cross the county of Fejér. The county is a strategically important transport node, from which major railway lines and roads branch out to Central Transdanubia, the Balaton Highlands and western Hungary, linking these and other parts of the country to Budapest. Bordering the county in the east, the River Danube is an important water transport route.

The density of the road network exceeds the national average. The M7 motorway

Surfaced public roads

	County	Hungary
Length in km per km ²	0.7	0.6
Length in km per 1 000 population	6.7	5.2
Length in km per 1 000 passenger cars	30.7	24.7
Surface area in 1 000 m ² per km ²	3.8	3.2
Surface area in 1 000 m ² per 1 000 population	38.8	29.3
Proportion of national roads (%)	61.6	62.4
Proportion of local roads (%)	38.4	37.6

cuts through the centre of the county, linking Székesfehérvár with Budapest and Lake Balaton. This makes Budapest easily and quickly accessible from the county capital. There is also a main road link to Austria through the counties of Veszprém and Vas.

Székesfehérvár is Transdanubia's most important railway node being linked to Budapest by an electrified double-track line and having a direct connection to the southern and northern shores of Lake Balaton (and beyond to Croatia and Slovenia), with other lines leading to Veszprém and Szombathely as well as through Komárom to Slovakia.

There have been rapid developments in the field of telecommunications. Great investments began in 1990, and by 1994 the number of telephone lines had increased by almost two-and-a-half times. Many small settlements were linked to the network, reducing their isolation. Parallel with the quantitative improvements, a qualitative development also took place; most of the settlements are now linked to

automatic exchanges. As a result of the economic boom, the county's banking system has expanded with the appearance of foreign banks. There has been a reorganization in the activities of local financial institutions as well – they are endeavouring more and more to satisfy the requirements of both the large investors and the general public.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	54	96	126	174
% connected to digital network	100	88	96	97

Continually developing infrastructure

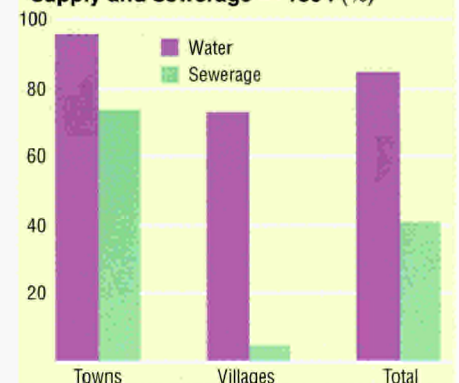
Both Székesfehérvár and Sásdújváros continue to improve their already well-developed infrastructure, something which they inherited from the industrial settlement policy of the 1950s. The county's economy is undergoing dynamic expansion due to the high international and domestic capital concentration which was attracted by the well-qualified labour force, good accessibility, and by the infrastructure and public utilities.

Much as in the country as a whole, the provision of infrastructure is uneven within the county and the smaller villages and peripheral regions lag behind the cities. Clean drinking water is universally available; the same, however, cannot be said for sewerage. An age-old problem of public utilities in Hungary is the imbalance between piped water supply and sewerage provision; thus, largely untreated sewage finds its way into the water systems. Attempts are being made to rectify the problem by continuously extending the public sewerage network, the moderni-

zation and expansion of existing sewage treatment plants, and the building of new facilities. Household waste collection is currently operating efficiently, although the rapid filling of the officially designated tip areas is a source of concern for the future.

The 1990s have seen significant developments in the field of piped gas supply. In the period 1990 to 1994, the number of settlements connected to the gas supply increased a remarkable five times.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Investments in environmental protection

The significant investments directed towards environmental protection have resulted in improvements in industrial effluent and sewage treatment. For many years both the county and the national government have made tremendous efforts to safeguard Lake Velence from the effects of the repeated falls in the water level and problems of water quality which have led to fish dying, sedimentation, dying reeds, algae and the presence of harmful micro-organisms. By government decree, the artificial raising of the water level began in the summer of 1993 with the pumping of water into the lake from the natural karst water reserves. By the summer of 1995, the 10.2 million m³ of pumped water had delivered the desired results: water quality and the general environment improved, indicated by the reappearance in the bird sanctuary of the former wildlife. Serious problems continue to be caused by the contamination of ground water sources, which is a result mainly of intensive agriculture and

inappropriate household and industrial waste disposal.

The release of greater than permitted quantities of carbon monoxide, nitrogen oxide and dust into the atmosphere is a problem in the cities of Székesfehérvár and Dunaújváros. The level of air pollution in the Lake Velence region is only slight.

The county's only toxic hazardous waste incinerator is in Dunaújváros. Because there is no disposal plant in the county, hazardous waste has to be either incinerated or sent to a plant in another county. To a large extent the environmental reclamation of the former Soviet military bases and other establishments is complete.

There are more than 17 000 ha of protected natural areas in the county. The most valuable of them are Lake Velence and its surroundings with its bird sanctuary, and the Landscape Protection

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.4	100.0
Proportion of environmental investments in total investment	3.9	4.6
Proportion of environmental expenditure on:		
Water protection	37.8	38.3
Air protection	21.1	11.1
Waste management	1.5	7.5

Areas of the Vértes and Sárrét, both home to rare flora and fauna. The balancing of the sometimes conflicting interests of nature protection and tourism is a difficult task, as many parts of the protected areas are easily accessible and attractive to tourists.

A centre for research on plant improvement

Research and development spending per employee in the county exceeds the national average as there is an important research organization at Martonvásár, the Agricultural Research Institute of the Hungarian Academy of Sciences, which specializes in plant improvement and cultivation. Its activities extend into the basic experimental biological sciences: genetics, biotechnology, physiology, plant improvement, research into seed grains and the production of new strains and species. The cereal gene bank at Martonvásár is used for biological tests and gene conservation. Eighteen strains of wheat have been improved in Marton-

vásár, two triticale, and three strains of barley. New, high-value inbred maize trunks and high-yielding, highly adaptable maize hybrids have also been produced there.

Research is also undertaken in two tertiary educational establishments, in the Directorate of the Fejér County Museums, and in two research establishments based in Dunaújváros.

Three important factors in development

The three factors that played the most important role in placing Fejér among the fastest economically and culturally developing counties are its favourable geographical location, qualified labour, and infrastructure which have all helped attract investment.

On account of the favourable geographical location – close to Budapest in the centre of the country – the county is crossed by key transport routes and has an international waterway in the River Danube.

With the provision of favourable living accommodation and various social al-

lowances, the large enterprises have attracted top quality professionals into the county thus contributing to a well-qualified work-force with an intellectual potential. In addition, the work-force that was employed and trained in the electronics industry can, with some retraining, be readily employed in other areas of the economy.

Thirdly, the positive attitude and support of the local governments facilitates the choice of Fejér as a place for companies to settle.

There is still much to be done to improve the infrastructure and more development

is also required in the services sector to help it to assist economic activity better.

GYŐR-MOSON-SOPRON

Hungary's gateway to the West

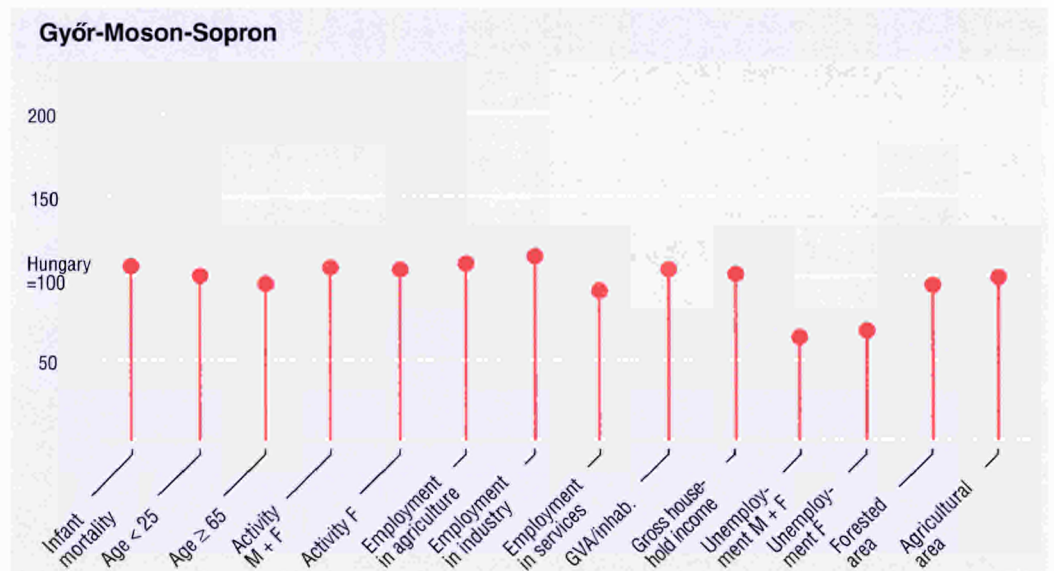
The county of Győr-Moson-Sopron is situated in the north-west corner of the country and borders Slovakia in the north and Austria in the west. As Hungary's gateway to the West, it has in the past often been the scene of bloody conflicts between neighbouring empires. Its settlements have been devastated by Mongol, Czech, and Ottoman armies. In the wake of the Mongol and Ottoman invasions, the emptied villages on the western perimeter of the county were populated by German and Croat settlers. As long ago as the 11th century the cities – Győr, Moson, and Sopron – played a key role in border defence. Over time, they carved out for themselves an active role in east-west commerce.

The 20th century has seen a number of changes to the county's administrative borders. The most important of these was brought about by the Treaty of Trianon following the First World War when Győr county lost seven villages, and both Moson and Sopron counties lost half of both their territories and populations. The county's present borders were formed following the Second World War from the territories of the former Győr, Sopron, Moson, and Pozsony counties.

Owing to its geographical position, the county is the main crossroads between East and West. All the most important roads, railways, and waterways linking Hungary to northern, central and western Europe cross the county. Three rail and eight road border crossings link the county with the neighbouring countries.



The abbey on Castle Hill, Pannonhalma



A landscape of forests, vineyards and ploughland

The county has a land area of 4 062 km². To the west it is hemmed in by the 300-400 m high Sopron Hills, the foothills of the Alps, while in the east are the hills of Pannonhalma. Within this basin one finds the county's single largest geographical feature, the Little Plain. With its fertile alluvial soils, the Little Plain is one of the most productive agricultural areas of the country.

There are chestnut forests on the edges of the Sopron Hills, whose slopes are well suited for vines. Wine growing is a centuries-old tradition here, and the region is famous for its red wines. The highest slopes of the Pannonhalma Hills are covered with acacia and oak forests. Where the hills are cultivated, grapes and fruit are grown, while the valleys tend to be ploughland.

Of the county's 173 settlements, six are cities. Győr, the county capital and the administrative, industrial, commercial, and cultural centre is situated at the mouth of the Rába and Rábca rivers on the Moson branch of the Danube, and at the start of the major road route which crosses

the county in an east-west direction. Győr's area of influence stretches beyond the county's border. Radial road and rail networks link Győr with the other county capitals.



Fertile land

The county has few commercially viable mineral resources. The brown coal deposits of the Sopron Hills were exhausted in the 1970s and the mines have been closed. The county's only important mineral resource is the good quality gravel which is suitable for concrete manufacturing and is found in the river areas, especially near the Danube and the Ikva. The clays mined in the county are used in the region's brick and tile manufacturing industries.

The county's pleasant climate, surface and ground waters and good soils provide favourable conditions for agriculture. Sixty-five per cent of the land area is used for agricultural purposes, while 18% is covered by forests. Grains, industrial crops

and rough fodder all produce good yields. The considerable, but mostly unexploited, sources of thermal water are suitable both for medicinal uses and for greenhouse vegetable and flower growing.

The most important of the rivers is, of course, the Danube which forms the northern border of the county. Cane grows along the wide shores of Lake Fertő, while the peat of the Hanság is so far unexploited.

Which EU regions are similar to Győr-Moson-Sopron?

Area:

4 000 km²

Noord-Holland (NL)
Burgenland (A)

Population density:

105 inhabitants per km²

Friesland (NL)
Abruzzo-Molise (I)

Employment structure:

38% in industry

Cataluña (E)
Franche-Comté (F)

	Area		Population			Activity	Unempl.	Employment			
	km ²	1 000	Inhab./km ²	Change (%)		%	%	% Agricult.	% Industry	% Services	
		1995		1995	1980-89	1990-94	1990	Dec.1994	1990	1990	
Csornai	588	34	58	- 7.2	- 0.8	53.6	6.4	29.4	31.8	38.8	
Győri	1 303	203	156	0.9	- 0.9	57.2	8.6	11.4	43.2	45.4	
Kapuvári	383	26	69	- 7.2	- 2.0	56.2	7.5	21.3	43.1	35.6	
Mosonmagyaróvári	931	72	78	- 0.2	1.6	59.3	7.7	19.3	39.8	40.9	
Soproni	857	90	105	- 2.3	- 0.4	55.5	4.3	12.2	39.0	48.8	
Győr-Moson-Sopron	4 062	426	105	- 1.2	- 0.4	56.8	7.3	14.9	40.9	44.2	
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5	
						1995	Dec. 1995	1995	1995	1995	
						Győr-Moson-Sopron	51.3	7.4	8.7	37.7	53.5
						Hungary	48.2	12.0	8.1	33.1	58.8

Subregional differences in population trends

Between 1949 and 1960 the population increased dramatically, then up to 1980 the increases were more moderate, and since 1980 the population has been decreasing. The decrease is due to a significant drop in the birth rate and, to a lesser extent, to increases in the mortality rate. The county's population of 426 000 is gradually ageing with more than half aged over 35. Fifty-five per cent of the population live in the cities and towns.

There are significant differences within the county between the settlements. Between 1980 and 1990 only the cities and the towns with over 5 000 inhabitants recorded population increases. These settlements are located mostly to the north of the principal road which crosses the county in an east-west direction. This region is also a popular destination for intra-county migrants on account of its

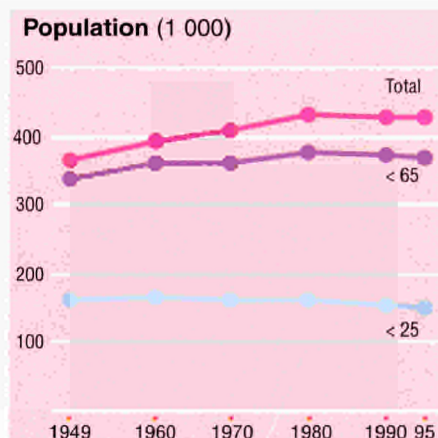
favourable geographical position, more developed infrastructure, and general economic environment. There are more young people here, and there is a net natural population increase.

In contrast, the population retention capacity of the southern region of small villages is low. Owing to migration, population numbers are fast decreasing and the population is ageing. In this part of the county there are few large towns and villages to act as focal points.

In the 1970s and 1980s, migration out of the county outweighed the inward migration. Most people leaving the county went to Budapest and, to a lesser extent, to the neighbouring counties. Incomers were from the same places and in about the same proportions. The situation changed in the 1990s, and in the first half

of this decade more people settled in the county than left it.

Over 99% of the county's population is of Hungarian nationality. Following the Second World War almost 20 000 ethnic Germans were expelled from the former counties of Moson and Sopron which resulted in a dramatic decrease in the numbers of ethnic minorities. Today, only a few villages have large ethnic minority populations and these are mostly Croats, Gypsies, and Germans.



Resident population of foreign nationality — 1994

		% of total population
Total	3 096	0.73
Romania	1 622	0.38
Former Czechoslovakia	328	0.08
Germany	285	0.07
Former Soviet Union	223	0.05

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	78	18.3	19.3	17.4
15-24	70	16.4	16.9	15.5
25-39	86	20.1	21.3	19.2
40-54	91	21.3	21.7	20.5
55-64	44	10.3	9.7	11.4
≥ 65	58	13.6	11.1	16.0
Total	426	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	429
Births	55
Deaths	53
Net migration	- 6
Population 1.1.1990	424

Average earnings in financial services double those in textiles

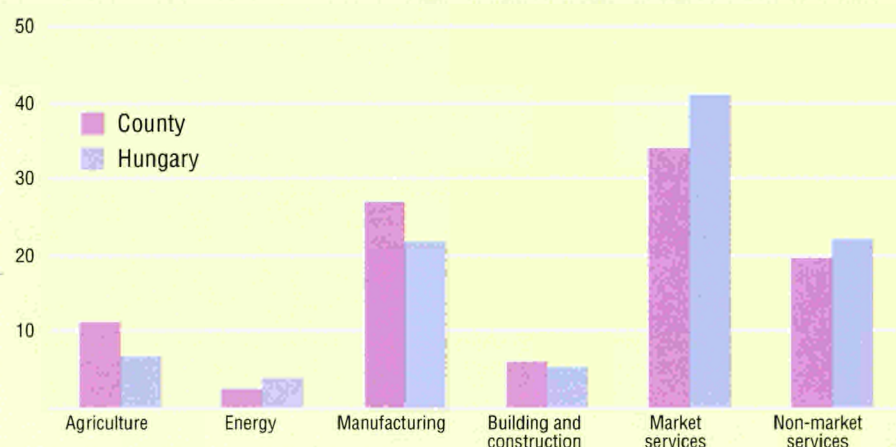
In 1994, the average earnings of employees in the county were slightly higher than the provincial average, but they were 8% below the national level. Earnings in financial services, the best-paid sector, are double those in the worst paid sector: textiles, clothing, and leather. White-collar workers' earnings are highest in the chemical industry, and lowest in health-care and social services. The average earnings of blue-collar workers amount to only three fifths of those of white-collar workers.

The greatest differences between the earnings of males and females exist in the processing industry and in education, where females earn 30% less than males. In manual jobs in 1994, average male earnings were between 10 and 90% higher than those of females. There are more

males than females in management positions, and it is probably this that accounts for male white collar earnings being between 40 and 110% higher than those of females.

In 1993 the disposable household incomes of the Western Transdanubian counties were the highest in the country outside Budapest. More than half of income came from full-time employment, 16% from pensions, and 6% from family allowance payments. Household production and consumption accounted for almost one tenth of gross annual household income. Eighty per cent of average income was spent on personal consumption.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Ringa Húsipari Rt	Abattoir and meat sales
Arvit Hűtőipari Rt	Food products
Győri Keksz Ltd	Food products
Pannon-Flax Rt	Textiles
Gárdénia Rt	Textiles
Diadal Rt	Clothing
Graboplast Rt	Textiles
MOTIM Kft	Aluminium-based products
Mosonmagyaróvári Fémszerelvény Rt	Metal products
Rába Magyar Vagon-és Gépgyár Rt	Automotive engineering

On the cutting-edge of structural change and privatisation

The county plays an important role in the nation's economic development. After Budapest, the county has the most favourable economic indicators in the country in every category. The unemployment rate is low and both foreign investment and the number of businesses are constantly on the rise.

At the end of the 1980s the disbanding of the large State-owned enterprises began and they were transformed into companies, reaching a level of privatization in 1994 of over 56% of their capital. This process led to changes in the employment structure of the county's economy; the importance of agriculture, industry and construction has decreased significantly in favour of transport, commerce, and services. There are fewer and fewer companies with over 300 employees, but the number of small businesses has dramatically increased and they are well spread throughout the county.

By 1980 agricultural production had reached a high level, especially in milk, beef, and pork production. The decrease in this sector's importance is attributable

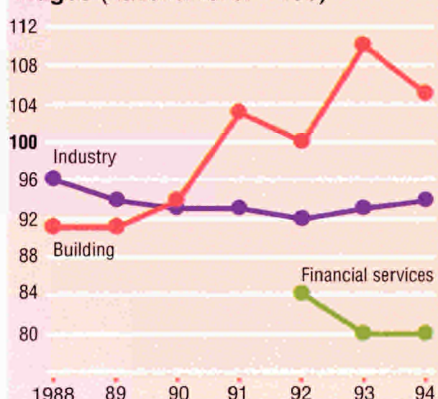
chiefly to the disorder caused by the changes in the ownership structure and the collapse of the large State enterprises. Much as in the country as a whole, the initial dramatic reductions in livestock numbers gave way to more moderate decreases but by the mid-1990s beef cattle numbers were only 60%, and pigs 45% of their mid-1980s level.

The economic transformations were reflected first in the services sector and there have been considerable increases in the number of retail outlets and hotels in the county. Retail sales have been considerably boosted by 'shopping tourism' and there are more and more modern shopping complexes and institutions offering financial services; though most of these organizations are not based in the county.

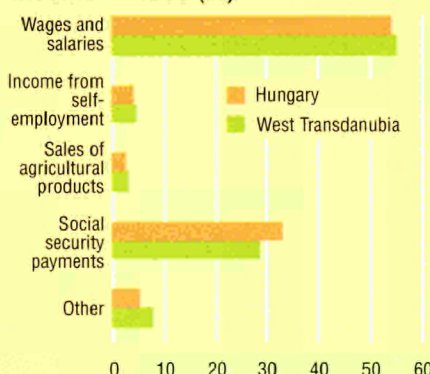
Győr-Moson-Sopron plays an important role in attracting foreign capital. It has the third highest number of joint venture companies after Budapest and Pest: about 1 200 in the mid-1990s. The bulk of foreign investment is concentrated in the three largest cities and their districts, and it is

found in almost every sector of the economy. Most of the foreign investors are Austrian and German companies and an international industrial park is planned to attract further foreign capital to the county.

Wages (national level = 100)



Gross per capita household income — 1993 (%)

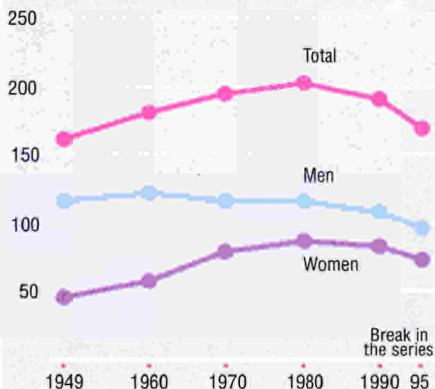


Agriculture — 1994

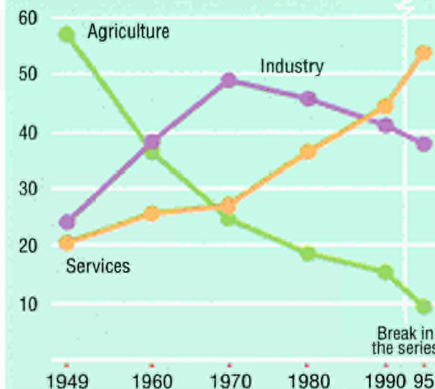
Number of holdings	2 179
Labour force	13 494
Agricultural area (ha)	265 700
Livestock (LU)	92 213
Gross per capita value of production (Hungary = 100)	127
Main products by gross value of production:	
Pigs	15%
Milk	12%
Wheat	8%

GYŐR-MOSON-SOPRON

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	190.2
+ Non-residents having a job in the county	50.5
– Residents having a job outside the county	50.8
= Internal employment	189.9

Well-qualified labour force

In the early 1950s the vast majority of active earners in the cities were employed in the industry and services sectors, while the villages, with a few notable exceptions, remained almost totally agricultural. At that time, half of the county's active earners were employed in agriculture, while industry and services accounted for about 25% each.

The large-scale industrial development that started in the 1950s and the subsequent reorganization of agriculture fundamentally changed the county's employment structure and transformed the formerly agro-industrial county into a primarily industrial one. The proportion of industrial workers steadily increased in the settlements along the main arterial routes

close to the large cities and in some of the villages where industrial plants were established. At the same time, in the traditional agricultural regions (Hanság, Szigetköz, Rábaköz and the eastern parts of the county) a larger proportion of the population remained agricultural. By 1970 the positions of agriculture and industry had been reversed with almost half of the active earners in industry and only a quarter in agriculture.

Services is the only sector in which employment has increased continually since 1970 and by 1990 this sector employed 44% of the labour force.

The level of employment began to fall slowly in the 1980s and this process

sharply accelerated after 1989. Agriculture lost the largest proportion of its workers, followed by industry.

In 1990, 45% of the county's population were active earners. The level of education was higher than the Hungarian provincial average; a high proportion of the population have secondary school education and there are proportionally more tertiary graduates and people proficient in foreign languages than in provincial Hungary as a whole. This reflects the large number and variety of secondary schools; there are 42 in the county, and the high number of students enrolled in tertiary educational institutions.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	15	78	8	78	2
Women	15	81	4	86	9
Total	15	79	6	81	5

Competitive engineering, light industry and food-processing

The relatively well-developed infrastructure of the cities has led to a high geographic concentration of industry; Győr, Sopron and Mosonmagyaróvár have long been industrial centres and their importance remains to this day.

Owing to its geography, there is a conspicuous absence of heavy industry in Győr-Moson-Sopron; consequently, the economic crisis has more or less passed the county by. In every industrial branch, production reached its lowest point between 1991 and 1992; thereafter modest, but unstable growth commenced.

The privatization of industry – in which foreign capital played a significant role – is more or less complete. The principal branches are engineering, food-processing and light industries.

The companies in these branches account for the largest export volumes as well. Thus, the railway carriage chassis, radiators, synthetic lace curtains, textiles and synthetic leather products, meat products and deep-frozen fruits and vegetables produced in the county are all successful exports.

The annual Győr International Industrial Fair is an important exhibition of the latest consumer and industrial products.

Low and falling unemployment

The dramatic reductions in employment between 1990 and 1993 affected Győr-Moson-Sopron as well as most other parts of the country, though not to the same extent. There were large-scale redundancies in both the county's large agricultural and industrial enterprises. The changes in ownership in agriculture and the transformation of the agricultural cooperatives led to a severe employment crisis; between 1990 and 1994 the number of people employed in agriculture halved. Within industry, the signs of crisis were first seen in the machine industry and later in light industry. On account of the export orientation of the county's industry, the collapse of the eastern markets led to significant contractions in production and consequently in employment. Despite these problems, the county boasts the best employment situation in the country after Budapest.

Unemployment was at its peak in February 1993 at 19 500 and with minor fluctuations has been steadily decreasing since. At the end of 1994, the rate of unemployment was 7%, representing 14 000 people; 2.7% of the national total. The rate of unemployment exceeded the national average for young people below the age of 20 and also for those over 46. Most of the unemployed were blue-collar workers, 58% male. More than half the unemployed have been looking for work for over a year.

The earlier significant differences in unemployment between regions have decreased though most of the unemployed live in the Győr area and the fewest in Sopron where business is lively and many workers commute to Austria.

Better than average social services

Technical education remains the focus in the county's schools, but with the decline in industry, it is losing more and more of its importance. The county's biggest educational centres are Győr and Sopron: 80% of the county's students are concentrated here.

Tertiary education facilities, however, are incomplete but technology, economics, agriculture, theology, music, dance, and teacher training are offered in the county's 10 tertiary institutions. The county's universities are the Sopron Forestry and Timber Industry University, and the University Faculty at Mosonmagyaróvár which is involved with agricultural studies. In terms of student numbers, the largest is the István Széchenyi Institute of Technology with 2 600 engineering and 600 business administration students. In the 1994/95 academic year the county

counted 4 700 full-time tertiary students, 4% of the national total. The majority of these were enrolled in science and technology courses in colleges of advanced education, but a good proportion of them were university and teacher training college students.

Five of the cities have hospitals, but the full range of specialist treatment is available only in Győr. The indicators of in-patient service in the county (the number of hospital beds and patients per doctor) are better than the provincial average.

The Győr ballet

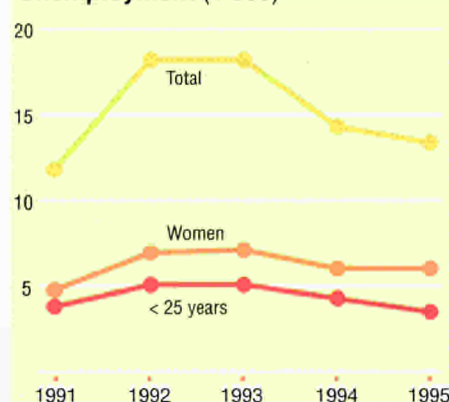
The collections of the county's 50 museums attract many Hungarian and foreign tourists alike; in 1994, 765 000 people visited the 105 exhibitions.

Only Győr and Sopron have permanent theatre companies, but the smaller cities and the larger villages also have theatres or performance halls. In terms of the annual number of visits and audience numbers the county is in the lead. Especially popular are the performances of the Győr Ballet. While there has been an increase in the numbers attending the

theatre, there has been a sharp fall in the number of cinema-goers. Outside the cities, only 18 settlements have cinemas.

The county's cities and many of its larger villages host a variety of artistic, theatrical, and musical functions, especially in the summer months. Particularly popular are the 'Győr Summer' and Fertőd's 'Musical Summer' series of programmes which have become something of a tradition.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	16.8	48.8
Primary	42.3	48.7
Vocational	7.9	40.3
Secondary (technical)	10.3	50.6
Secondary (general)	6.0	55.8
Higher education	4.7	:
Total	88.0	:

GYÖR-MOSON-SOPRON

A dense road network but poor quality

The quality of the county's roads does not match the level of the economy's development. The road network is dense, but the major roads are of poor quality and thus have difficulty coping with the increases in traffic, which doubled between 1980 and 1994. In 1994, 30% of all visitors to Hungary entered through the county of Győr-Moson-Sopron. Traffic is high partly due to 'shopping tourism'.

Notwithstanding the considerable levels of international traffic, the bulk of the traffic on the major roads is domestic in origin. This is partly explained by the consider-

ably higher than average number of motor vehicles per household in the county, the large numbers of lorries, and the frequent bus services. Traffic is heaviest in and around Győr. The completion in 1994 of the ring-road around Győr and at the end of 1995 of the M1 motorway right up to the international border crossing at Hegyeshalom have significantly improved the traffic situation.

In addition to the local bus routes, there are numerous and regular international bus services either from the county itself or passing through it. Thus there are direct connections to Budapest, the Transdanubian counties, the South Great Plain and many European countries.

In terms of railways, the county is in a better position. Győr is the centre of the county's railway traffic. In terms of freight volume and passenger numbers, the most important international line is Budapest-Hegyeshalom. There are 64 settlements which have railway services and stations within 3 km of their centres, but no settlement is further than 13 km from a railway station.

A port has been functioning on the Danube since 1994. The county has no civilian airport, but there are plans to upgrade the Pér Airport (14 km from Győr).

Surfaced public roads

	County	Hungary
Length in km per km ²	0.7	0.6
Length in km per 1 000 population	6.8	5.2
Length in km per 1 000 passenger cars	28.9	24.7
Surface area in 1 000 m ² per km ²	4.0	3.2
Surface area in 1 000 m ² per 1 000 population	38.3	29.3
Proportion of national roads (%)	63.9	62.4
Proportion of local roads (%)	36.1	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	88	96	212	174
% connected to digital network	91	88	100	97

Advanced telecommunications infrastructure

Great improvements have taken place in services related to transport, but there remains a manifest need to upgrade parking facilities and rest areas.

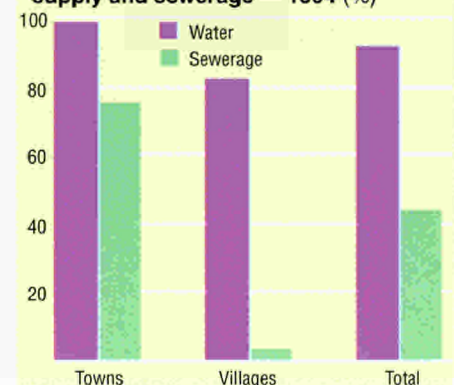
There have been significant advances made in all areas of public services – water, gas, electricity, public sewerage and telephones. Electrification and the public water supply network covers the whole county. In 1984, piped gas was available only in the cities of Győr and Sopron. By 1994, 37 settlements had piped gas, and the network is constantly being extended. Waste water treatment, public sewerage, and much-needed waste disposal programmes have been launched.

On the other hand, the county is amongst the first in terms of telecommunications facilities – telephone, telex, fax, and mobile phones. With the exception of three settlements, automatic telephone exchanges cover the whole county, making international telephone calls possible. The number of telephone lines per 100 resi-

dents linked to the digital network is the highest outside Budapest. Sopron is the first place in Hungary where the supply of telephone lines actually exceeds demand. Parallel with the traditional telephone, the mobile telephone networks cover most of the county, being available to 90% of the population.

There has been a noticeable increase in the number of organizations offering financial and business services. With few exceptions, they are all found in the cities, with the majority in Győr and Sopron. After Budapest, these two cities host the highest number of bank branches, business advisers and services in the country.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Waste disposal is a major problem

Győr-Moson-Sopron is among the cleaner counties; large parts of it are free from industrial pollution. The air in the larger cities, however, is highly polluted, often above the acceptable limits. The most important sources of pollution are the highly concentrated industry, the large numbers of motor vehicles, and the burning of fossil fuels for heating. With the completion of the bypass roads, air quality in Győr and Sopron has improved. Further improvements are expected from the extension of piped gas supplies, the building of more bypasses, and the fitting of more cars with catalytic converters.

The deterioration of water quality in many of the county's surface waters has been arrested, and there are improvements in a number of areas. This is chiefly the result of the decrease in industrial and communal use. Favourable changes have also been recorded in the county's sub-surface water reserves, since there has been a reduction in the amounts of agricultural chemicals used. The extension

of the public sewerage system also contributes to the cleaning up of the sub-surface water reserves.

The safe disposal of household refuse and other pollutants is a nation-wide problem. Most of the legal tips are outmoded in their operation and are fast filling up. About 95% of the waste originating in the county is collected by the public services, a high proportion compared with the rest of the country. A serious problem is posed by the removal and safe disposal of the often highly toxic wastes from the considerable number of illegal tips. A further task is the selective collection of reusable waste.

Nature reserves cover 10% of the land area of Győr-Moson-Sopron. Close to half of this area is covered by Hungary's only transborder nature reserve, the Fertő-Hanság National Park, part of which is on Austrian territory. Special attention is paid to the preservation of the unique natural wildlife in the Szigetköz, Pannonhalma, and Sopron landscape protection areas.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	8.9	100.0
Proportion of environmental investments in total investment	7.4	4.6
Proportion of environmental expenditure on:		
Water protection	29.7	38.3
Air protection	0.8	11.1
Waste management	1.5	7.5

The Szigetköz area is endangered due to water shortage following the diversion of the Danube into Slovak territory.

Vigorous R&D sector

Industrial and agricultural research and development dominate in the county. Much as in the rest of the country, the 1990s saw a drop both in research activity and funding, especially in the area of technical research and development. At the same time, however, there was a strengthening in the position of agricultural, and especially of forestry and ecological research, although with reduced staff. Research today is conducted mostly in tertiary education and independent research institutions. In 1994, 600 people were employed in this sector representing 6.8% of the national provincial staff; while the proportion of

R&D expenditure was somewhat higher at 8.4%. Work in these institutions tends to be directed at applied research, although results are used in tertiary education as well.

Successful north, isolated south

The county enjoys a favourable economic environment and a well-developed settlement network. Its economic performance is good, its foreign economic connections are considerable and the labour force is highly qualified.

The county's border situation is more of an advantage than a hindrance. Since the Austro-Hungarian border is not merely an international border, but the border between Hungary and the European Union, it has a special role. The county has good relations with the villages across the border especially in Burgenland (Austria) and Csallóköz (Slovakia) which are

inhabited by ethnic Hungarians. The open borders attract tourists and visitors and facilitate the maintenance of family ties and traditions. However, with the opening of the borders there has been an inevitable rise in criminal traffic as well.

The county's transport and road network is not sufficient to support the level of economic and social development. Its water and air transport facilities also require upgrading.

The relative economic and social backwardness of the south of the county is intensifying. Because of the absence of

cities, there is migration out of the area and its income level is decreasing, which explains the increasing isolation and the deterioration of its public amenities.

HAJDÚ-BIHAR

The county capital was twice the temporary capital of Hungary

Hajdú-Bihar is a relatively young administrative unit; its current borders were established in 1950 with the amalgamation of 'Bihar' and the 120 year-old 'Hajdú' county, both of whose boundaries had been changed in the Trianon Peace Treaty in 1920. The county capital, Debrecen, was the nation's temporary capital on two occasions, in 1849 and 1944.

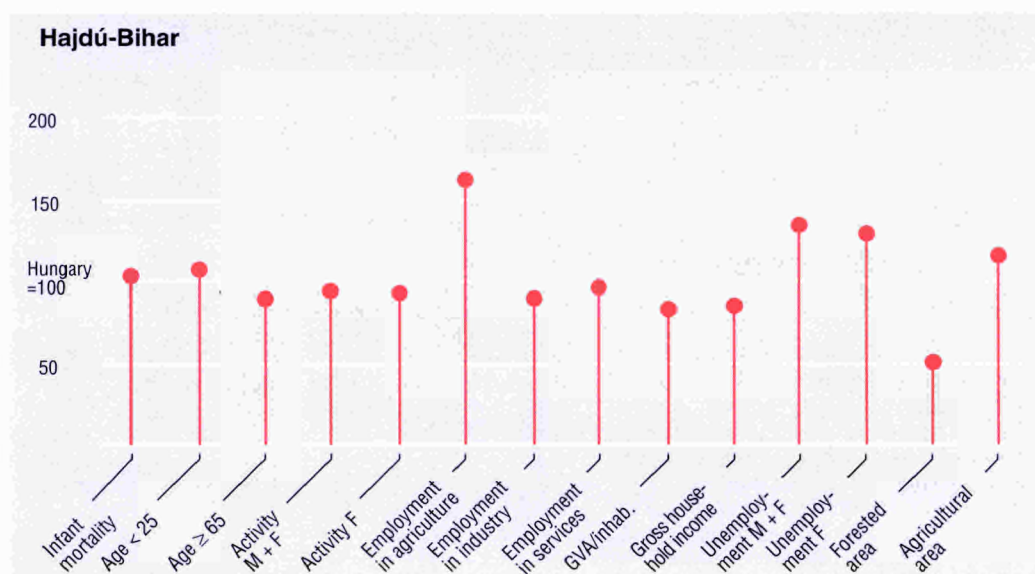
Hajdú-Bihar is in the eastern part of the country, bordering Romania and four Hungarian counties. The county capital lies approximately 220 km from Budapest.

The county has a varied settlement structure. Most of its territory is covered by large, extensive settlements, while the south and south-eastern areas are characterised by small villages – an economically backward and disadvantaged region. In national terms, there are relatively few settlements, though their average population is significantly higher than the national average.

The county is among the more urbanized regions of the country: of its 82 settlements, 15 are classed as cities. The most important of these is of course the county capital Debrecen which, with a population of 210 000, is Hungary's most populous provincial city. It houses 38% of the county's population, and almost a half of all employers.



The Hungarian Puszta



A flat landscape

Of Hungary's 19 counties, Hajdú-Bihar is the fourth largest both in terms of population and land area. Its landscape is flat with very small differences in altitude – typical of the Great Plain. The county's climate is basically continental and subject to extremes.

In terms of natural geography the county is far from uniform. In its north-eastern areas are the sand hills of the Southern Nyírség; in the central areas the typical 'Hajdúbihar landscape': the Hajdúság loess plate; in the west is the Hortobágy with its alkaline soils; and in the south the Berettyó-Körös area. There are many times more fish ponds in the county than in the rest of the country combined and almost twice the national average proportion of grazing land, though the proportion of forest is very low.

Debrecen's sphere of influence stretches over the surrounding counties and it is the region's most important centre. The county's second largest town is Hajdúböszörmény, with a population of 30 000, followed by Hajdús-

zoboszló whose population is boosted by large numbers of visitors who go there for the health facilities.

HAJDÚ-BIHAR



Which EU regions are similar to Hajdú-Bihar?

Land use:
 8-10% forest
 72-77% agriculture
 Nord - Pas-de-Calais;
 Pays de la Loire (F)

Population:
 550 000 inhabitants
 Kriti (EL)
 Pohjois-Suomi (FIN)

Employment structure:
 13% in agriculture
 30% in industry
 57% in services
 Asturias; Murcia (E)

Natural gas and thermal waters

Hajdú-Bihar has no mountains, few rivers, and its forested areas are small. Its most important mineral resources are natural gas and crude oil (the natural gas deposits are found in one large field and in several small sites), but there are also river gravel, sand and clay deposits. There is a scarcity of surface water but an abundance of sub-surface water. Larger rivers only touch the

county's borders over short stretches. Access to the Tisza's water for the nearby settlements is possible via the Eastern and Western Canals.

Of the sub-surface waters, the thermal waters are of special significance. Fourteen settlements have well-known thermal springs among which are the medicinal

baths at Hajdúszoboszló and Debrecen. Currently 80% of the county's known thermal springs are being utilized.

	Area km ²	Population				Activity %	Unempl. %	Employment			
		1 000	Inhab./km ²	Change (%)				% Agricult.	% Industry	% Services	
		1995	1995	1980-89	1990-94			1990	1990	1990	
Balmazújvárosi	731	31	42	- 4.5	1.8	54.1	21.3	39.0	28.1	32.9	
Berettyóújfalui	1 371	67	49	- 8.4	- 2.6	49.2	16.9	31.8	27.9	40.3	
Debreceni	1 609	295	184	3.6	0.6	54.2	13.1	11.7	37.8	50.5	
Hajdúböszörményi	731	59	81	- 2.1	0.7	53.6	17.3	26.5	43.7	29.8	
Hajdúszoboszlói	429	29	68	1.4	- 1.0	54.6	13.5	22.7	31.1	46.2	
Polgári	384	15	39	- 7.9	0.1	53.0	17.7	30.1	39.3	30.6	
Püspökladányi	955	53	56	- 5.3	0.8	52.1	17.4	45.8	18.0	36.3	
Hajdú-Bihar	6 211	550	89	- 0.5	0.2	53.3	15.0	21.5	34.5	44.0	
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5	
						1995	Dec. 1995	1995	1995	1995	
						Hajdú-Bihar	45.8	16.1	13.1	29.9	57.0
						Hungary	48.2	12.0	8.1	33.1	58.8

HAJDÚ-BIHAR

Low population density

The county's population of 550 000 has hardly changed since 1980 due to the better than average demographic trends the county has experienced. Birth rates have traditionally been higher here and mortality rates lower than in other parts of the country. In the last few decades, the natural population increase has been able to counterbalance the effects of a net outward migration but more recently (especially during the 1990s) birth rates have decreased and mortality rates increased in Hajdú-Bihar, resulting in a close to zero natural growth.

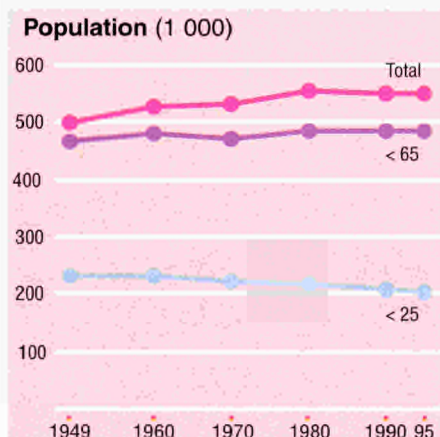
On the basis of deaths recorded in 1993 and 1994, the average life expectancy in the county is 68 years: 64 years for men, and 72 years for women. Owing to the higher male mortality rate, the age composition of the two sexes is uneven. With age, the male surplus at birth gradually

disappears at around the age of 40 to be replaced by a female majority.

As elsewhere in Hungary, the county has an ageing population; in January 1995 there were three times as many people under 25 as there were over 65 while in 1950, this ratio was 7 to 1.

The county does not have significant numbers of residents with foreign nationality though there are about 2 000 Romanians. About 1.5 per cent of the population declare themselves to be Gypsies.

The average population density (88.5 in January 1995) is far below the national average. Density in the Debrecen built-up area is more than twice this figure but other parts of the county have population densities varying between just 39 and 81 persons per km².



Resident population of foreign nationality — 1994

		% of total population
Total	7 677	1.40
Romania	5 673	1.03
Former Soviet Union	806	0.15
Germany	200	0.04
Former Yugoslavia	146	0.03

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	111	20.2	21.3	19.1
15-24	90	16.4	17.2	15.5
25-39	116	21.1	22.1	20.1
40-54	108	19.6	19.9	19.4
55-64	56	10.2	9.4	11.0
≥ 65	69	12.5	10.1	14.8
Total	550	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	551
Births	78
Deaths	69
Net migration	- 12
Population 1.1.1990	549

High proportion of incomes spent on basic necessities

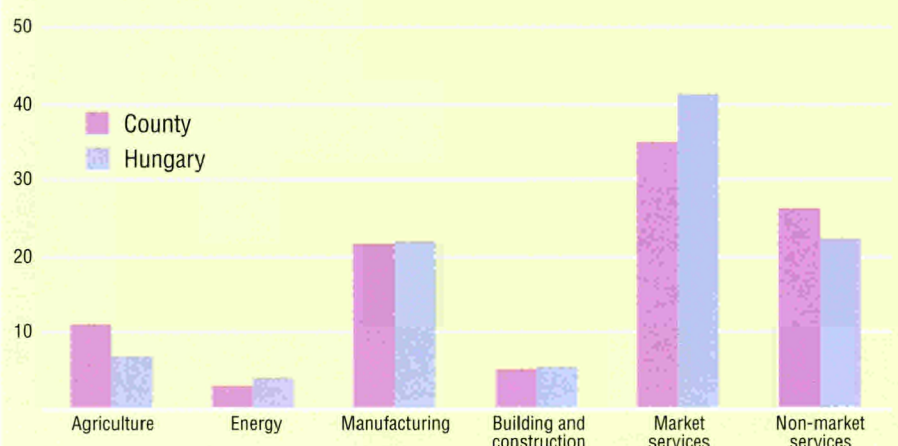
For a long time, earnings in most industrial branches in Hajdú-Bihar have been lower than the provincial average which is explained by either the absence or lower significance of the higher-paying industrial activities in the county's industrial structure.

The gross monthly average earnings are 10% below the national, and more or less equal to the provincial, average. Within this, earnings in the producing sectors are over 3% below the provincial average, while those in the services sector are somewhat above. Those employed in financial services enjoy the highest earnings, and those in agriculture the lowest. Within industry itself, the differences in earnings are fairly wide with chemical industry employees averaging 2.5 times more than textile workers. On average, the

earnings of white-collar workers are 80% higher than those of blue-collar workers.

The total gross household income in Hajdú-Bihar in 1993 was 87% of the national average. Incomes from the sale of agricultural produce, unemployment benefits, and the various other types of social security payments figure more prominently in household income here than in many other parts of the country. Wages and salaries and business profits are significantly lower than the national average. This means that the population is forced to spend a higher proportion of its disposable income on basic necessities, such as food and household bills, despite the fact that in absolute terms this expenditure is lower than average.

Gross value-added by sector — 1994 (%)

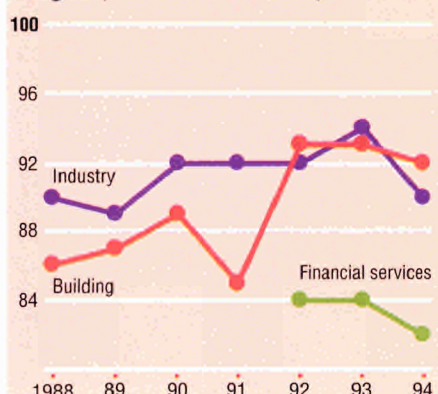


Agriculture dominates

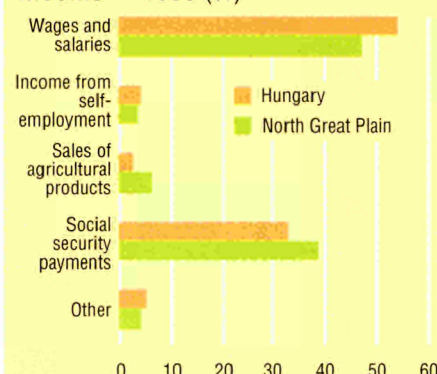
Hajdú-Bihar is among Hungary's least industrialized counties, partly owing to the lack of natural mineral resources. However, despite the drop in production in recent years, the county still accounts for a higher than average proportion of Hungary's agricultural production. Being one of the most important agricultural counties, Hajdú-Bihar produces 8% of the nation's grain and 11% of its beef-cattle. It produces proportionally more wheat, maize, and sugar beet per hectare of agricultural land than other counties. Yields tend generally to be above the national average, attributable partly to the county's rich soils (55-60% of the county's ploughland is chernozem soil). The county's role is also important in livestock, accounting for 9% of cattle, 20% of sheep and 7% of poultry. An efficient and high quality food processing industry has been built on the sound agricultural base. More and more of the county's agricultural production is accounted for by private producers and by 1995, more than half of the county's agricultural land and livestock was privately owned.

The dramatic increase in the number of businesses, particularly in commerce, real estate, and business services has gone hand in hand with the reduction in their average size. In 1995, 72% of businesses in the county with legal status employed fewer than 10 people; while only 2% of firms employed over 300. The most important impediment to privatization is the shortage of capital, and foreign interest in local business opportunities has been rather subdued, with the county accounting for less than 2% of the foreign investment in Hungary. Most of the businesses with foreign capital have been established in the area of commerce, requiring relatively small amounts of capital input though, in terms of the amount of foreign capital invested, industry is the leading sector.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



Main enterprises

Name	Activity
Tiszántúli Gázszolgáltató Rt	Natural gas distribution
Tiszántúli Áramszolgáltató Rt	Electricity production and distribution
Magyar Gördülőcsapágy Művek Rt	Roller-bearings
Biogal Rt	Pharmaceuticals
Hajdúsági Iparművek Rt	Household appliances

Agriculture — 1994

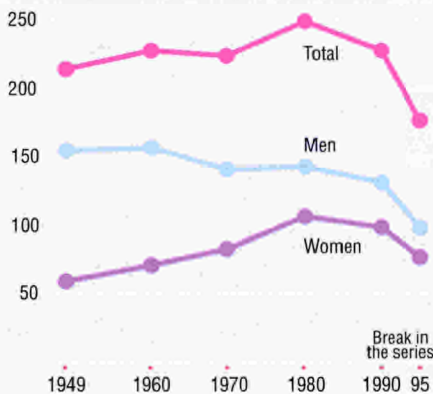
Number of holdings	5 984
Labour force	20 022
Agricultural area (ha)	481 400
Livestock (LU)	154 096
Gross per capita value of production (Hungary = 100)	131

Main products by gross value of production:

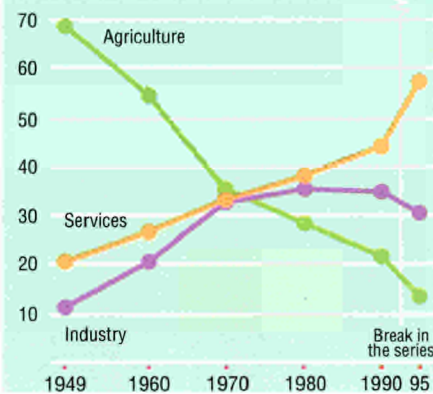
Pigs	17%
Milk	9%
Wheat	9%

HAJDÚ-BIHAR

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	227.9
+ Non-residents having a job in the county	37.4
- Residents having a job outside the county	37.2
= Internal employment	228.1

Agricultural employment is still very high

With more and more women entering the work-force, there was a gradual and significant increase in the participation rate of the working-age population, going up from 62% to 76% between 1950 and 1980. Most of the new jobs during these decades were created in industry, commerce, health care, and cultural services. The 1980s saw a decrease in the number and proportion of active earners, a process that accelerated in the 1990s with the advent of open unemployment. Simultaneously there was a fundamental change in the employment structure. A very important development in this respect has been the strengthening of the services sector; in 1995 it employed more than half of the county's labour force as opposed to just 20% in 1950. In contrast, the number

employed in agriculture in 1995 was less than one fifth of what it was in 1950, though still proportionately higher than nationally. Less than 30% of employment in 1995 was accounted for by the secondary sector (industry and construction), this was well below the provincial average.

More than half of all jobs are in Debrecen and its surroundings. Fifty-six per cent of the active earners are men. The companies with more than 20 employees account for the great majority of employment, though their numbers of employees decreased from 152 000 to 126 000 between 1992 and 1995, with an almost 50% decrease experienced in agricultural companies, 17% in industrial, and a 36% decrease in construction

companies. Slight increases in employment were recorded by companies in the financial services sector and by public administration.

About half the county's active population has completed secondary school, while 11% have tertiary education to degree level. In 1994 more than 8 000 adults were undertaking regular, full-time study, while a further 6 000 were enrolled in some kind of retraining or further education courses. Ninety per cent of these were the unemployed seeking to gain new qualifications.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	82	5	77	1
Women	13	85	2	88	6
Total	13	83	4	82	3

Food industry and pharmaceuticals

The industrial settlement schemes of the 1950s and 1960s led to the establishment of a variety of industrial activities in the county. In an effort to soak up surplus labour, a number of machine industry (ball-bearing, medical instruments, household appliances), chemical, and clothing industry factories were established in the county. The food processing industry, however, has the longest tradition and has always been well supplied with basic products by the agricultural sector. There is an absence of heavy industry, but also of the more dynamic and innovative economic activities.

Currently one third of the processing industry's production is exported. Over half of all exports, a much higher proportion than average, consist of foodstuffs (especially poultry products), followed by machine industry products (ball-bearings, medical instruments, etc.) and pharmaceuticals. The clothing industry is dominated by low labour cost production for foreign customers.

Unemployment is high and long-term

At the beginning of 1995, the unemployment rate in Hajdú-Bihar county was between 15 and 16%, a rate above the national average; only 4 or 5 counties have even higher rates. Initially, unemployment affected only the unskilled workers, at first only in the county's southern settlements and villages close to the national border (where there were few job opportunities available in the first place and commuting was important). With the loss of markets and the transformation, privatization, or even liquidation of the large State-owned enterprises, it was first in industry and construction, and later in commerce and agriculture that jobs were lost. In 1992 unemployment rose sharply in Hajdú-Bihar due to both white-collar and skilled workers being made redundant in large numbers.

Of the 38 000 unemployed in Hajdú-Bihar at the beginning of 1995, one third had completed skilled workers school, 14-15% had full secondary education and 2% had

tertiary qualifications. Sixty per cent of the unemployed are male. There are severe spatial and structural tensions in the labour market, and more than half of the unemployed in 1995 had been without a job for more than two years. Furthermore, over half of the unemployed were aged 35 or below, and a further 30% were aged between 35 and 45.

Labour supply exceeds demand particularly in agriculture and in certain construction and steel industry occupations, as well as in administrative-type jobs. In many instances, better knowledge of Western languages would enhance the chances of finding employment. The rate of unemployment is lowest around Debrecen and Hajdúszoboszló (though in terms of absolute numbers almost half of the unemployed live in the Debrecen area).

Debrecen - a centre of education

The area of influence of Hajdú-Bihar's cultural, educational, and health care institutions extends far beyond the county's borders. Debrecen is the Trans-Tisza region's most important cultural centre.

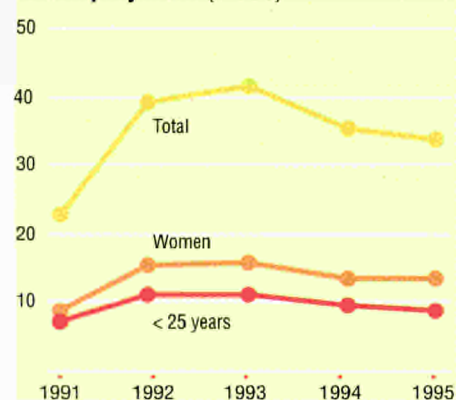
Debrecen has been a well-known educational centre since ancient times and it hosts eight tertiary education institutions. The only other city offering tertiary-level instruction is Hajdúböszörmény. In 1991 a University Federation was established in Debrecen under the name 'Universitas'. Eight per cent of the nation's tertiary students study in Hajdú-Bihar. The most popular subject areas are the natural sciences, theology, medicine, and the arts.

The libraries of the Lajos Kossuth University and that of the Hungarian Reformed Church College are important in national terms. The latter, with its 400-year

history, has a collection that is valued second only to Budapest's Széchenyi Library.

Medicine has been taught in the county capital for almost eight decades and the Debrecen Medical University has 1 870 beds for the treatment of patients from all over the country. Another hospital in Debrecen has a further 1 800 beds for in-patient treatment. Outside Debrecen, in-patient treatment is available only in the Berettyóújfalu Hospital.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	24.6	48.0
Primary	57.7	49.2
Vocational	10.5	39.7
Secondary (technical)	9.7	47.4
Secondary (general)	8.9	68.2
Higher education	6.0	:
Total	117.4	:

The Summer University is an international event

The county's museums and collections occupy a position of prominence among the nation's cultural treasures. Debrecen's Déri Museum is the county's central museum and among its permanent exhibitions is Hungary's most elaborate provincial cultural history collection and valuable artefacts and art treasures from places ranging from Egypt to East Asia. The full set of the monumental Christ Trilog, painted by Mihály Munkácsy, one of Hungary's best-known painters is also on display.

The centre of the county's theatrical life is the Csokonai Theatre in Debrecen, which has its own opera. The performances of the Béla Bartók International Choir, the Jazz Days, the Military Orchestra Festival, and the Flower Carnival attract visitors from many countries. For half a century now, the Debrecen Summer University has been greeting people from all over the world who come to study the Hungarian language, culture and literature.

An upgraded airport is needed

Hajdú-Bihar's road and railway network is centralized on Debrecen and Püspökladány is the only other road and railway junction of significance, where two international roads meet (Budapest-Debrecen-Moscow and Budapest-Püspökladány-Oradea). The Budapest-Moscow double-track electrified railway line crosses the county and there are five inter-city train services each day between Budapest and Debrecen. Currently, about a half of the county's settlements can be reached directly by train, for the others, buses play an important role in public transport.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.4	0.6
Length in km per 1 000 population	4.3	5.2
Length in km per 1 000 passenger cars	26.3	24.7
Surface area in 1 000 m ² per km ²	2.2	3.2
Surface area in 1 000 m ² per 1 000 population	24.8	29.3
Proportion of national roads (%)	68.3	62.4
Proportion of local roads (%)	31.7	37.6

One of the biggest transport problems is that the roads are unable to cope with the increasing demands placed upon them. This is particularly the case with respect to the Budapest-Moscow route but the problem is also serious on the roads between Debrecen and Berettyóújfalu, between Debrecen and Nyíradony, and between Debrecen and Nyírábrány. A further source of concern is the poor condition of roads in the inner city areas, and the low proportion of sealed roads in the rural areas.

There is a great need to build bypasses on the major roads around the larger settlements, and to create a more direct access to the M3 motorway. There are plans to complete the extension of the M3 to Polgár (60 km from Debrecen) by 2003. The upgrading of Debrecen Airport (formerly used by the Soviet Air Force) to enable it to take international traffic would be a step forward in many respects, for it would bring the eastern areas into much more direct contact with Europe. Moreover, an air-service would offer an alternative to the present 2.5 to 3 hour-long road or rail journey between Debrecen and Budapest.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	63	96	136	174
% connected to digital network	79	88	95	97

Rapid development in piped gas and telecommunications

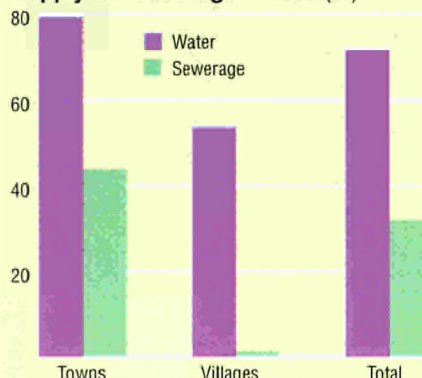
Despite the significant improvements in the last few years, the provision of public utilities in some parts of the county remains below the national level.

All settlements in Hajdú-Bihar county have been enjoying piped public water supply for many years, but only one in three settlements has public sewerage. The extension of the public sewerage network has not been able to keep pace with that of the piped public water supply network; thus, for every 1 km of the latter, there is only 193 m of public sewerage. In 1994, 72% of dwellings in the county were linked to the piped public water network while only 32% were linked to the public sewer, which means that in the majority of cases sewage goes into domestic drains.

It is only in recent years that significant extensions to the piped-gas and telecommunications network have been put on the agenda. At the end of 1994, 33 settlements were linked to the piped gas network, 15 more than four years earlier. Over the

same period there has been a doubling in the number of telephones in the county, putting the county's telecommunications network on a par with the provincial average. The extension of both the piped gas and telecommunications network is continuing to advance at a rapid rate, and it was anticipated that by the end of 1995 every settlement would have piped gas supplies, and that within a short period telecommunications services will have become universal.

Connection of dwellings to public water supply and sewerage — 1994 (%)



A fairly clean environment with some unique features

Overall the state of the environment is fair, and in some areas probably better than average. Nowhere in the county do toxic materials in the soils exceed environmentally safe limits. Owing to the county's soil structure, erosion poses a big threat, acidification of soils is a problem in some places, due to the inappropriate use of chemicals and irrigation. Air quality is quite good; not even in Debrecen does industrial air pollution reach hazardous levels. A significant proportion of air pollution originates from motor vehicles and communal household heating installations. In the summer months, however, dust concentrations are high. Nitrogen dioxide concentrations sometimes cause problems in Debrecen and Hajdúszoboszló.

The lack of public sewerage has in some cases led to the contamination of phreatic waters, and in some places to the rising of the water table. Nitrate pollution of phreatic waters is caused in some places due to the use of manure. Most of the existing refuse tips in settlements fall short of

modern standards, and there is no public incinerator in the region. Regular waste collection takes place in a quarter of the county's settlements, covering half the county's population.

Hajdú-Bihar has large protected areas; 87% of Hungary's largest national park, the Hortobágy National Park, is on the county's territory. With a land area of 60 000 ha, this park is a part of Unesco's Network of Biosphere Reserves and is also on the Ramsar List of wetlands. The development and dissemination of environmentally friendly land management techniques, the maintenance of genebanks of ancient domestic species and the organization of nature-oriented tourism are important tasks.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	3.3	100.0
Proportion of environmental investments in total investment	4.4	4.6
Proportion of environmental expenditure on:		
Water protection	48.2	38.3
Air protection	7.1	11.1
Waste management	24.0	7.5

Debrecen – a centre of research and development

In the area of research and development, Hajdú-Bihar, and in particular Debrecen, occupies an important position in provincial terms; the county accounts for between 13 and 15% of all provincial research and development activity. Among the research centres, the Hungarian Academy of Sciences' Institute of Nuclear Research, and Debrecen's three universities deserve special mention. Wide-ranging research activities are conducted in the latter in the field of medicine, agriculture, and in the natural and social sciences. The Debrecen Academy Committee is an important scientific body whose activities spread over the three

Northern Trans-Tisza counties and which employs more than 800 researchers, conducting research in the machine and tobacco industries, as well as on plant cultivation.

A bridge between East and West

Hajdú-Bihar's greatest asset is its arable land. The significantly higher than average number of hours of sunshine, the favourable soil conditions, and the local expertise provide an environment second to none in the agricultural sector and the food processing industry. The production of a number of specialist industrial products is a further strong point of the county and the manufacture of ball-bearings, pharmaceuticals, household appliances, and agricultural machinery are traditional activities taking advantage of new technology. The county's third advantage is its medicinal waters. This resource is nowhere near fully exploited

yet, and efforts could be made to expand the county's health spa facilities.

Furthermore, the eastern markets are relatively easily accessible from Hajdú-Bihar. These markets are very attractive to Western Europe and their accessibility could be enhanced by Debrecen assuming more of a bridging role, and by the more rapid modernization of the transport and communications infrastructure.

One of the county's weak points is its very uneven level of development, and the fact that a fairly large area of the county is economically backward. One of the most

important obstacles to the revitalization of the economy and to the fuller utilization of available resources is the shortage of capital. The low-cost, but well-qualified labour force, the existing excess production capacity, and the considerable local scientific potential could help attract investment.

HEVES

The meeting of the Great Plain and the highlands

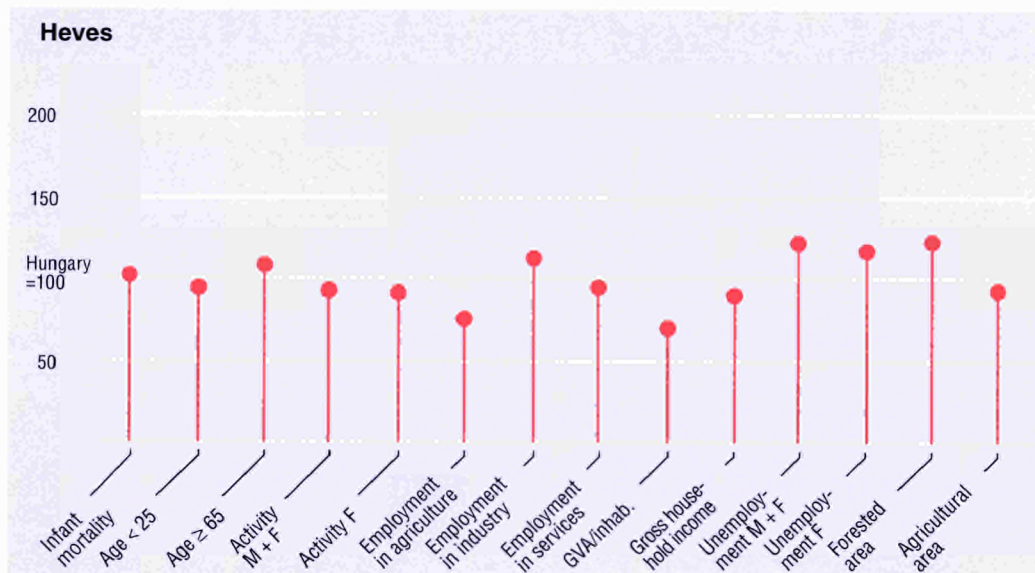
King St Stephen established in 1009 in Eger (the capital of the county of Heves) one of the first ten bishoprics in Hungary. It was at Eger Castle where, in 1552, the Ottoman advance was halted. Many settlements in the county were destroyed at that time; resettlement commenced at the beginning of the 18th century when the Turks that stayed were joined by German, Slovak, Serb and Greek settlers. Eger, the centre of the diocese, was reconstructed in the Baroque style in the 18th century. It has become an important cultural and artistic centre.

With slight alterations, the county borders drawn in 1950 remain to this day. Heves belongs to the region of North Hungary. Its landscape is predominantly hills, lowlands, and gently rolling plains. There are seven towns out of a total of 118 settlements. Eger has a population of 60 000.

Heves is made easily accessible by the main railway line and the arterial road which cross the county and link Budapest with north-eastern Hungary. It is a region rich in history and folk traditions and is notable for its medicinal waters and wine-growing areas.



Eger Cathedral – the second biggest church in Hungary



A variety of geographical features

Heves accounts for 3.9% of Hungary's total land area and it borders four other counties. Hungary's highest mountains are in Heves: the Mátra with Hungary's highest peak, Kékes, and the Bükk. One third of the Bükk National Park is within the county. The gently rolling hills and the plains in the southern parts of the county are favourable for agriculture. Various land conservation areas and nature reserves boast a wide variety of fauna and flora, including some rare species.

The geographical situation of the cities is also favourable. Eger and Gyöngyös are at the foothills of the Bükk and Mátra mountains, and both Füzesabony and Hatvan are on the intersections of major road and railway lines. The town of Heves is typical of the Great Plain; Pétervására is the centre of an area of small villages while Lőrinci is the most recently-founded city in the county.

There are fewer pastures and ploughland, but more vineyards and forest than the national average.

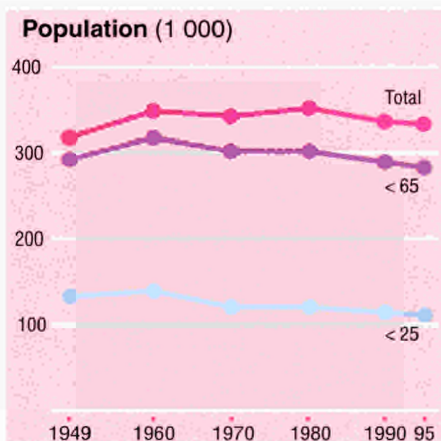
Rising mortality rate of middle-aged men

The county of Heves has a population of 330 000. In terms of land area, population and population density, the county occupies 16th, 14th, and ninth positions, respectively in the county rankings. Population density is close to the provincial average, while the proportion of city-dwellers, at 45%, is below it. Following a peak in 1979, the county's population has been steadily decreasing. Since the male population is falling at a faster rate than the female, a female majority has emerged. There are 8 000 Gypsies in the county.

The county's population is characterized by a fertility rate that is lower and a mortality rate that is higher than the provincial average. Every year since 1980, the number of deaths per 1 000 population has exceeded the number of births. Between 1980 and 1995, 56% of deaths were

accounted for by the over-70 age group but an increase in the mortality rates of the middle-aged has been experienced.

The ageing of the population, which is today a nationwide trend in Hungary, is occurring at a more rapid rate in Heves than nationally. The proportion of children is smaller, while the proportion of the elderly is higher than the provincial average. More than one fifth of the county's total population (and almost one quarter of the female population) is aged 60 and over. The size of the average family, as well as the number of children per 100 families is lower than the provincial average.



Resident population of foreign nationality — 1994

		% of total population
Total	2 655	0.80
Romania	1 543	0.47
Former Soviet Union	438	0.13
Germany	228	0.07
Former Czechoslovakia	122	0.04

Household income below the national average

The average gross monthly earnings in full-time employment are slightly higher than the provincial average. Earnings in industry, state administration, education, and health care are higher than in other branches of the economy. The average monthly income of white-collar workers in 1994 was one-and-a-half times that of blue-collar workers. The average gross monthly salaries of females were 23% below those of men and, within the white-collar category, the difference was as high as 40%.

One third of the county's population received pensions and allowances in 1994, amounting on average to half of average wages. This group's average income is below the national level. The average monthly income of the unemployed with the unemployment benefits and other

allowances combined is also less than the national average. After the end of the period of entitlement to unemployment benefit payments, local councils offer material support to the unemployed.

The average annual gross income of households in the North Hungary region in 1993 was less than the national average. Over half of this income comes from full-time employment, close to one third from monetary social benefits, one tenth from privately produced goods, and the rest from miscellaneous sources. After taking into account tax deductions and the various social security payments, 80% of gross income is available for private consumption.

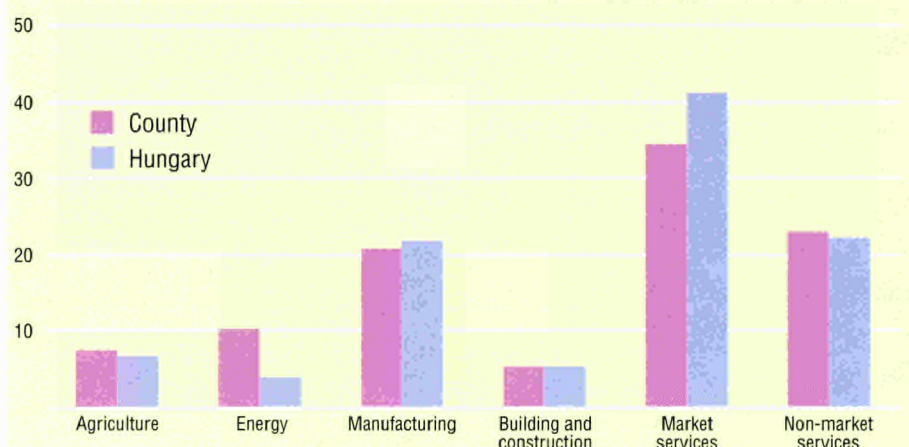
Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	58	17.6	19.2	16.1
15-24	49	14.9	16.0	13.8
25-39	64	19.5	20.5	18.4
40-54	69	21.0	21.8	20.7
55-64	39	11.9	10.9	12.6
≥ 65	50	15.2	11.5	18.4
Total	330	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	350
Births	40
Deaths	49
Net migration	-7
Population 1.1.1990	334

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Mátra-Nyugatbükk Erdő és Fafeldogozó Rt	Forestry, wood processing
Mátrai Erőmű Rt	Electricity
Egri Dohánygyár Kft	Tobacco products
Mátra Cukor Rt	Sugar products
Aranyfácán Konzervgyár Kft	Fruit and vegetable processing
Thur Húsipar Gyöngyös Rt	Meat products
Egervin Borgazdaság Rt	Wine
Berva Rt	Metal working
Leoni Hungária Kft	Vehicle electrical equipment
Bélapátfalvi Cement és Mészipari Rt	Cement, lime and gypsum

Heavy industry established in the 1950s and 1960s

In addition to the traditional ore mining, building materials production and food processing industries, a significant amount of heavy industry was established in Heves during the first two decades of socialist industrialization. It was at this time that the Mátra power station was built on the lignite deposits in the region, and a number of engineering factories were established. Light industry provided employment first and foremost for women. The county's profile was thus transformed from agricultural to industrial, a process accompanied by a moderate development in the services sector.

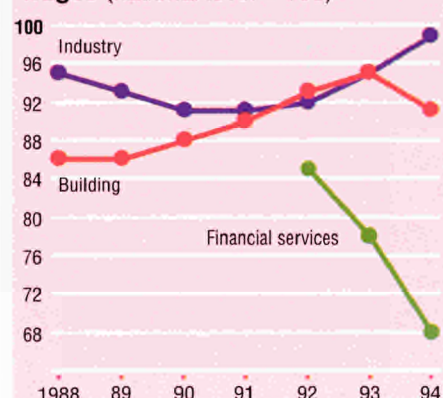
The large scale changes to the structure of the economy experienced in the 1990s resulted in a significant amount of unemployment and the movement of labour between sectors. Agriculture shed the most jobs. In 1995, the share of employment in agriculture was 6%, in industry 38% and in the services sector 56%, the proportion of those employed in the services sector having increased significantly.

The quality of the agricultural land in Heves is poorer than in other counties, though the fields in the southern and central part of the county are fertile and the production of field crops is supplemented by vegetables, and by tomatoes and watermelons. There are two historic wine regions. As a result of the changes in organization and ownership in the 1990s, 43% of agricultural land and 11% of forests were in private hands by 1995.

Within commerce there are more sole-trader small retailers than legally incorporated partnerships. Large numbers are employed in education, health-care, social services, transport, storage and in post and telecommunications. There has been an increase in the numbers working in financial services and state administration.

One of the first results of the economic transformation was an increase in productivity in industry and the building industry in 1994, though this was due mostly to staff cuts. Foreign investment was mainly directed at introducing new technology.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



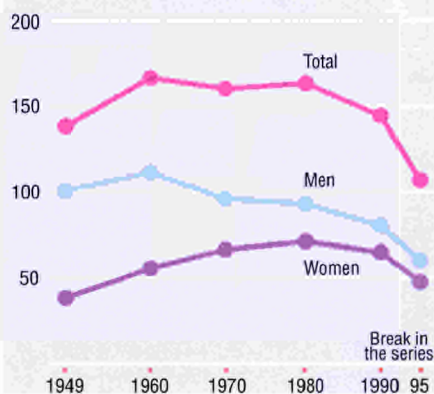
Agriculture — 1994

Number of holdings	1 317
Labour force	7 407
Agricultural area (ha)	220 300
Livestock (LU)	35 049
Gross per capita value of production (Hungary = 100)	123

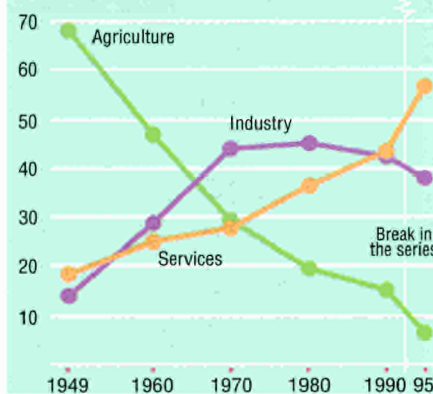
Main products by gross value of production:

Wine	15%
Wheat	14%
Pigs	13%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	142.6
+ Non-residents having a job in the county	50.7
– Residents having a job outside the county	55.7
= Internal employment	137.7

Structural change in employment – in favour of services

A total of 43% of the population are active earners – this is below the national average. There has been a rapid increase in the number of small and medium-sized businesses, but more than two thirds of employees continue to be employed by companies with 300 or more employees. The reduction in employment in agriculture, industry, and the building industry has been greater than the provincial average, but job losses in the services sector were below average. Between 1992 and 1994 the proportion of the work force employed in the services sector increased from 47 to 53%. Within this, growth in financial activities and public administration was significant.

Over 60% of those employed in the county are blue-collar workers – close to the provincial average. As a result of the contraction of industry and construction, these were the workers the most affected by unemployment. More than half of all full-time workers are women and they have been affected less by job losses than men as a larger proportion of women work in white-collar jobs.

Parallel with the sharp reductions in employment by State and private companies in the early 1990s, the number of small businesses continued to grow year by year. Most of these are either in retail and commerce or are run by self-employed craftsmen, but there are significant numbers of small businesses in white-collar activities.

Approximately one third of active earners have received only primary education, 26% have trade or vocational secondary school qualifications, a quarter have a general secondary school education and over 10% have tertiary qualifications. These proportions correspond to the provincial average. Between 1990 and 1995 more than 10 000 people either undertook retraining courses, completed marketing and manager training programmes, obtained a second degree, or learnt a new language.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	81	6	81	2
Women	11	87	3	89	10
Total	12	83	4	85	6

Companies with foreign capital dominate exports

Industry is concentrated primarily in the Zagyva Valley (Hatvan), the foothills of the Mátra (Gyöngyös), and in Eger and its district. In the north, Petervására and its district is a lightly industrialized region as is Heves and its district in the south.

Electricity supply, products for metal processing and the manufacture of machines and machine fittings are important activities in the county. Light industry is predominantly in clothing and furniture manufacturing. Despite the fact that a significant proportion of industrial companies are small or medium-sized, 60% of the value

of industrial production is accounted for by just six companies. One fifth of industrial production is exported – practically all of this is from the processing industry. Companies with foreign capital account for 45% of total exports.

In the 1990s, companies have increasingly been participating in international fairs in Austria, Germany and France. An important annual event in the county is the Agria International Expo and Trade Fair held in Eger.

A qualified work-force without jobs

The loss of the East European markets, the transformation in both the structure of the economy and changes in ownership led to mass cut-backs in employment. The unemployment rate peaked in 1993 and subsequently decreased. Just like the other two counties in the northern part of Hungary, Heves has high unemployment; over 14% in 1995. The situation in the non-industrialized and disadvantaged northern and the southern agricultural parts of the county is worse than in the central area. In the south particularly, the transformation and disbanding of the agricultural co-operatives led to a significant contraction in employment.

The majority of the unemployed are male, with 42% of them unskilled. Sixty per cent of unemployed women have either secondary school or tertiary qualifications. More than four fifths of the unemployed are manual workers. One fifth of the unemployed white-collar workers were previous-

ly in managerial positions, while three fifths were administrators.

Unemployment affected the middle-aged the most, and those approaching retirement particularly. The unemployment rate among first-time job seekers who have completed their education was 8%. The length of time people are unemployed has increased; by the end of 1994, 8 out of 10 job-seekers had been out of work for more than six months.

In 1994, close to 4 000 people took part in further education and retraining in the fields of computing, economics, commerce, and tourism. There is a variety of programmes of financial assistance and credit facilities to assist the unemployed in starting up their own businesses, but many of them lack the capital and expertise necessary for success.

Ninety-six per cent of settlements have a public library

There is a public library in 96% of the settlements and this is overseen by the County Library. The 200 year-old Eger Archdiocese Library, with its 130 000 books and impressive collection of manuscripts, is one of the most important libraries in the country.

Eger is an administrative, cultural, and educational centre. It hosts the Károly Eszterházy Teacher Training College and the Eger Diocese College of Religion. The Gyöngyös Agricultural College trains economic and agricultural engineers. Every city has secondary schools with a wide variety of subjects offered.

In-patient care is afforded by one central and three local hospitals. The Vascular Surgery Unit of the County Hospital serves the whole region. The Mátra State Sanatorium's Mátraháza and Kékestető

units specialize in the treatment of lung and respiratory disorders, for which the highland air is particularly favourable. The sanatorium's Parádfürdő site, benefiting from medicinal waters, obtains good results in the treatment of stomach disorders.



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	12.3	47.9
Primary	31.0	49.2
Vocational	6.6	36.8
Secondary (technical)	6.7	53.7
Secondary (general)	4.1	59.2
Higher education	3.6	:
Total	64.3	:

A cellar network 141 kilometres long

The county's most important museums are the Castle Museum in Eger and the Eger Gallery. The chief attraction at the Eger Castle are the casemates. Eger's special feature is the 141 km-long cellar network – on several levels in some sections – which is built under the city. The Mátra Museum in Gyöngyös features the mountain wildlife, while the Lajos Hatvany Museum in Hatvan specializes in the display of folk art, art history, and local history collections.

Eger has a permanent theatre company and an associated puppet group. The annual Cinematic Art and Monument Conservation Summer University has a long history. Also very popular are the Festive Days in the 'Baroque Eger' programmes, the organ recitals in the main cathedral, the open air performances of the Agria Theatre Group, and the music and pantomime programmes of the Agria Art Festival. As befits the 'city of wine', Harvest Days are held each year in Eger and Gyöngyös.

New motorway link planned

The county's share of the national highway network is proportional to its share of the country's land area at 3.9%. The quality and the state of repair of the county's roads are better than the provincial average. The stock of motor vehicles is gradually becoming obsolete, and the number of passenger vehicles per 1 000 population is less than the provincial average.

Up to the mid-1980s, the road network was being constantly developed and extended; since that time, however, most of the works carried out have been limited to

Surfaced public roads

	County	Hungary
Length in km per km ²	0.6	0.6
Length in km per 1 000 population	6.7	5.2
Length in km per 1 000 passenger cars	36.0	24.7
Surface area in 1 000 m ² per km ²	3.3	3.2
Surface area in 1 000 m ² per 1 000 population	36.4	29.3
Proportion of national roads (%)	63.5	62.4
Proportion of local roads (%)	36.5	37.6

maintenance. At the end of the 1960s, the county's most important road was widened; its capacity, however, is no longer sufficient to satisfy the requirements of the 1990s. A decision has been made to extend the M3 motorway beyond Gyöngyös to the Ukrainian border; the stretch crossing the county is due to be opened for traffic in 1998.

The most important railway is the section of the double track line crossing the county which connects Miskolc and Budapest. The upgrading of the Eger-Füzesabony secondary line has made it possible to establish an express service between the county capital and Budapest. However, due to the county's relief, the railway network is less dense than in the country as a whole.

The extension of the telecommunications network in terms of the number of lines per 100 population has been greater than nationally. The greatest extension of the network took place in Hatvan and its district in 1994. There were 18 telephones in 1994 for every 100 people in the county, well above the provincial average of 14. In

Eger and its district there were 22, though this was offset by the low 11 per 100 population in the southern part of the county. There are plans for the further modernization and expansion of the telephone exchanges. The development and extension of the banking and financial services network has kept pace with national developments.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	71	96	176	174
% connected to digital network	89	88	99	97

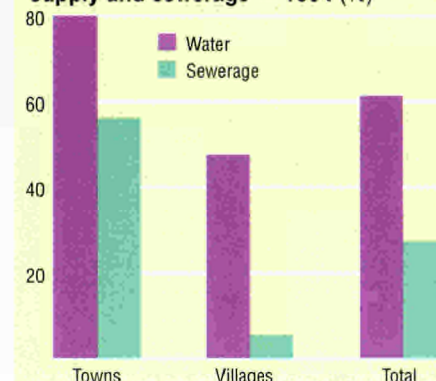
An improving infrastructure

Significant extensions of the county's infrastructure have taken place in the last few years. Public water supply has been made available to every settlement in the county. Close to 80% of households in the cities and almost half in the villages have been linked into the public water supply network. The development of the public sewerage network has lagged far behind water supply; thus, domestic sewage disposal is the norm for village households. Public sewerage is available in 29 settlements, with 30% of dwellings connected, although in the villages only 6% are connected. The most pressing need for public sewerage is in Füzesabony and Pétervására and their districts. There are plans to extend the public sewerage network to approach the level of the public water supply network.

There has also been noteworthy progress in the extension of the piped gas supply network, due primarily to the initiatives of local council associations and residents' action groups. Thus, by the end of 1994,

three quarters of settlements had piped gas. The supply network, however, is not uniform throughout the county and is relatively underdeveloped in Gyöngyös, Heves, Pétervására and their districts.

Connection of dwellings to public water supply and sewerage — 1994 (%)



More to be done for a cleaner environment

The state of the environment is affected first and foremost by the pollution from the local industrial establishments. State and private companies spent between 3 and 7% of total annual investment expenditure on environmental protection between 1991 and 1994. There has been a consequent reduction in pollution, but the danger of future contamination remains. The extension of the public sewerage network has not kept pace with the public water supply but it is industrial and communal waste that pose the greatest danger to the water reserves. Approximately 30% of the county's territory is very sensitive to pollution, and the Bükk mountains, the Lower Mátra and the Lower Bükk are water quality conservation areas.

An important environmental problem is the appropriate treatment of the heavy metal laden sediment of the closed mines at Recsk and Gyöngyösroszi. In the 1990s there has been a reduction in the amount of dangerous waste produced due to the closing down of factories in the area, and

as a result of regular and strict supervision there has been an improvement in the handling of hazardous wastes. Selective municipal waste collection has not yet been introduced and one in ten settlements is without regular organized household waste collection; there are only very few suitable places for depositing and treating sewerage.

Air pollution is a problem primarily in industrial districts. The biggest polluter both with respect to sulphur dioxide and carbon monoxide is the Mátra power station, but in terms of carbon monoxide, the cement and lime industry of Bélapátfalva is also an important contributor. There has been a reduction in the amount of harmful materials the two companies have been emitting into the environment and the fact that many industrial companies have switched to less polluting heating fuels has had a moderately positive effect on the environment.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	2.9	100.0
Proportion of environmental investments in total investment	6.0	4.6
Proportion of environmental expenditure on:		
Water protection	20.7	38.3
Air protection	6.4	11.1
Waste management	2.1	7.5

Limited research and development in the private sector

An important research base in the county is the Agricultural University's Research Institute in Kompolt. Research is centred on agricultural engineering, technology, land conservation, and environmental protection. Significant results have been achieved in improving varieties of lucerne and autumn and spring barley. Natural sciences and sociological research is conducted at the Károly Eszterházy Teacher Training College.

There has been a significant reduction in the amount of technological development work undertaken by firms; only very few attempt to improve their product range and

market competitiveness through research and development.

Many qualities but few foreign investors

The region has mineral resources and a well-qualified, low-cost labour force especially in energy, the processing industry and agriculture. Industrial and agricultural technology is at an intermediate level in the county. The infrastructure in terms of piped public water supply, piped gas supply, and telecommunications is relatively good.

Privatization is almost complete in the tourist industry and in commerce, and has made deep inroads into industry and agriculture. Successful industries are the manufacture of motor-vehicle parts and components, processing, storage and

refrigeration. As well as the small and medium-sized companies there are many sole-traders that have established themselves in the last few years. The financial services network is also well-developed.

Amongst the disadvantages with which Heves has to contend is the faster than average ageing of the population, and a higher than average unemployment rate. There has been a slowdown in the rate of increase in the number of companies attracting foreign interest and the average amount of capital invested is lower than the national average. A further source of

concern is the relatively undeveloped public sewerage network, and more resources need to be devoted to developing the county's two disadvantaged sub-regions.

JÁSZ-NAGYKUN-SZOLNOK

In the heart of the Great Plain

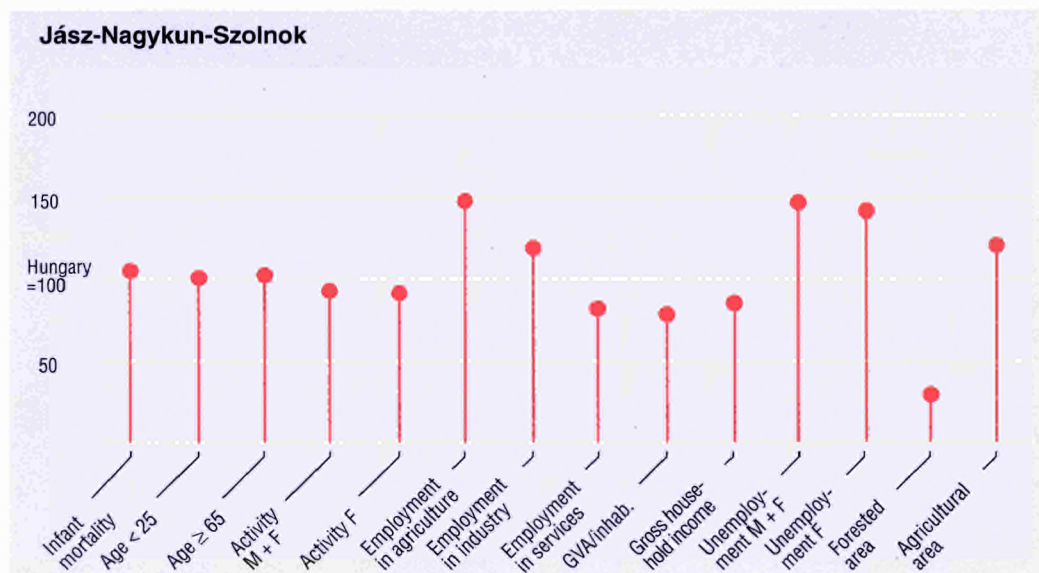
Jász-Nagykun-Szolnok is situated in the eastern part of Hungary in the centre of the Great Plain and is bisected by the River Tisza. This geographical situation enables it to exploit all three major forms of transport: rail, road and water. The large volumes of east-west traffic have always played an important role in the county's life and development and in particular those of the county capital, Szolnok.

In earlier times different peoples settled for various periods by the Tisza. Following the Scythians, Celts and the Avars, the Hungarian tribes took possession of this region in 896 and in the 13th century, King Béla IV of Hungary settled Jazygians, Cumanians and Petchenegs there.

Jász-Nagykun-Szolnok came into existence as a county in 1876 with the advent of civil administration through the amalgamation of historically autonomous districts. The current county borders were fixed in the post-war period when 10 new settlements were annexed to it. In terms of its land area (5 607 km²) and population (423 000) it is the seventh and ninth largest county, respectively. Two thirds of the population live in its 15 cities, and one third in its 63 villages. The county capital is Szolnok which, with a population of 80 000, is Hungary's 11th most populous city and a centre of commerce, culture, education, tourism and health-care.



Tisza landscape



A continental climate

Jász-Nagykun-Szolnok lies in a very flat plain. This is the region with the most continental of climates, which means that the summers are the hottest, winters are the coldest, and temperature fluctuations are the highest in the country. Precipitation is low and uneven; droughts are common.

There are a number of soil types in the county. Most important is loess, followed by meadow clay, and there are also alluvial plains. The vast majority of the land is agricultural, three quarters of which is ploughland. The soil is of good quality, although there are alkaline pockets.

The county's settlement structure is typical of the Great Plain. The settlements are sprawling, far from each other, and tend to be quite populous. There are five sub-regions in the county, of which the Jászság and the Szolnok region in the west of the county are the most developed, while the Tiszazug, the Nagykunság, and the Central Tisza Region tend to be less so.

Among the most important settlements are, of course, the county capital, Szolnok; Jászberény, the heart of the Jászság region; Martfű; Berekfürdő and Cserkeszölő, famous for their medicinal baths; Tiszakürt, well-known for its arboretum and Tiszafüred and Abádszalók with their popular resorts on Lake Tisza.

JÁSZ-NAGYKUN-SZOLNOK



The Mecca for medicinal waters

While Jász-Nagykun-Szolnok has few mineral resources, it does have commercial amounts of good-quality clay, building sand, and some natural gas and crude oil.

But the county is rich in thermal and medicinal waters. There are about 150 thermal wells, most of which were discovered in the course of drilling for oil. The exploitation of the thermal springs is most developed in Szolnok, but the iodine-rich thermal waters of both Berekfürdő and Cserkeszölő are known far beyond Hungary's borders.

The county's largest river is the Tisza, which cuts through it from north to south over a distance of about 150 km. The irrigation system connected to it serves close to 100 000 ha. The original vegetation occurs only in nature reserves and in the immediate vicinity of rivers, all other land is cultivated. One third of the Hortobágy National Park falls within the administrative territory of the county. There are more than 50 species of fish in the Tisza, the most important of which are the catfish, the barbell, the sturgeon, and the various types of bream and the region is also rich in small game. Lake Tisza, also known as the 'Balaton of the Great Plain', is the second largest lake in the country, and plays an important role in the county's tourist industry.

Which EU regions are similar to Jász-Nagykun-Szolnok?

Age structure:	Niederösterreich (A)
34.5% under 25	Mecklenburg-Vorpommern (D)
14% over 65	
Centre-Est (F)	Employment structure:
Population density:	10-12% in agriculture
75-80 inhabitants per km ²	38-40% in industry
Molise (I)	48-50% in services
	La Rioja (E)

	Area		Population		Activity %	Unempl. %	Employment				
	km ²	1 000	Inhab./km ²	Change (%)			% Agricult.	% Industry	% Services		
		1995	1995	1980-89	1990-94	1990	Dec. 1994	1990	1990	1990	
Jászberényi	1 161	90	77	- 7.9	- 1.6	51.3	13.0	23.5	41.7	34.8	
Karcagi	1 185	68	57	- 5.7	- 2.0	54.3	17.4	23.0	35.6	41.3	
Kunszentmártoni	734	42	57	- 8.1	- 2.9	51.3	18.6	31.0	36.9	32.1	
Szolnoki	1 379	168	121	- 0.3	- 0.2	57.8	12.7	15.1	36.1	48.7	
Tiszafüredi	1 147	56	49	- 6.6	1.3	51.2	25.7	33.1	32.2	34.8	
Jász-Nagykun-Szolnok	5 607	423	75	- 4.5	- 0.9	54.3	15.7	21.8	36.8	41.4	
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5	
							1995	Dec. 1995	1995	1995	
Jász-Nagykun-Szolnok							45.3	17.7	11.9	39.7	48.2
Hungary							48.2	12.0	8.1	33.1	58.8

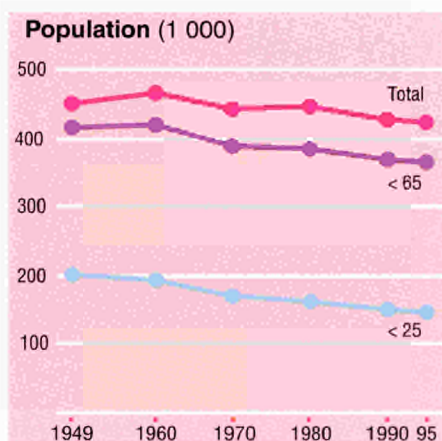
JÁSZ-NAGYKUN-SZOLNOK

Falling population

The county's population at the end of 1994 was 423 000, 4.1% of the nation's total. The population has been steadily decreasing since 1980 and fell by 24 000 between 1980 and 1994. Three quarters of this decrease was due to migration out of the county.

Hand in hand with this decrease, there has also been a change in the age composition of the population. There has been a reduction in the proportion of children and young adults, and an increase in the proportion of the elderly. At the beginning of 1995 there were just 96 children for every 100 elderly people, compared with 214 in 1949.

During this period fertility was low and in the 1990s birth rates have been falling further. Consequently, the number of births decreased from 15.1 to 12.0 per 1 000 population between 1980 and 1994.



Low incomes

Both incomes and consumption in the North Great Plain region are the lowest in the country. This region comprises Hajdú-Bihar, Szabolcs-Szatmár-Bereg, and Jász-Nagykun-Szolnok. The average per capita disposable income is almost 30% lower than in Budapest and 15% below the national level. Three fifths of net income in 1993 came from paid employment and self-employment and one third from pensions and social security. This region spends the highest proportion of total household per capita expenditure on food.

Net monthly wages are 10% below the national average. This is largely because in the most important branches in the county (industry, agriculture, education, healthcare), Jász-Nagykun-Szolnok wages are lower than in most other counties. Gross wages are increasing more slowly

than the national average, net real wages are falling faster. Earnings, both in absolute amounts and in the rate of growth, show much higher than average sectoral differences. The highest earnings are in mining, finance and public administration, while the lowest are in agriculture.

White-collar workers earn on average 67% more than manual workers, this is a smaller difference than nationally, as white-collar workers in Jász-Nagykun-Szolnok are relatively lowly paid. Males earn one third more than females.

Resident population of foreign nationality — 1994

		% of total population
Total	2 441	0.58
Romania	1 328	0.31
Former Soviet Union	432	0.10
Germany	200	0.05
Former Yugoslavia	139	0.03

Mortality follows the national patterns with a 25% higher degree of male mortality. There have been significant improvements in the cases of children and young adults, but in the 30-54 age-group, the mortality rate almost doubled in the 1980 to 1994 period. The infant mortality rate was halved during the same period, but it is still double that of more developed countries. There are more deaths than births every year, thus a natural population decrease has been experienced in the county since 1982 which has reached the level of about 1 000 per year.

Between 1980 and 1994, the county lost almost 17 000 people due to migration: 4% of the 1980 population. Until 1990 there was a downward trend in outward migration, which then stabilized at about 1 000 a year. Two thirds of those that left the county permanently settled in Budapest. In the period under consideration, Jász-Nagykun-Szolnok suffered the third highest outward migration of any county.

This region has never had a significant ethnic minority population; out of every 1 000 population only 23 belong to ethnic minorities. Both in terms of absolute numbers and proportions, the biggest ethnic minority group has always been the Gypsies. Their proportion in the county's population is the sixth highest of all the counties.

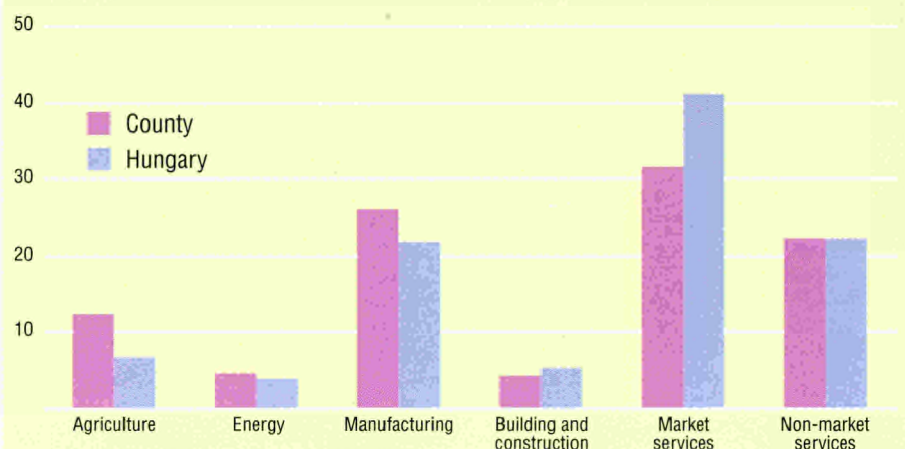
Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	81	19.1	19.9	18.1
15-24	65	15.4	16.5	14.4
25-39	83	19.6	20.4	18.6
40-54	86	20.3	20.9	20.0
55-64	48	11.3	10.7	12.1
≥ 65	60	14.2	11.7	16.7
Total	423	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	447
Births	58
Deaths	61
Net migration	- 17
Population 1.1.1990	426

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Szolnoki Mezőgép Rt	Agricultural machinery
Lehel Hűtőgépgyár Kft	Electric household equipment
Tisza Cipő Rt	Footwear
Kőolajkutató Rt	Oil and gas production
Solami Húsipari Rt	Meat and fish processing
Conavis Kft	Poultry processing
Cereol Rt	Vegetable oil
Álföldi Gabonaipari Rt	Grain and flour products
MOL Rt	Petroleum industry

Agricultural traditions

Until recently, agriculture has always been the most important sector of the economy. Jász-Nagykun-Szolnok remains one of Hungary's bread baskets as it is responsible for 10% of the nation's wheat production; it also produces 7% of the country's pork and beef. Every seventh worker in 1994 earned his livelihood directly from agriculture.

Right up to the 1950s, industry was based mainly on the agricultural sector and was concerned mainly with food processing. In addition, there had long been a railway carriage repair industry. Subsequently, the traditional economic structure was fundamentally transformed by State intervention. Capital and labour in agriculture were concentrated by a process of forced collectivization. Highly mechanized monoculture tended to characterize the large agricultural enterprises. The cereals and industrial crops produced had a ready market in the Soviet Union.

Industrialization took place in two ways: on the one hand, new, locally controlled factories were established, especially in the western part of the county (Jászberény,

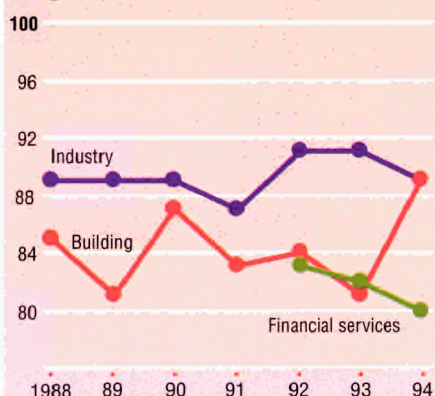
Szolnok and its district); on the other hand, subsidiaries of Budapest-based enterprises were established, mostly in the cities east of the Tisza. Using cheap labour and old techniques and equipment, these latter companies produced mainly for the CMEA (Comecon) market. Szolnok became the oil exploration centre of the Great Plain.

Through these changes Jász-Nagykun-Szolnok had become an agro-industrial region by the 1970s. Industry continues to be mainly processing in character and based on the food sector. There is also agricultural machinery, refrigerator and footwear manufacturing, as well as sulphuric acid and detergent production.

The structure of agricultural production is stable. Despite the changes in ownership and size of production units, the most important activities continue to be wheat, sunflower and maize growing, and pork and beef production. Smallholders farm one third of arable land but they lack capital and medium-sized and larger concerns are also experiencing severe financial difficulties due to the low levels of precipitation in the early 1990s.

By 1995, the bulk of State property had been privatized and only a few large enterprises were still awaiting buyers. This part of the country is not particularly attractive to foreign capital, and only a few per cent of foreign investment finds its way to Jász-Nagykun-Szolnok. Only recently have serious attempts been made to upgrade the county's technical infrastructure.

Wages (national level = 100)



Gross per capita household income — 1993 (%)

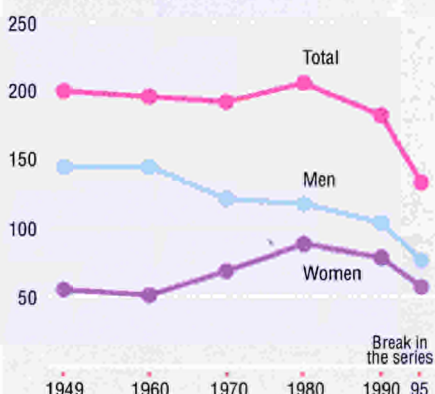


Agriculture — 1994

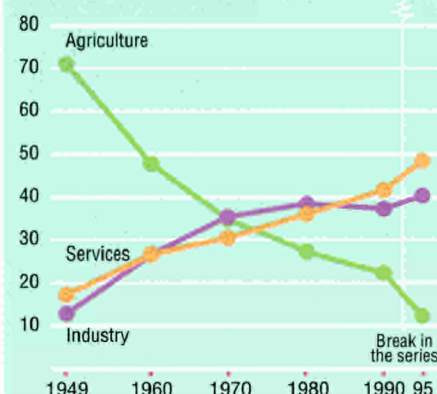
Number of holdings	3 158
Labour force	18 278
Agricultural area (ha)	451 600
Livestock (LU)	111 234
Gross per capita value of production (Hungary = 100)	107
Main products by gross value of production:	
Pigs	18%
Wheat	16%
Milk	11%

JÁSZ-NAGYKUN-SZOLNOK

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	181.7
+ Non-residents having a job in the county	37.7
– Residents having a job outside the county	40.5
= Internal employment	178.9

Low proportion of employment in the tertiary sector

There was full employment in the county right up to the end of the 1980s. This changed radically in the early 1990s. The large enterprise structure collapsed and was accompanied by large-scale redundancies. There are 245 000 people of working age in the county: 58% of the total population. Sixty-three per cent of these were employed in 1995, compared with 75% in 1990. Economic activity has decreased significantly; over 26% of the population in 1995 was retired.

Owing to the large-scale redundancies in some branches, there has also been a change in the county's employment structure. There has been a dramatic reduction in the numbers working in agriculture, but increases in the services

sector. Thus, in 1995 industry and construction accounts for two fifths, agriculture for less than one eighth, and services for almost half of all active earners. The combined share of employment in the primary and secondary sectors was, however, still well above the national average, and the share of the tertiary sector was the lowest in the country. This is the unique feature of Jász-Nagykun-Szolnok's employment structure: the other Hungarian counties which have a relatively high share of agricultural employment usually have a much less significant industrial, and a much more dominating services, contribution. Despite the massive job losses, industry has maintained its position in the county's employment structure, in relative terms.

Four fifths of the active earners are employees, and almost three quarters of them are employed by organizations with over 20 staff. However, the few companies employing more than 300 people still account for 60% of employment, even after the large scale dismissals of the early 1990s.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	79	8	78	3
Women	13	82	5	84	7
Total	13	80	7	81	5

One third of all production is exported

Industry was shaken by the economic changes of the 1990s. Many outdated plants, mostly those with their headquarters outside the county, either went bankrupt or experienced severe financial difficulties. At the same time, however, other, more modern firms with foreign capital have succeeded. Noteworthy examples are the television factory at Jászfényszaru, the refrigerator factory at Jászberény, the Szolnok Paper Factory, paper and sugar factories at Szolnok, vegetable oil production at Martfű and the poultry processing plant at Törökszentmiklós.

The county's economy is quite open; one third of all production is exported and a large proportion of raw materials are imported. One fifth of all investment is in imported machinery.

Commerce has always played an important role in this region, and has been the engine of development, particularly in Szolnok. However, large wholesale trade firms have not yet been established in the county, and the considerable amount of foreign capital that there is in the commercial sector tends to be concentrated in the food trade. The Szolnok Trade Fair has

been a success in extending the county's international economic links. Organizations are being formed to promote and assist business and investment. These business development foundations, privatization offices, chambers of industry and commerce etc. are all helping economic development to take off.

Higher than average unemployment

At the end of the 1980s, there were little more than 1 000 registered as unemployed; this rose dramatically thereafter, reaching a peak of 39 000 by early 1993. Since that time the official unemployment figures have been steadily decreasing. In 1995, 28 000 people were registered as unemployed, a rate of 14.2%, significantly above the national average and among the worst in the country. Each year between 1990 and 1995, the county suffered the third to fifth worst unemployment rates of all counties. The incidence of unemployment within the county differs widely; the worst hit areas continue to be in the north-east in the Tiszafüred and Kunhegyes regions. In 1995, 25% of the working-age population there was unemployed.

Unemployment in the county is becoming more long-term; in 1995, the average period of unemployment had reached 530 days.

Most of the unemployed are former industrial and construction workers. Agricultural unemployment accounts for a higher proportion than nationally, and long-term unemployment is increasing among those formerly employed in the tertiary sector. The people with the least chance of finding a job are those that have been unemployed for a long time and these are the former agricultural, construction and freight transport workers.

Eighty-seven per cent of the unemployed are manual workers, two fifths of them are skilled. Almost half of the registered jobless have no more than an elementary school education, and a further one third is accounted for by those with vocational secondary school training. The distribution by sex is stable, with around 61-62% of the unemployed being males. More than one quarter of the jobless in 1995 were below the age of 25.

The number of reported vacancies was decreasing in 1995 and there were less than three vacancies for every 100 people seeking a job. The geographical distribution of vacancies was also unfavourable, coinciding with areas with lower unemployment.

Sound secondary education, but no university

For historical and social reasons, the average level of education is lower than nationally. This is despite the fact that the facilities for elementary education are good, and a sound secondary school network has been built. A number of the secondary schools enjoy national renown and participate in the World Bank's qualification modernization programme.

There is no university in the county but there are two independent colleges and one military one and a faculty of a university based in a different county also provides tertiary instruction. The College of Commerce and Economics stands out, with more than 3 000 students. Teachers, agriculturists, commercial, hotel and catering and foreign trade professionals are trained in the colleges and the Military College specializes in aviation instruction. These colleges attract students from all over the country.

Five hospitals function in the county offering a wide range of services. The greater co-ordination between the institutions and the formation of the ambulance and emergency service has greatly increased effectiveness.

Musical life

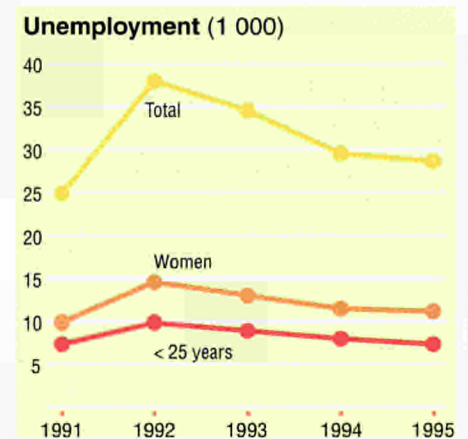
The county has eight museums, with the most important being the János Damjanich Museum. The Szolnok Gallery is also important.

The Szigligeti Theatre continues the proud tradition of the Szolnok Theatre; audiences from outside the county come to view the extraordinary performances for which the theatre is known. Cinemas seem to be becoming more popular again.

Many of Hungary's finest painters have worked in the Szolnok Artists' Colony.

There is a tradition of folk art in the county, concentrating mainly on pottery, embroidery, weaving, wood-carving and fur crafts.

The county's musical life, its choir, and folk dancing traditions deserve special emphasis. These activities are represented by the Szolnok Symphony Orchestra, the Kodály Choir, the Tisza Dance Group and the Jászság Folk Group.



	M + F 1 000	F %
Pre-school	17.4	48.9
Primary	42.9	48.9
Vocational	8.9	40.6
Secondary (technical)	8.6	43.9
Secondary (general)	5.1	69.4
Higher education	4.2	:
Total	87.1	:

JÁSZ-NAGYKUN-SZOLNOK

A link between east and west

Owing to its geographical position, important transit routes linking the eastern and western parts of Hungary cross the county.

There are 500 km of railway track in Jász-Nagykun-Szolnok. The Budapest-Záhony line leading to Ukraine and Russia crosses the county, as does the Budapest-Lökösháza line which provides rail links with Romania. The Salgótarján-Hatvan-Szeged lines provide north-south rail communication. Szolnok has one of the country's busiest and most up-to-date central railway stations, whose capacity is not fully utilized. Nevertheless there are

regions in the county that are not linked to the rail network, especially those settlements along the River Tisza.

The road network also takes a lot of the traffic heading to and from Russia, Ukraine, and Romania. The quality of the roads, however, has not kept pace with traffic increases and owing to congestion there are many accidents on the main routes crossing the county. There is still not an adequate level of communication with neighbouring counties, despite the fact that between 1990 and 1994, 100 km of linkage roads have been built. All settlements are accessible by bus, and there are over 200 km of bus and train routes within the settlements.

There is a large-scale development programme to link all settlements to both the domestic and the international telecommunications network.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.4	0.6
Length in km per 1 000 population	5.1	5.2
Length in km per 1 000 passenger cars	35.3	24.7
Surface area in 1 000 m ² per km ²	2.1	3.2
Surface area in 1 000 m ² per 1 000 population	28.3	29.3
Proportion of national roads (%)	67.3	62.4
Proportion of local roads (%)	32.7	37.6

The opportunities for river transport on the Tisza and the Körös have not as yet been exploited due, amongst other things, to the lack of investment in the necessary infrastructure. There are three airports in the region that can be utilized for civil aviation: these are at Kenderes, Kunmadaras, and Pusztaakosy. The Kunmadaras facility could be upgraded to handle intercontinental traffic.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	50	96	108	174
% connected to digital network	76	88	93	97

Developing infrastructure

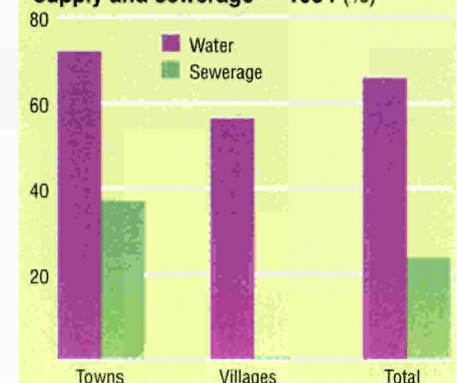
The quality of the county's technical infrastructure is below the national standard. The level of public utilities is fair, but it is characterized by subregional disparities.

For decades all settlements have had electricity; and all have clean public drinking water supplies. The proportion of dwellings with piped water installed is 65% but a mere 28 settlements have a public sewerage system, and slightly more than one third of the dwellings with piped water are connected to the public sewerage. The level of provision is best in Szolnok and its surroundings, while the Tiszazug and Middle-Tisza subregions lag considerably behind. Thirty settlements have piped natural gas connected and there are plans to double this.

Municipal refuse collection is available for less than one third of settlements, covering 70 000 dwellings and secondary homes.

In quantitative terms, the housing supply is better than the national average, but the picture is not so rosy in qualitative aspects. The newly-built flats and family houses, however, tend to be more spacious and equipped with all modern comforts.

Connection of dwellings to public water supply and sewerage — 1994 (%)



The problem of waste

There are a few, important natural features in the region; the Hortobágy region, the River Tisza, Lake Tisza and the Körös area. The region is popular for water sports and the Tisza has some rare, protected species of fish.

Four fifths of the Middle-Tisza landscape protection area with more than 6 000 ha, and 15% of the Hortobágy National Park with 8 500 ha, are in the county along with one fifth of the Dévaványa landscape protection area, which is the protected habitat of the bustard (*Otis tarda*). The county has an additional 2 000 ha of nature reserves. Twenty-six of the nationally protected flora species and 236 protected fauna species are found on the county's land.

Despite the fact that Jász-Nagykun-Szolnok is among the least polluted counties in the country, the lack of safe handling and disposal facilities for the county's dangerous and communal waste, the lack of drainage and treatment of

sewerage in the majority of settlements and the relative neglect of the rivers are still major sources of environmental concern. To date these problems have not received adequate attention, but nor have the financial resources to deal with them been available. Between 1990 and 1994, a mere 4-5% of all investment spending went on environmental protection. Within this, most was spent on water protection, protection against the harmful effects of dangerous wastes, soil conservation, and protection against noise and vibration. Probably one of the greatest achievements in this area has been the completion of the city bypass of the international E15 road.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	2.9	100.0
Proportion of environmental investments in total investment	5.2	4.6
Proportion of environmental expenditure on:		
Water protection	60.2	38.3
Air protection	1.3	11.1
Waste management	15.9	7.5

Successful agricultural research

Facilities for scientific research are limited, and the county accounts for only a small proportion of the funds devoted to research nationally. In all, 260 people are involved in scientific research – fewer than in any other Great Plain county, and most of the research is conducted in the tertiary educational institutions.

In the past a high proportion of the large enterprises had well-developed and well-equipped research and development establishments and were responsible for numerous inventions in the field of crude oil production, refrigerator and plastics manufacture etc., but in the 1990s

research conducted by companies decreased very significantly.

The Karcag Research Institute of the Debrecen Agricultural University deals mostly with the improvement of grains and plant-growing technologies and with rational land use. The Sugar Industry Research Institute is concerned with the complexities of the production and processing of sugar beet, while the Mezőtúr Agricultural College is working on the development of machinery suitable for small plots of land.

Which way forward?

The county is full of contradictions, bearing at the same time the marks of economic crisis and of prosperity, and it is still searching for the way towards development.

A convenient starting point is the favourable geographical situation in close proximity to Budapest. Added to this, the good transport and communications facilities could enable the economic co-ordinating role of Szolnok to grow further, and in time to become the logistical and commercial centre of the Great Plain.

By developing and extending irrigation, agriculture could diversify its structure, and give the more intensive cultures, vegetables, fruit and wine-growing, a greater role. By extending storage and processing capacities, greater value could be added to the county's products.

With better marketing, the processing industry in the western and central parts of the county could become the spearhead of the county's development. The large amounts of spare production capacity and the relatively cheap and well-qualified labour force could be important ingredients in this venture.

Lake Tisza, the River Tisza, and the relatively unspoilt natural environment along the Körös rivers, and the more than 150 thermal wells in the region could all be great spurs to the tourist industry.

KOMÁROM-ESZTERGOM

The birthplace of the King St Stephen

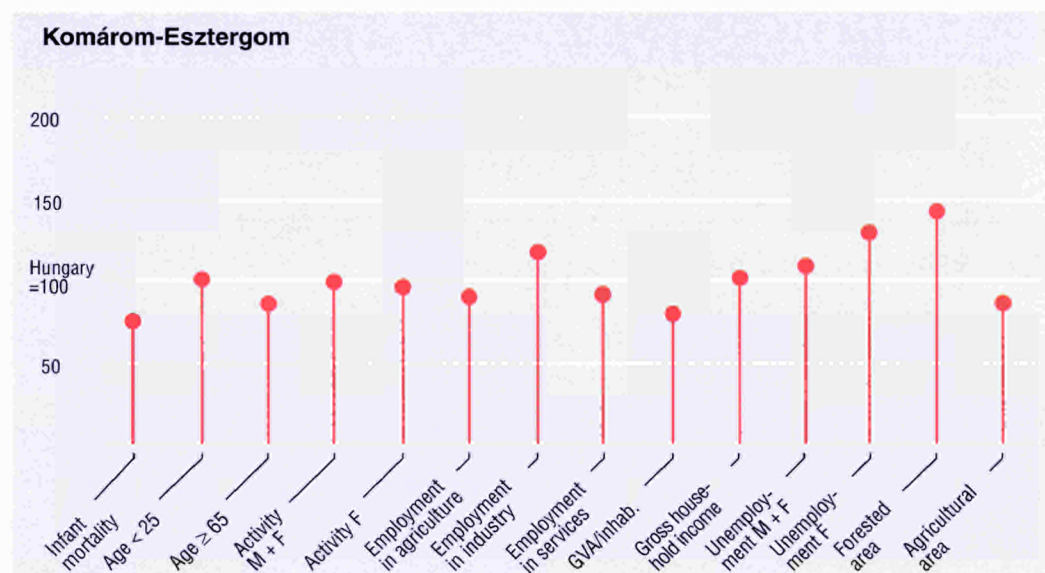
Komárom-Esztergom is bordered by an 80 km long stretch of the Danube, the Vértes, Gerecse and Pilis mountains and the foothills of the Bakony mountains and lies in the northern part of Transdanubia. The county is near Budapest and the main railway and road routes leading to Austria cross its territory. The town of Komárom is an important border crossing to Slovakia.

According to archaeologists, the region's earliest inhabitant was prehistoric man 450 000 to 500 000 years ago; remains have been discovered in the tuffaceous rocks at Vértesszőlős. Rich bronze-age findings and the remains of Roman military camps, villas and watch-towers have been discovered along the Danube. Initially, the Hungarians lived side by side with the Avar and Slav peoples and Prince Géza chose Esztergom as the capital of the country. This is where Stephen, the first king of the Hungarians, was born, crowned and in 1083 canonized.

The territory of Komárom-Esztergom was one of the country's most densely populated regions in the 13th century. The Ottoman invasion led to the depopulation of many villages which were subsequently resettled by Germans and Slovaks. The current shape of the county evolved following the redrawing of Hungary's borders in the aftermath of the First and Second World Wars. The ethnic composition of the population was again changed by the expulsion of the Germans and the Hungarian-Slovak population exchange.



Esztergom – the city where the Hungarian kings were crowned



Hungary's smallest county

Komárom-Esztergom with its 2 250 km² land area is Hungary's smallest county. The Danube River constitutes its northern border and across the Danube stretches the Slovak Plain. Despite its small geographical size, the county can be neatly divided into seven distinct regions: the Pilis Mountains, the Dorog Basin, the Gerecse Mountains, the Tata Basin, the fringes of the Little Plain, the Vértes Mountains, and the Bársonyos Hills.

Komárom-Esztergom borders Győr-Moson-Sopron in the west, Pest in the east, and the counties of Fejér and Veszprém in the south. It has 73 municipalities; and eight towns. With a population of 73 000, Tatabánya is the most populous city and the county capital. Second in population size is Esztergom, founded more than 1 000 years ago, followed by Tata, the 'city of waters'.

In terms of climate, the continental effect is not very pronounced, but the county records the highest temperature extremes in Transdanubia. This

is the country's windiest region with the lowest average yearly precipitation, although this is distributed very unevenly.

The county with the youngest population

The population in Komárom-Esztergom increased steadily up until the early 1980s; since then, it has been decreasing both on account of migration and natural losses. The number of births dropped by 22% between 1980 and 1994, while the number of deaths increased by 12%, but both figures are still better than the national situation. However, the county remains the second most densely populated in Hungary, with almost two thirds of the population living in cities. The county had a population of 313 000 in 1995, with a high density around the county capital and the industrial towns and fewer people in the agricultural provinces.

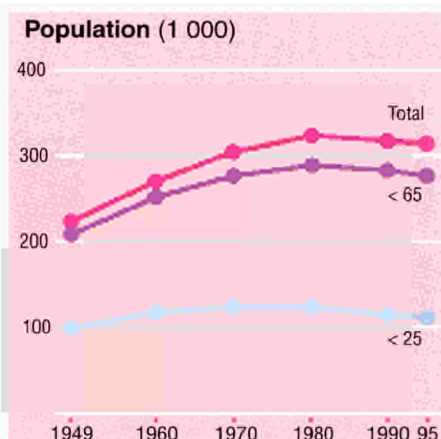
The female population surplus has continued to increase; currently females make up 51.5% of the population. The population is clearly ageing; according to 1995 figures, for every 100 people of working-age there were 37 pensioners. Owing to

the low birth and high mortality rates since the 1970s, children and people over 60 make up roughly the same proportions of the population. It was only in the 1990s that infant mortality dropped below 10 per 1 000 live births and the rate was down to 8.6 in 1994. Despite these trends, with 36 % of the population below the age of 25, the county has the youngest population in Hungary.

The social and economic changes influenced population movements as well. In the early part of the 1980s there was net inward migration, but by the second half of the decade more people were leaving the county than were arriving. This trend continued at a moderate rate into the 1990s.

Almost a tenth of the population belongs to an ethnic group other than Hungarian. Germans and Slovaks live in large numbers in more than 30 settlements. More

than a tenth of Hungary's total Slovakian population and about 8% of its German population live in Komárom-Esztergom.



Resident population of foreign nationality — 1994

		% of total population
Total	4 045	1.29
Romania	1 541	0.49
Poland	926	0.30
Former Soviet Union	493	0.16
Former Czechoslovakia	384	0.12

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	59	18.8	19.7	18.0
15-24	50	16.0	17.1	14.9
25-39	65	20.8	21.7	19.9
40-54	67	21.4	21.7	21.1
55-64	34	10.9	10.5	11.8
≥ 65	38	12.1	9.2	14.3
Total	313	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	321
Births	41
Deaths	40
Net migration	- 8
Population 1.1.1990	315

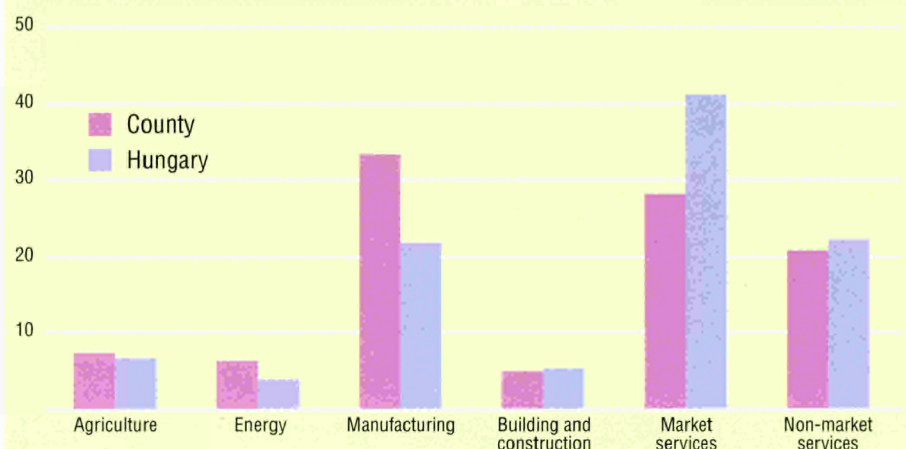
Highest proportion of income from agriculture in the country

A significant proportion of household income comes from wages and salaries earned in full-time employment. Incomes were high in the past when industry, and particularly mining, was the dominant sector in the county's economy. These high incomes were well justified by the difficult working conditions and the hard manual work.

Despite the fact that industry has been decreasing in importance for years now, incomes in this sector remain the highest. While in the past agriculture's high performance was reflected in incomes, this activity is no longer among the best-paying sectors. Still, agricultural earnings are higher here than anywhere else in the country. The levels of average earnings are quite favourable in the services sector and, within that, particularly in financial services.

The average earnings of women are lower than those of men in all branches of the economy, regardless of their jobs; men earn on average 33% more than women. The differences increase with the level of qualifications. Taken as a whole, average earnings are above the provincial, but below the national average. Pensions, which are higher than nationally, play an important supplementary role in household income.

Gross value-added by sector — 1994 (%)



A strengthening services sector

The county's economic structure is still decidedly industrial. The bulk of the industrial capacity is concentrated in the Tata basin and along the Danube between the towns of Komárom and Esztergom. For many years the structure of industry was dominated by mining, electricity generation and the building materials industry. The exhaustion of the economically viable coal fields and the unfavourable geological conditions of the reserves recently explored have led to mining losing its former pre-eminent position. During the early 1990s several new industries (e.g. the motor industry, beer-brewing) settled and have gained increasing significance in the county. Almost all exports are accounted for by the processing industries, with the motor industry playing an important part.

The weight of the services sector in the economy has exceeded that of industry in the 1990s, and the role of small businesses in services is important. These small businesses tend to specialize in commerce and the repair of consumer goods, but there is also an increase in the provision of business services (consulting, auditing).

Privatization, the process of compensation and the transformation of the agricultural cooperatives influenced the structure of the economy significantly. Almost half of the privatized enterprises are now wholly in private hands, which is well over the national figure, and the new owners are mostly Hungarian investors. Per capita investment expenditure is the second highest among the counties, while the proportion of industrial investments is the highest in the country. Thirty per cent of the cultivated land was involved in the compensation programme.

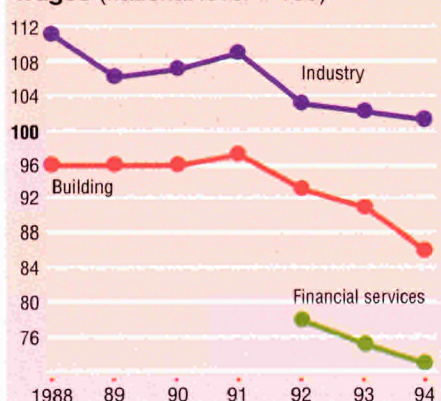
The vast majority of the agricultural land is ploughland. The most important crops are wheat and maize, both of which have yields higher than the national average. The basis of large-scale industrialized maize and wheat production was laid down years ago by the Bábolna Agricultural Combine, which has since broken up into a number of smaller production units. The more labour-intensive fruit and vegetable growing is predominantly in the emerging private smallholder sector. Livestock numbers, which had been declining for years, stabilized in the mid-

1990s. Both pig and poultry farming are carried out on an industrialized scale.

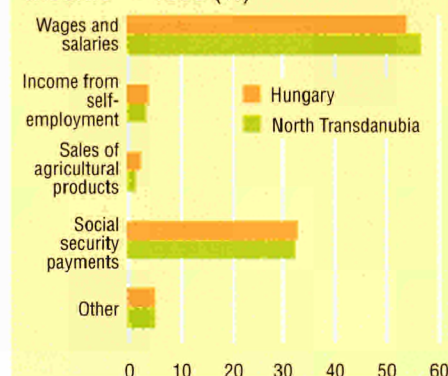
Main enterprises

Name	Activity
Magyar Suzuki Rt	Passenger vehicles
Bábolna Rt	Estate management, financing
IKR Rt	Fertiliser, pesticides and seeds
Amstel Sörgyár Magyarország Kft	Brewery
Magyar Viscosa Rt	Synthetic fibres
Eternit Kft	Asbestos cement roofing
Magyar Cukor Rt	Sugar products
Piszkei Papír Rt	Paper manufacturing
Gyermelyi Szövetkezeti Rt	Grain and flour products

Wages (national level = 100)



Gross per capita household income — 1993 (%)



Agriculture — 1994

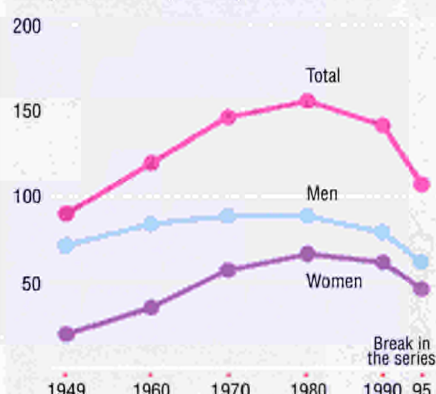
Number of holdings	841
Labour force	10 802
Agricultural area (ha)	124 100
Livestock (LU)	60 282
Gross per capita value of production (Hungary = 100)	127

Main products by gross value of production:

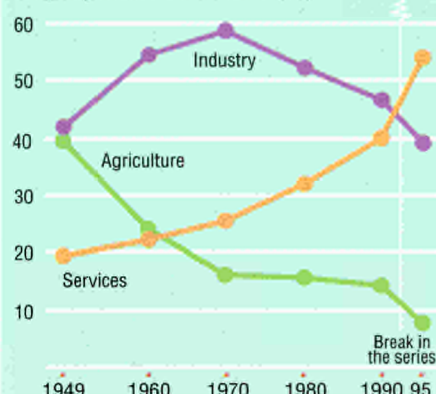
Poultry	28%
Eggs	15%
Pigs	14%

KOMÁROM-ESZTERGOM

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	139.5
+ Non-residents having a job in the county	42.3
- Residents having a job outside the county	47.7
= Internal employment	134.2

Increasing role of small businesses in employment

The important role of heavy industry within the structure of the county's economy over a number of decades tended primarily to cater for male employment. Consequently, a number of industrial factories were established to soak up excess female labour, but it is the increasing importance of the services sector that seems to be the main factor leading to an equalization of the proportion of males and females in the labour force. In 1995, 57% of the active earners are men.

The 1990s saw a significant drop in employment in every sector of the economy leading to increases in unemployment. Industry and services remain the biggest employers, despite the fact that, through the decline in mining, industry has

shed the most labour. In 1994, industry and services accounted for five sixths of all companies, and in 1995 industry accounted for 39%, services 54%, and the primary sector 7% of employment. The majority of the employed are manual workers, but there has been an increase in the proportion of white-collar workers.

The majority of those employed in the services sector are in the fields of education, health-care and social services, commerce and transport. The transformation and splitting-up of the agricultural cooperatives, the continued disruption caused by ownership changes, and the unfavourable financial situation has led to very significant cuts in the agricultural labour force since the early 1990s.

The overwhelming majority of both manual and non-manual workers are employed in the county's towns as not only industry, but also the various educational and cultural institutions and public administration are concentrated there. The labour force's level of education has risen with increases in the proportion of those with secondary school and tertiary qualifications; 54% of tertiary graduates are male.

The educational system still reflects the needs of the former economic structure, but signs of adapting to the new requirements have emerged. The College of Modern Business Studies was established in Tatabánya in 1991 offering full-time tuition at both undergraduate and post-graduate levels in a range of economics and business-related disciplines. Retraining and further education courses are also available in the county in accounting, economics, computer science, and a number of other subjects.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	83	3	80	3
Women	11	86	2	85	11
Total	13	85	3	81	6

Industrial restructuring

The most important industrial branch is the processing industry and, within that, engineering, the production of food and beverages and the chemical industry. The county's most important firms are in these branches. Of particular importance is the Hungarian-Japanese joint venture company engaged in the manufacture and sale of motor vehicles. The paper factory at Piszke, which is largely foreign-owned, and the Dutch-owned brewery are also significant and their products are directed to the domestic market. The Hungarian Sugar-Makers Corporation at Ács was born of the amalgamation of three

Hungarian sugar works, again producing predominantly for the domestic market. An Austro-Hungarian joint venture company in the county is the only company in Hungary producing asbestos-based cement and corrugated iron roofing-sheets. The county accounts for more than 80% of Hungary's synthetic fibre and briquette production and close to 70% of the production of its spectacle frames.

Exports represent a low proportion of industrial sales; the volume has been decreasing since the early 1990s, and it was only in 1994 that some improvement was

recorded with the advent of car manufacturing in the county. The town of Oroszlány has started the construction of an industrial park, while Tatabánya is planning one.

Of the annual trade fairs held in the county, by far the most popular are the August Bábolna Businessmen's Days and the Vértés Expo held in September.

Unemployment despite a well-qualified labour force

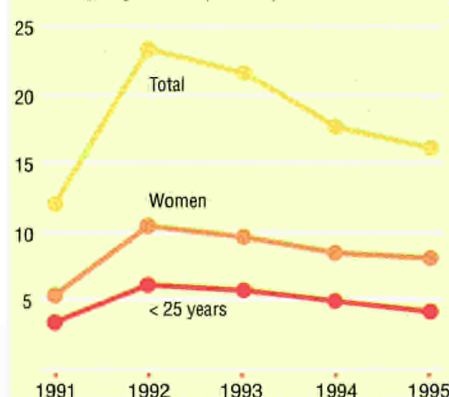
Economic transformations have led to very strong social tensions. The mining companies and also several other industrial enterprises were forced to lay off great numbers of employees, affecting first of all male manual workers. At the beginning of 1990, a mere 400 unemployed were recorded in the county. By January 1993 the number of registered unemployed exceeded 23 000, corresponding to a 14.6% unemployment rate. Thereafter the number of jobless reduced gradually. Komárom-Esztergom has always been about average in county rankings, as far as unemployment is concerned.

Almost half of the unemployed are in the 36-55 age bracket. Since the structure of education and training has not yet been harmonized with the needs of employers, youth unemployment is high; almost one quarter of the unemployed are below the age of 25, about one third of them first-time job seekers. This is the only category

where the proportion of women exceeds that of the men. More than 80% of the unemployed are blue-collar workers, most of them semi-skilled and unskilled, while the proportion of the white-collar unemployed having tertiary qualifications is very small.

The unemployment offices organize retraining courses for the unemployed that are tailored for the needs of the employer. There is also professional training conducted in a number of secondary schools with the financial backing of the World Bank. All this is still not sufficient, however, to harmonize supply and demand on the labour market in a short space of time.

Unemployment (1 000)



Education is being modernized

The economic changes of the early 1990s brought with them structural changes in social services as well. Every city in the county has secondary schools, while Esztergom and Tatabánya have tertiary educational institutions as well. These institutions have launched a number of new training programmes to cater for the local economy's need for new skills. Thus, in addition to the traditional subjects, training in computer programming, technical management, business accounting, shorthand and typing in foreign languages is also available. There are also full-time retraining courses available in, for example, theology, teaching, education management, commercial economics and information technology.

Public libraries are available to everyone in the county. It deserves special mention that there are about 4 000 German language books in the libraries of 15 German-speaking villages, and about 5 400 Slovak language books in 10 Slovak-speaking villages. Shortage of funds makes the expansion of the stocks difficult.

Number of pupils — 1994-95

	M + F 1 000	F +%
Pre-school	12.8	48.1
Primary	31.2	49.2
Vocational	7.0	40.2
Secondary (technical)	5.8	50.1
Secondary (general)	4.1	61.1
Higher education	2.9	:
Total	63.8	:

A county with a colourful history

Because of the county's colourful history, which encompasses literature and local traditions, its museums are stocked with interesting collections, especially in the historic cities of Esztergom and Tata.

The majority of the settlements have cinemas and local cultural and community centres. The Mari Jászai Theatre in Tatabánya plays an important role in the cultural life of the county, its local and provincial performances always attracting large audiences.

KOMÁROM- ESZTERGOM

Transit routes of Europe-wide significance

The main transport routes run more or less from east to west and from north to south. The main railway lines (Budapest-Tatabánya-Komárom-Győr-Hegyeshalom, and Komárom-Székesfehérvár) run in these directions, and the main roads were built parallel to these. The Budapest-Hegyeshalom railway which leads to Austria is the country's most important line. Its modernization started in 1995, with the improvement of the facilities to enable 160 km/hour speeds. Electrified lines account for 37% of length of track in the county.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.8	0.6
Length in km per 1 000 population	5.5	5.2
Length in km per 1 000 passenger cars	27.2	24.7
Surface area in 1 000 m ² per km ²	4.5	3.2
Surface area in 1 000 m ² per 1 000 population	32.2	29.3
Proportion of national roads (%)	61.5	62.4
Proportion of local roads (%)	38.5	37.6

Komárom-Esztergom has the highest road density among the counties. Its most important road is the M1, connecting Budapest and the Austrian border. Heavy traffic is also carried on the main road along the Danube and on the route between Komárom and Székesfehérvár. The railway and road bridges at Komárom are crossing points to Slovakia and there are plans for the reconstruction of the road bridge at Esztergom.

As well as the well-developed rail and road network, there are also airports on the outskirts of Esztergom and Kecskéd capable of receiving small to medium-sized aeroplanes. Oroszlány, Tata, and Tatabánya can be reached within minutes from Kecskéd. The county is in a favourable geographical position in terms of water transport as well, but despite the fact that the city of Komárom is an international commercial port, more ports and wharves are required on the Danube to be able to exploit fully the advantages of water transport.

Owing to rapid progress in telecommunications, by 1994, every third dwelling was connected to the digital telephone network. The number of telephones increased two-and-a-half times between 1990 and 1994.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	65	96	153	174
% connected to digital network	83	88	99	97

Better than average, though uneven public utility provision

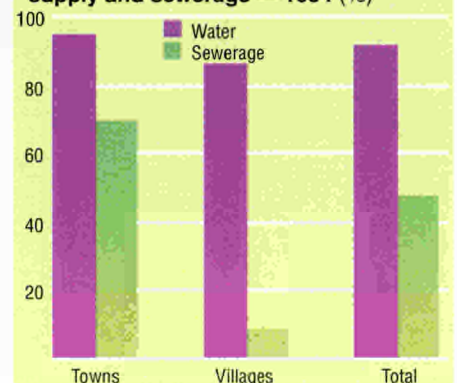
The distribution and quality of the existing dwelling stock reflects industry's history and the economic environment within the county. Two thirds of the dwellings were built after 1960; half of them have three or more rooms; and the majority are detached family houses. Close to a third of the county's households are connected to the district-heating network, while a fifth enjoy piped gas services. Piped drinking water is available to all settlements. The treatment of waste water and the public sewerage are not as developed as the supply of piped drinking water, but still better than in other parts of Hungary. Biological methods are generally used in sewage treatment in the larger settlements, only Látatlan has mechanical treatment facilities.

The development of the piped gas network had long been neglected because of the county's rich coal deposits. However, between 1990 and 1994 significant progress was made in this field and the number of settlements connected to the piped gas network increased from one to 30.

Seventy-two out of the county's 75 settlements have a regular refuse collection scheme.

While the level of public services is very high in national terms, its distribution over the county is uneven. The south-western district around Kisbér is by far the worst in every aspect.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Waste management is the most severe environmental problem

The concentration of industry, high population density and urbanization have had harmful effects on the county's environment. In the past, air pollution was fairly severe over the industrial settlements along the Danube, Oroszlány, Tata, Tatabánya and their surroundings, and over the Dorog industrial district. With the drop in industrial production and the elimination of obsolete production technologies, improvements in air quality have been recorded in the 1990s. There has been a reduction in sulphur dioxide emissions, and the nitrogen dioxide concentrations have dropped below the maximum-permitted limit. The level of dust, ash, and carbon monoxide pollution has been decreased gradually by the connection of more and more dwellings to the district heating and piped gas supply networks, and by the fitting of the latest filtering devices to power stations.

A serious source of concern is the contamination of surface waters by industrial and agricultural activities.

The extremes in climate give rise to soil erosion in many places. Large sums of money are spent every year on anti-erosion measures and soil conservation, but the total rehabilitation of the environment will take many years to accomplish.

In Komárom-Esztergom one of the most important environmental concerns is the safe disposal and appropriate handling of municipal waste, and the decontamination of existing tips. The Dorog incinerator's capacity is sufficient to handle the county's hazardous wastes; a more important problem, however, is the disposal of the large volumes of industrial waste, such as the ashes from the power stations and the aluminous sludge.

The 9 000 ha Gerecse Landscape Protection Area is in the county's territory, and parts of the Pilis and Vértes protected landscapes also belong to the county.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	5.6	100.0
Proportion of environmental investments in total investment	6.8	4.6
Proportion of environmental expenditure on:		
Water protection	39.5	38.3
Air protection	11.0	11.1
Waste management	12.8	7.5

Absence of research and development activities

There is no research and development to speak of in the county. The former Bábolna Agricultural Combine had invested in the improvement of breeds and process management and the methods developed at Bábolna have been successfully applied not only domestically, but also beyond the country's borders. Since the privatization and transformation of the large enterprises into smaller economic units, less and less resources are devoted to R&D activities.

Developed industrial sector and favourable geographical position

In terms of technical infrastructure (transport, industrial sites, water and energy management), the county compares favourably to the national average. Its geographical location between Budapest and the western border, the Danube as a source of water and a waterway, the good industrial facilities, traditions and culture, make the region attractive to both domestic and foreign investors. The county also has some tourist potential.

There are a number of problems, however, that are still awaiting solutions. For example, there is an urgent need for research and development institutions, be-

cause sooner or later this deficiency will constitute an important obstacle to the county increasing its innovative capacities, competitiveness and to its general economic revival. The new requirements of the labour market necessitate the expansion of tertiary education and training in the county. There are unexplored possibilities for economic development by cooperation with the neighbouring Slovak territories.

NÓGRÁD

The land of the Palots people

The county of Nógrád became an autonomous territorial unit at the end of the 10th century. The ancestors of the Palots people living in this part of the country were probably the Székelys. After the Hungarian Conquest, the Palots tribe undertook the duty of guarding the frontiers but the harsh environment and the soil's low fertility made life difficult. In the last third of the 19th century, capitalism made significant inroads; large-scale coal mining was established and new industries sprang up, such as iron and glass manufacture. At the turn of the century the Nógrád basin supplied all of Budapest's energy requirements. The high rates of economic development gave way to stagnation in the interwar years but, with the intensive development of the Salgótarján industrial basin following the Second World War, the region took off again.

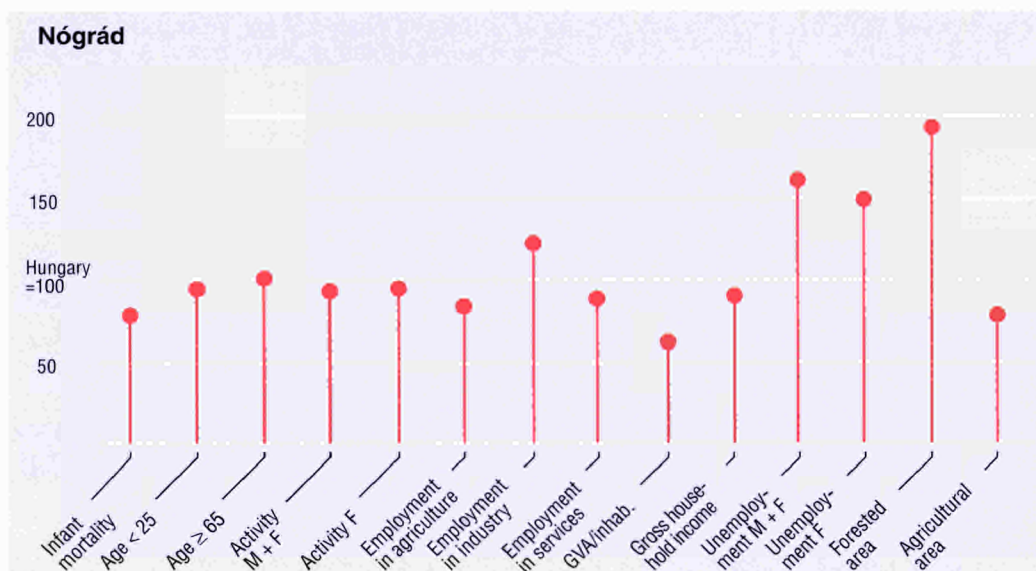
With one third of its former territory belonging to Slovakia, Nógrád's northern border now follows the Ipoly River. Some parts of the county are less than 30 km from the Budapest, while the county capital, Salgótarján, is 110 km away.

Small villages typify the county's settlement structure – in more than half of the settlements the population is below 1 000. There are 121 villages and six towns in the county. The towns, providing jobs and services for the village people, form subregions with the surrounding settlements.

The county is an important centre for Palots folk art. Hollókő with its unique Palots architecture and environment is on Unesco's World Cultural Heritage List.



View over Salgótarján, the county capital



Nearly 40% of the land area is forested

The 2 544 km² land area of the county is home to a population of 224 000. It is a mountainous region at the junction of the country's three most significant mountain ranges: the Börzsöny, the Cserhát and the Mátra. The Karancs-Medves rises in the north, on the national border. The Cserhát mountains gradually flatten out in the north and meet the Nógrád basin stretching out to the Ipoly River.

The climate of the Börzsöny and Mátra mountains is cooler and wetter than the national average, while the Cserhát mountains and the Nógrád basin resemble the climate of the Great Plain. Frosts are common both in the spring and in the autumn.

The county's natural vegetation is forest and Nógrád is the most forested region in the country. Soil conditions do not favour agriculture, hence the low proportion of ploughland, although there are many meadows and pastures. Altogether half of the county's land area is under agricultural cultivation.

Of the county's six towns, Salgótarján and Balassagyarmat provide the most employment and the most important administrative, educational, cultural and health services.

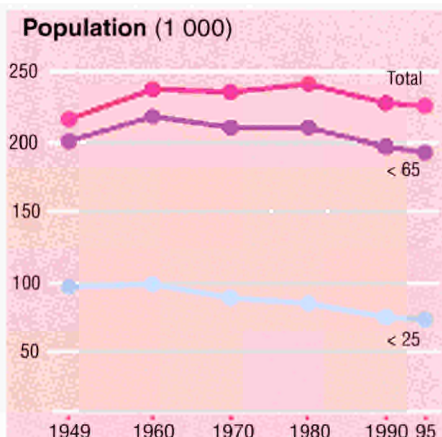
NÓGRÁD

High mortality rate

Nógrád has a population density of 88 inhabitants per km², which is well below the national average. The most densely populated part is the subregion around the county capital with 151 people/km². Between 1949 and 1959 the population increased by 21 000 due to high birth rates and the inward migration which followed the rapid development of industry. From 1960 the growth of the population gradually decreased and the population has been declining since 1980, as mortality rates have exceeded birth rates. Between 1980 and 1994, the number of births decreased by 20%, while the number of deaths increased by 12% resulting in 11.5 births and 15.6 deaths per 1 000 inhabitants. In addition, each year there have been losses due to a negative migration balance and consequently, in 1995 Nógrád had 16 000 inhabitants fewer than 15 years before. More than one fifth of the population is over the retirement age – a

proportion higher than the national average. This is the most important reason why the mortality rate in Nógrád is constantly the highest in the country. However, the significant decline in infant mortality testifies to improved health conditions; from 1980 to 1994 the rate dropped from 23.3 to 9.0 per 1 000 live births – a figure now well below the national average.

The majority of the population is of Hungarian descent, but there are significant numbers of ethnic Slovaks and Germans, descended from those who were settled here in the 18th century upon the expulsion of the Ottoman Turks. They have preserved their languages and traditions. The Gypsies constitute an important ethnic minority and Nógrád has the highest proportion of Gypsies in the country: one in nine of the population belong to this ethnic group.



Resident population of foreign nationality — 1994

		% of total population
Total	1 177	0.53
Romania	501	0.22
Former Czechoslovakia	224	0.10
Germany	148	0.07
Former Soviet Union	139	0.06

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	40	17.9	18.5	17.1
15-24	33	14.8	16.7	13.7
25-39	44	19.7	21.3	18.8
40-54	47	21.1	21.3	20.5
55-64	27	12.1	11.1	12.8
≥ 65	32	14.3	11.1	17.1
Total	224	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

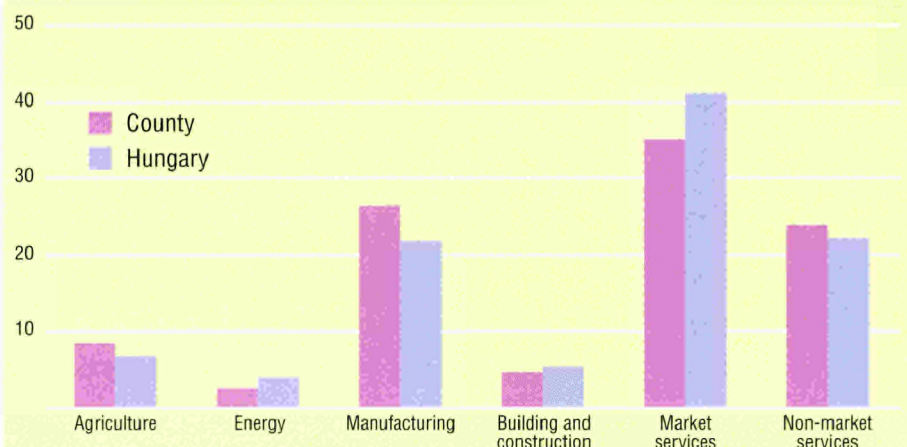
Population 1.1.1980	240
Births	29
Deaths	32
Net migration	- 10
Population 1.1.1990	227

Low wages and salaries

The disposable household income in the county is below the national, but similar to the provincial average. Wages and salaries, however, amounted to just 79% of the national and 90% of the provincial average in 1994. The deterioration of the economic position of businesses and the surplus of labour has led to much lower than average increases in wages and salaries, and the average monthly gross earnings of employees is the lowest in the country. Wages are highest in financial services, public administration, energy and mining, while the worst paid are those in agriculture.

Men earn 1.22 times more than women, and non-manual earn 76% more than manual workers. There is a high proportion of people on unemployment benefits. All these factors have an unfavourable effect on the level of consumption.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Salgótarjáni Glass Rt	Glass and glass products
SVT-Wamsler Háztartástechnikai Rt	Non-electric household equipment
Salgótarjáni Acélárugyár Rt	Steel products
Glasunion Üvegipari Kft	Glass and glass products
Silco Minőségi Acéltermékek Kft	Steel products
Salgótarjáni Üvegyapott Kft	Glass and glass products
Elektronikai és Mechanikai Kft	Telecommunication and electronic components

An economy dominated by industry

The economy of Nógrád is dominated by industry. The most important branches – metallurgy, mining and building materials – developed on the basis of the brown coal deposits first exploited in the 19th century. These activities had a stable market during the decades of the centrally planned economy, but since the changes of the early 1990s they have been in crisis. A decrease in investment and housing construction have also put the building industry into a difficult position. Rapid organizational changes have seen the disbanding of the large State-owned enterprises which operated in building and construction.

The situation is not much better in agriculture. Under the centrally-planned economy, the losses recorded by the crop growing and livestock production activities of the large agricultural enterprises were compensated for by the more profitable and efficient auxiliary activities. These, however, were separated off and the majority of the large-scale State agricultural concerns went bankrupt. Through the compensation schemes, many people received agricultural land, but only a frac-

tion of them are able to earn their living from agricultural production. Fruit growing is profitable, but more processing capacity is required.

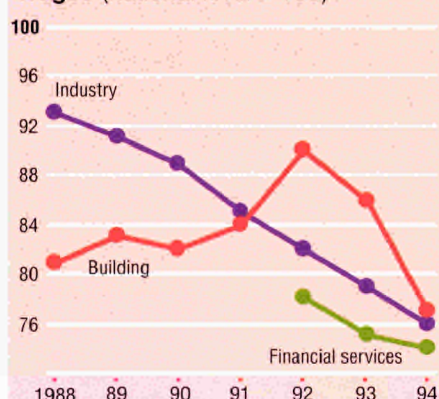
There were considerable differences in the levels of economic and social development between the county's various regions even before 1990. The county's central areas and border regions tended to be less developed than other areas. Since then, however, the conditions in some of the formerly better-off regions in the east have deteriorated, while those in the west have stabilized. In Salgótarján, Bátorfyerénye and their districts in the east, mining and the large heavy industrial enterprises dominated. The drying-up of both the internal and external markets in these branches in recent years has meant that many of these enterprises had to close down, causing large-scale job losses. Balassagyarmat in the north-east has also been affected, but because of its agricultural tradition, the greater vibrancy of the business sector, and because the heavy-industry/light-industry mix was more favourable here, the rate of unemployment is significantly lower. In the west, the

Rétság area is closest to Budapest which gives it an advantage because, firstly, the capital provides a market for the region's agricultural products and, secondly, it encourages new industries to settle there. Furthermore, this region is fast becoming a popular holiday destination for Budapest residents, a factor that should generate further development.

Agriculture — 1994

Number of holdings	847
Labour force	3 224
Agricultural area (ha)	129 400
Livestock (LU)	22 035
Gross per capita value of production (Hungary = 100)	164
Main products by gross value of production:	
Pigs	26%
Wheat	11%
Raspberries	9%

Wages (national level = 100)

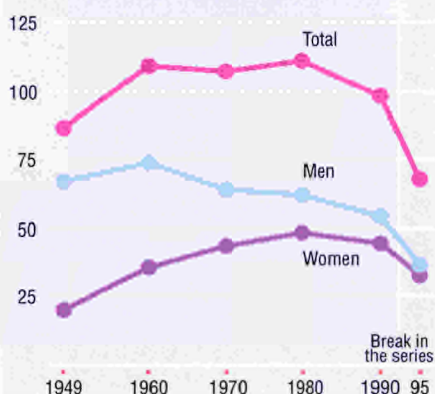


Gross per capita household income — 1993 (%)

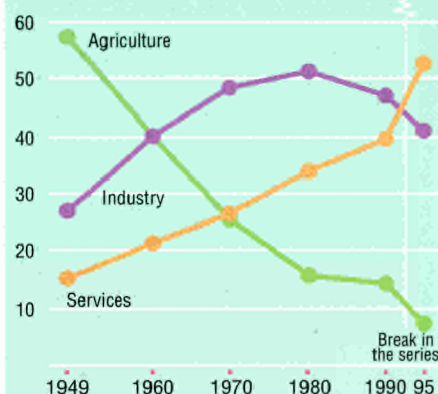


NÓGRÁD

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	97.9
+ Non-residents having a job in the county	31.1
- Residents having a job outside the county	40.1
= Internal employment	88.8

Industry is the most important employer

Much as in other parts of the country Nógrád enjoyed full employment up to the mid-1980s and most people were employed either in industry or agriculture. In the second half of the 1980s, however, both industry and agriculture began to shed labour and between 1985 and 1994 the number of those employed in industry fell by more than 50%. In 1995, barely more than a half of those of working age have paid employment and industry remains the single most important employer, accounting for about 40% of employment – the second highest figure in the country and well over the national average. Within industry, manufacturing dominates, especially mechanical engineering. Agriculture accounts for less than 7% of employment.

As a result of the economic changes the predominance of the large enterprises has decreased somewhat. However, the majority (two thirds) of employees still work for companies with more than 300 people, while a quarter are employed by companies with 51 to 300 employees.

The proportion of blue-collar workers is higher than the national average, and the labour force's level of formal education is consistent with the structure of the county's economy; the majority are skilled workers, and the proportion with tertiary qualifications is lower than the national average. The county has three large technical colleges offering further education and retraining facilities.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	12	79	8	83	3
Women	11	85	4	88	10
Total	12	82	6	87	6

Important joint-ventures with foreign companies

In the manufacture of several products – for example, bus windscreens, stoves, steel wire and tiles – the county accounts for a considerable proportion of total national production. Hand-painted and polished glassware, the filtering equipment used in the chemical industry, electric cables, tubular and wooden furniture are all made in Nógrád. The import content in terms of raw materials, parts and machinery in the county's production is high.

Even though the proportion of companies with foreign capital is smaller than nationally, there are a number of joint ventures in

the county whose contribution is considerable. The largest of these is in Salgótarján where heat and sound insulation fibreglass products are manufactured with Japanese technology. Significant foreign investment is expected in Rétság in the northern part of the county where a Japanese-Hungarian company is to produce transformers and soft ferrite with an initial work-force of 600 and future expansion to 2 300 employees.

In an effort to expand commercial relations and taking advantage of Slovakia's close proximity, a number of joint Hungarian-

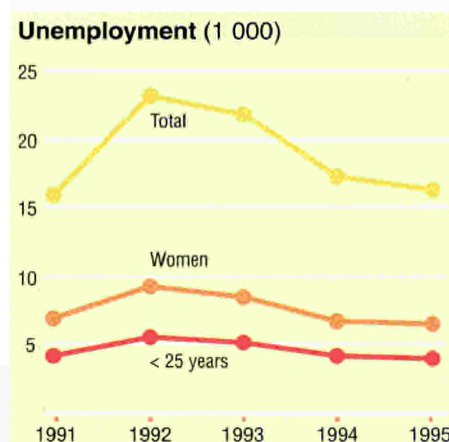
Slovak regional trade fairs have been organized in Salgótarján and Balassagyarmat, while in Magyarnándor the Ipoly-Hungarian-Slovak-Palots Regional Expo and Trade Fair has become an annual event.

Unemployment – the county's biggest problem

Some of those who lost their jobs in the early 1990s have retired, others went into business, but the majority of them have remained unemployed.

Nógrád, with a 17% unemployment rate at the end of 1994, is one of the three counties with the highest rates in the country. A large proportion of active wage earners were commuters, and these were the first to be affected by job-losses, thus unemployment was felt earlier here than in other parts of the country. However, the mid-1990s have seen decreases in the unemployment rate; in 1993 it was well over 21%. Almost two thirds of the unemployed are men, the majority are blue-collar skilled and semi-skilled workers. Almost half of the unemployed had completed only primary school and one third of them vocational school. Half of the unemployed are in the 36-55 age group, while 6% are young first-time job seekers.

Long-term unemployment is a problem for the county; more than half of the unemployed in 1995 had been without a job for over two years. The incidence of unemployment is very uneven, being the lowest in Balassagyarmat and its district and highest in the Bátorjénnyé region. Many resources and much effort in recent years has been devoted to job creation programmes and retraining.



Insufficient provision of tertiary education

Primary education is generally available to all at the place of residence, there is little need for pupils to commute. Secondary education is also well developed and there is an increase in the number of those choosing secondary school in preference to vocational schools. About one fifth of secondary school pupils study special courses offered by schools in other counties.

Every settlement has a public library and Salgótarján has one of the most modern county libraries in Hungary. Hospital treatment is provided by the county's three regional hospitals and the County Hospital in Salgótarján.

There is only one tertiary educational institution in the county, the College of Finance and Accounting, but there are courses run by the Dénes Gábor College of Technology and Informatics, and by Békéscsaba's Sándor Körösi Csoma College. Altogether there are 525 tertiary students in the county, 63% of them full-time. However, four fifths of Nógrád's tertiary student population studies in either Budapest or in other counties.

	M + F 1 000	F %
Pre-school	8.6	48.3
Primary	21.5	49.0
Vocational	3.5	39.5
Secondary (technical)	3.8	52.9
Secondary (general)	2.3	70.9
Higher education	2.6	:
Total	42.3	:

Popular folklore festivals

There are 16 museums open to the visitor in Nógrád, the most well-known of which is the Salgótarján Mining Museum. In Ipolytarnóc, in the northern part of the county, there is an archaeological exhibition of prehistoric creatures which date back more than 20 million years. The annual folklore festivals in Hollókő, Buják, Rárópuszta, Kazár and Bánk serve to popularize folklore and are a significant tourist attraction. Every year many tens of thousands of Hungarian and foreign pilgrims visit Mátraverebély-Szentkút which is famous as a shrine of the Virgin Mary.

Nógrád does not have its own theatre company, but there are many venues suitable for theatre performances. Of the local amateur groups, the Nógrád Dance Group is well known throughout Hungary. Cinemas were popular in the 1960s, but with the advent of television and the video recorder, fewer people go to the cinema.

A reliable transport infrastructure

Nógrád has a relatively good transport system and infrastructure owing primarily to its close geographical proximity to Budapest and the industrialization programmes of the 1960s and 1970s. The backbone of its road network is the main road linking the county to Budapest in a north-south direction and the road providing access to the M3 motorway and to Slovakia. There are plans to build city bypass sections for the roads with the heaviest traffic and to provide direct road links between all settlements. The building of the Salgótarján bypass began in 1976, and sections I and II were completed by

1991; the 4 km long section III is under construction.

The county's rail network was completed relatively early: in the 1860s. However, owing to its relief, the northern part of the county cannot easily be reached by train. There are railway connections to 44 of the county's settlements and to Slovakia. The rail network is not electrified, but there are plans to electrify the section between Hatvan and Somoskőújfalu on the border.

As a result of the rapid progress in the field of telecommunications in the 1990s the number of telephones increased by 73% between 1990 and 1994. Settlements in the western part of the county are connected to the digital network and by the end of 1996 the project should be completed in the eastern part as well, with the assistance of American and Danish capital.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.7	0.6
Length in km per 1 000 population	7.8	5.2
Length in km per 1 000 passenger cars	39.9	24.7
Surface area in 1 000 m ² per km ²	3.6	3.2
Surface area in 1 000 m ² per 1 000 population	40.8	29.3
Proportion of national roads (%)	62.0	62.4
Proportion of local roads (%)	38.0	37.6

Telephone

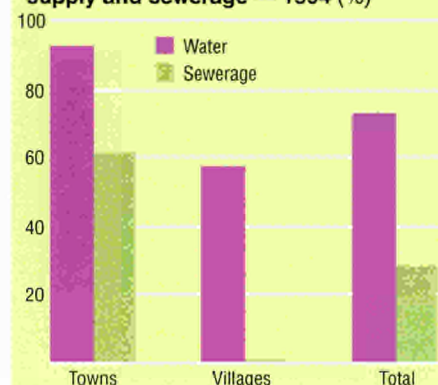
	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	56	96	97	174
% connected to digital network	48	88	92	97

Accelerated rate of infrastructure development

There has been an acceleration in the rate of development in the infrastructure of the settlements and with considerable central government assistance the county has been able to provide access to piped water for all its households; the number of settlements with piped water increased one and a half times between 1990 and 1994. Much still needs to be done in the area of sewage treatment and disposal; the number of settlements with public sewerage has remained unchanged since 1980, and only 38% of the dwellings with piped water are connected to public sewerage. The length of the public sewerage network per kilometre of piped water network is just 177 m, only one other county has a lower figure.

The provision of natural gas to households is advancing at a rapid pace. The length of the piped gas network doubled and the number of settlements with piped gas trebled in the four years to 1994.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Soil erosion is a big problem

There are 97 000 ha of land endangered by erosion in Nógrád, which calls for big investments to improve the situation. The nitrate content of the ground water resources is high in some regions – there are settlements where bottled water has to be supplied to provide safe drinking water. Only 11 settlements have public sewerage. The areas without sewerage systems have serious problems as the soil and ground water quality are threatened.

There has been a considerable improvement in air quality in the 1990s due to a decrease in industrial pollution, the expansion of the natural gas pipeline network, and the better quality of road vehicles. The most polluted areas are Salgótarján and its surroundings and the regions of Balassagyarmat and Romhány, while the other parts of the county have clean air.

Less fertilizers and pesticides are being used in agriculture, but there are still problems with waste disposal. While a number of new tips have been opened since 1990,

their total capacity is significantly less than that required.

There are five landscape protection areas in the county, three of them belong exclusively to Nógrád and two (the Börzsöny and the Mátra areas) stretch over into other counties.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	1.0	100.0
Proportion of environmental investments in total investment	5.1	4.6
Proportion of environmental expenditure on:		
Water protection	48.6	38.3
Air protection	1.6	11.1
Waste management	5.2	7.5

Low levels of R&D

Right up to the end of the 1980s the industrial establishments that operated in the county, with the exception of the Salgótarján Testing Site of the Siderurgical Research and Development Enterprise, all tended to have their research and development operations in Budapest. Local research, therefore, is restricted to product development and even this is usually done with the assistance of the National Technical Development Committee.

There is not much social research conducted in the county. The tertiary education institutions are not independent, but are branches of institutions based else-

where in the country, and therefore do not usually have R&D personnel. One research programme worth mentioning is conducted by the Nógrád County Historical Museum with central government support where two projects are under way at the moment; one is on animal and plant life in the period following the Ice Age and the other seeks to reveal when and where the region's brown coal deposits were first discovered, and the nature of mining technology at that time.

Industrial traditions but a shortage of capital

Nógrád is still in a difficult position, and there are factors which both promote and hinder its development. Its proximity to Budapest and to Slovakia is an advantage. There are long traditions in industrial production and the labour force is low-cost and well qualified. Fully-equipped industrial sites and office space are available. The potential for the tourist industry is favourable, the county is rich in historical monuments and living folk traditions. There are established agricultural traditions in soft fruit production and processing.

The biggest problem is the high level of unemployment due to the crisis in heavy industry. The skills of the labour force do not correspond to the demands, marketable skills are low and business and management skills are lacking. The development of new, innovative industries is hindered by shortages of both domestic and foreign capital.

PEST

A county surrounding Budapest

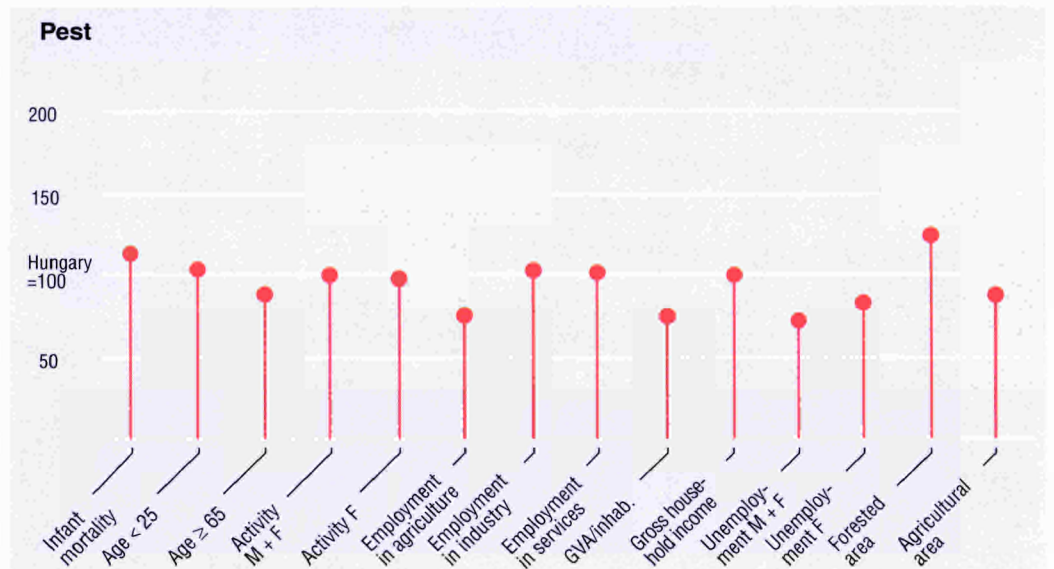
The county of Pest is situated in the centre of Hungary and surrounds the capital city, Budapest. The country's geometrical centre is in the county at Pusztavacs. The region has been inhabited since ancient times owing to the waters of the Danube, the intersection of ancient trade routes, and the forests rich in wildlife.

Pest is the third biggest county in area, but is the most populous both in terms of population number and density. Whether by road or rail, the Budapest-centred transport network makes the county of Pest easily accessible from anywhere in the country. The county's 184 settlements, 16 of which are towns, are administered by local governments. Pest is the only county in Hungary which does not have its own autonomous county capital, as Budapest fulfils this role and along with many other county institutions, the Pest County Government is located in Budapest. The connections which link it to the capital are very important for the county; especially for the 44 settlements which form part of the Budapest built-up area.

The county has well-developed industry and significant agriculture; it is more dynamic than other parts of the country and its economic structure makes the adaptation to the changing conditions more flexible. Pest is also a county of science, culture and the arts. It features the picturesque Danube Bend, and the old town of Szentendre is a centre of the arts and a popular tourist destination.



The city hall of Cegléd



From the hills to the plains

The boundaries of the county of Pest have changed many times in the past; the latest revision was in 1950. It is the third largest county, with a land area of 6 393 km². It borders six other counties and in the north-west Slovakia.

The county's relief is diverse, ranging from mountains to the flatness of the Great Plain. Its north-west and northern areas form a part of the Transdanubian mountain ranges, where dolomite and volcanic rock occur with equal frequency. The hills are covered with forests rich in wildlife; the Pilis Landscape Protection Area with the Pilis Park Forest is probably the best-known. The second highest Transdanubian peak, the 757 m high Pilis is also found here. The vast majority of the county lies in the Great Plain and its southern part on the tableland between the Rivers Danube and Tisza is the largest sandy area in the country.

The county's hilly regions are wetter than the national average, and not as hot as the Great Plain. Temperature fluctuations are also much less severe.



Limestone, sand and gravel

Pest is poor in mineral resources; there are no precious minerals in the county although large quantities of limestone, sand, and gravel are mined for use in the building industry. In the north, the Vác district is particularly rich in limestone and one of the country's biggest companies producing lime and cement is found there. Gravel extraction is carried out mostly south of Budapest on the Danube's alluvial plains. The lakes that are the by-products of mining activities are becoming increasingly popular as weekend recreation destinations.

The Danube splits the county in two, and about 100 km (a quarter of the river's Hungarian section) flows through the county. The county's other major rivers include the Ipoly, which flows into the Danube, and the Galga and the Tápió within the Tisza catchment area. The Danube's water is used in many ways: it is an important source of drinking water, plays a significant role in transport, and offers a wide variety of sporting and recreational opportunities.

The forests, which had been used for building and firewood in earlier times, now primarily have a recreational function, serving as the 'lungs' for Budapest. Despite the urban expansion, game is still found there.

Which EU regions are similar to Pest?

Population: about 1 million inhabitants	Friuli-Venezia Giulia (I) Kassel (D)
Liège; Vlaams Brabant (B) Halle (D) Cheshire (UK)	Age structure: 35% under 25 12-13% over 65
Population density: about 150 inhabitants per km ²	Overijssel (NL) Sardegna (I) Alsace (F)

	Area km ²	Population				Activity %	Unempl. %	Employment				
		1 000	Inhab./km ²	Change (%)				Dec.1994	% Agricult.	% Industry	% Services	
				1995	1995							1980-89
Budapesti aggl.	1 596	478	300	0.4	4.1	59.0	6.3	9.7	42.0	48.3		
Aszódí	375	40	107	- 6.4	0.2	55.2	9.0	16.7	38.6	44.8		
Ceglédi	1 234	117	95	- 6.6	- 0.8	53.6	9.9	21.2	36.8	42.0		
Dabasi	696	53	75	- 3.0	2.9	56.8	10.1	33.9	29.8	36.3		
Gödöllői	302	61	204	- 0.8	3.5	55.5	6.9	10.6	38.1	51.4		
Monori	373	49	132	- 4.3	2.0	56.3	7.8	15.9	36.6	47.5		
Nagykátai	615	55	89	- 7.2	0.2	53.3	13.1	16.2	36.3	47.6		
Ráckevei	476	40	85	- 5.3	2.0	56.7	12.3	32.5	32.2	35.3		
Szobi	302	12	39	- 10.6	- 2.3	52.9	7.8	22.4	28.1	49.5		
Váci	424	67	159	- 3.4	0.5	57.3	7.7	10.0	42.0	48.0		
Pest	6 393	973	152	- 2.5	2.5	57.1	7.9	14.4	39.2	46.3		
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5		
							1995	Dec. 1995	1995	1995	1995	
							Pest	48.2	8.6	6.1	34.0	59.9
							Hungary	48.2	12.0	8.1	33.1	58.8

Changing migration patterns

With a population of 973 000 at the beginning of 1995, Pest has the highest population density and is the most populous county in Hungary. Between 1950 and 1980 the county's population increased by 300 000; about half of this was due to natural increase and about half to migration from all parts of the country. The driving force for this great migration wave was the shortage of labour in Budapest; thus two thirds of the 300 000 settled in the built-up area surrounding Budapest.

Between 1980 and 1995 there was no overall change in population. The period 1980-90 saw a slight decrease, but net increases have been recorded again since 1990.

From 1982, the number of deaths has each year exceeded the number of births. The population increases of the 1990s are due solely to the turn-around in the migra-

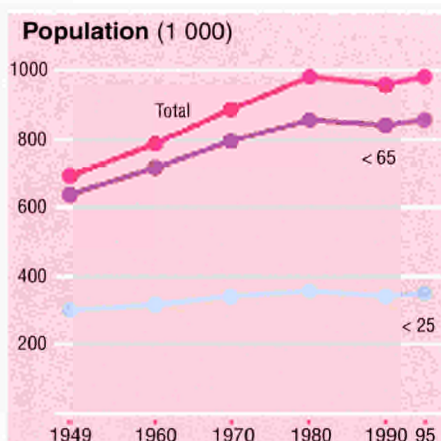
tion trends of the 1980s; new settlers to the county tend now to come mainly from Budapest, favouring the more pleasant suburban belt that surrounds the capital.

The population is gradually ageing. In 1995, the elderly accounted for a higher, and children for a lower, proportion of the population than was the case in the early 1980s. However, while the birth rate is on a par with the provincial average, the death rate is lower. Infant mortality is high at 13.1 per 1 000 live births.

About 15 000 people in the county declare themselves to be a member of one or another ethnic group which amounts to 6.5% of the total national population of the ethnic minorities. In Pest, more than two fifths of these are Gypsies, a quarter are ethnic Germans, 13% Slovak and there are significant numbers of Southern Slavs. There are communities of ethnic

minorities in one third of the county's settlements. In 1994 there were close to 5 000 children at kindergartens and 10 000 at primary school being taught in languages other than Hungarian.

After Budapest, the county of Pest has the largest number of resident foreign nationals (15 500), accounting for 11% of all foreign nationals residing in the country.



Resident population of foreign nationality — 1994

		% of total population
Total	15 503	1.59
Romania	10 403	1.07
Former Soviet Union	1 674	0.17
Germany	713	0.07
Former Yugoslavia	543	0.06

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	182	18.7	20.0	17.7
15-24	159	16.3	17.4	15.5
25-39	197	20.2	21.2	19.4
40-54	214	22.0	22.3	21.4
55-64	100	10.3	9.6	10.9
≥ 65	121	12.4	9.6	15.1
Total	973	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	974
Births	121
Deaths	129
Net migration	- 16
Population 1.1.1990	950

Wages on a par with the provincial average

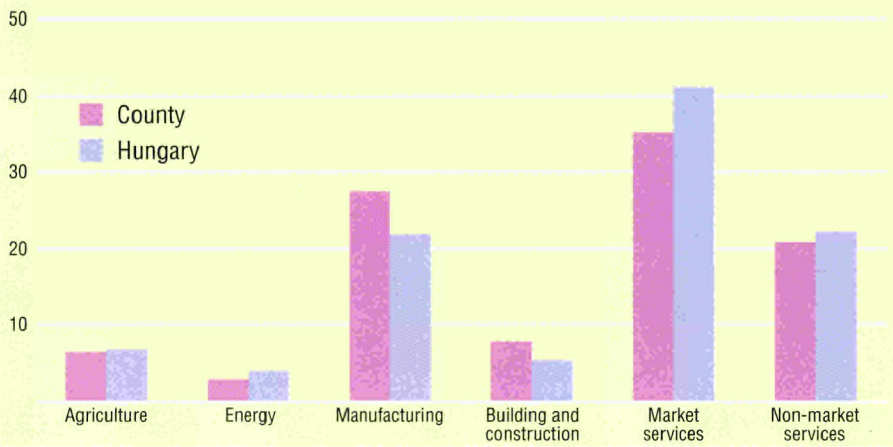
The average annual gross per capita income in Pest in 1993 was almost identical to the national average. Wages and salaries accounted for approximately 60% of total income, while close to one fifth came from pensions and other social security payments. The other various payments and subsidies (for example, family allowance, child-care allowance, scholarships and unemployment benefits) made up 10% of total household income on average. The proportion of income in kind was approximately 6%.

From 1991 to 1994, the gross monthly wages and salaries of people employed in companies and enterprises based in the county increased by 20-21% annually and were still in 1994 below the Budapest level, but roughly on a par with the average for the counties as a whole. Manual

workers received about 20% less than the average, and white-collar workers about 27% more. In industry and agriculture earnings were higher than the national level, while in services they were lower. However, the highest earners were those employed in financial services. With the increases in prices in the mid-1990s, the purchasing power of these earnings has declined.

Forty per cent of the per capita expenditure of households goes on food and consumer goods, 15% on rent and housing expenses, 13% on transport and communications, 7% on clothing and 6% on household maintenance and fixtures.

Gross value-added by sector — 1994 (%)



Budapest is the county's most important market

On account of its geographical situation, the Pest economy enjoys a privileged position. The close proximity of the capital gives opportunities for close cooperation and a big market. The central location and numerous roads and railway lines make any part of the country easily accessible. All these factors serve as a good basis for further development.

In the 1980s the county's economy was characterized by developed industry and developing agriculture and production increased more rapidly than in the rest of the country. With the structural changes that began in the 1990s, both industrial and agricultural production fell. By 1995 there were more than 17 000 companies and other organizations, as well as 67 000 small businesses, an increase of 3.6 and 1.7 times on 1990. On account of the favourable conditions, the increase in the number of new businesses in the county was faster than in other areas of the country. Foreign investors have shown great interest in Pest; in 1992 there were more

than 1 000 businesses with foreign capital in the county, and their number has been on the increase year by year. Productivity has improved significantly.

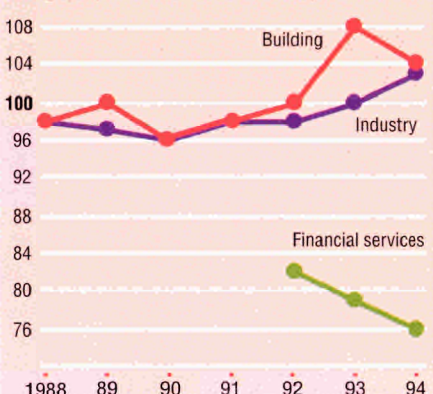
Between 1989 and 1995 the agricultural land area accounted for by cooperative farms fell from 52% to 16%, while that in the hands of private smallholders increased from 15% to 46%. Despite the decrease in agricultural production, the branch remains important. It is characterized by a wide variety of activities; grain, vegetable and fruit growing are very important, notably the Vecsés cabbage and the raspberries grown on the gentle slopes of Börzsöny. In terms of livestock, the most important animals are pigs and poultry.

The establishment of large warehouse and discount outlets by the motorways leading into the county (for example, at Budaörs and Budakeszi) are visible steps forward in the area of commerce.

Main enterprises

Name	Activity
Nagykőrösi Konzervgyár Rt	Food canning
PEMŰ Kft	Plastic products
Ganz Mérőgyár Kft	Electric, gas and water meters
Humán Oltóanyagtermelő és Gyógyszergyártó Rt	Medicines and serobacteriological products
Forte Fotokémiai Rt	Films and photographic products
Mölnlycke Kft	Sanitary products

Wages (national level = 100)



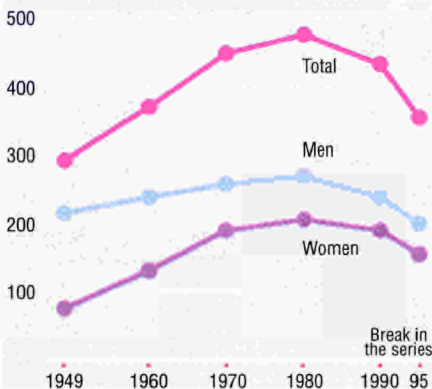
Gross per capita household income — 1993 (%)



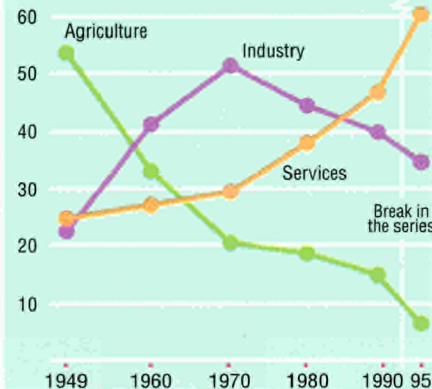
Agriculture — 1994

Number of holdings	6 012
Labour force	22 192
Agricultural area (ha)	402 200
Livestock (LU)	85 214
Gross per capita value of production (Hungary = 100)	86
Main products by gross value of production:	
Pigs	13%
Milk	9%
Wheat	8%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	425.5
+ Non-residents having a job in the county	104.3
- Residents having a job outside the county	240.2
= Internal employment	289.6

More than half of the employed commute daily

There has been a fundamental transformation in the economic activity of the population since the Second World War. The proportion of active earners in the population has hardly changed (45%), while that of inactive earners shot up from 3.2% to 25% in the mid-1990s, and the share of dependants was halved.

In 1990, the largest proportion (39%) of the county's active earners was employed in industry and construction, over 14% in agriculture and 46% in the various service activities. Mass redundancies in all sectors accompanied the economic and social transformations at the beginning of the 1990s, but the hardest hit were industry, construction and agriculture. By 1995, the primary sector accounted for only 6%,

industry and construction for 34%, and the tertiary sector for almost 60% of employment.

Daily commuting to and from work has always played a major part in people's lives; 55% of the county's active earners work away from their place of residence, mostly in Budapest. Commuting is greatest in the urban belt surrounding Budapest, where two thirds of workers leave their homes daily and return there only to sleep.

With the increase in educational facilities in the last few decades there has been a corresponding increase in employees' qualifications. Between 1980 and 1990, the proportion of employees that had

secondary school or higher qualifications jumped from 41% to 57%. The greatest improvements were among women, and thus the former differences between the sexes in this respect have been reduced. At the beginning of the 1990s every 11th active earner had tertiary qualifications. Improvements have also been recorded in the skill-level of manual workers; the proportion of skilled workers increased from 40% to 48%.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	14	80	6	81	2
Women	14	83	3	88	5
Total	14	82	5	84	3

Favourable conditions for industrial development

The county's favourable geographical position, the large numbers of professionals, and the close proximity of scientific institutions have always had a favourable effect on the development of industry.

As a result of the economic transformation that began at the start of the 1990s, industry counted in 1995 almost 4 000 companies and 8 600 small businesses. However, only 39 of them employ more than 300 people. The largest proportion of industrial employees work in engineering (25%) and food processing (also 25%),

while 10% are employed in the textile industry. More than one fifth of the county's industrial products are exported, and the figure is as high as 48% for the engineering companies.

The most important industrial centre is Vác, with textile, photochemical and building materials industries. Medicines, human serum and the manufacture of measuring apparatus are significant activities in Gödöllő. The county's most important oil refinery and oil-based power station are located in Százhalombatta on the Danube. Among the towns on the Great Plain,

Cegléd and Nagykőrös are notable for food processing.

Relatively low unemployment

At 8.6% in 1995, the unemployment rate in Pest was relatively low. This is due almost entirely to the close proximity to Budapest as it still plays an important, though decreasing, role in the county's employment. Thus, unemployment rates are the lowest in the Budapest urban belt and also around Gödöllő, while finding work is much more difficult in the regions which are further from the capital, such as in the Great Plain districts and in the Zsámbék Basin.

In the first three years of the economic and social transformations that commenced in 1990 (the period during which the large enterprises and cooperatives were disbanded), the unemployment rate increased; since that time, however, it has decreased each year. More than half of the 33 000 unemployed in 1995 were male, and four fifths of them manual workers. Slowly but surely there has been an increase in the number of unemployed with higher qualifications; one fifth of those without jobs had

secondary school qualifications, while 2% were tertiary graduates. Ten per cent of the unemployed in 1995 were first-time job seekers.

One quarter of the registered jobless in 1995 had been unemployed for more than 180 days. The disbanding of the agricultural cooperatives and the slow pace of new job creation has made finding jobs for villagers, especially women, very difficult.

Budapest is important in providing education and health-care

There are 104 secondary schools and six universities and other tertiary education institutions in the county. Naturally the easily accessible educational institutions in Budapest play a large role in satisfying Pest's needs for further education. In the 1994/95 academic year, out of the 30 000 secondary school pupils more than 14 000 studied in Budapest. In the same year 6 700 county residents were in tertiary education – the six tertiary institutions located in the county having a total number of 5 000 students. The Gödöllő University of Agricultural Sciences is by far the most important institution in the county, having national significance.

The present network of public libraries was established in the 1960s and subsequently enjoyed vigorous development. With the deteriorating economic conditions in the early 1990s, however, there has been a significant fall in the number of libraries.

There was a doubling in the number of hospital beds due to the large-scale hospital building and reconstruction programme of the 1970s and by 1995 there were 5 000 in the county. Budapest hospitals also play an important role in caring for the county's sick.



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	39.9	47.5
Primary	92.8	48.7
Vocational	11.3	37.9
Secondary (technical)	9.0	51.2
Secondary (general)	8.4	62.2
Higher education	6.7	:
Total	168.1	:

Szentendre – a centre of culture and art

The county boasts rich cultural and artistic traditions; there are a number of arts workshops and many museums and exhibitions.

Szentendre plays a leading role in culture and the arts. The artistic talents of the painters, sculptors, graphic and commercial artists, and potters are crowned not only by domestic, but also by international successes. This city has the highest number of museums in the county and almost 20 permanent and occasional exhibitions. The County Museums Directorate, the

County Cultural Information Centre and the County Library are all located in Szentendre. Szentendre's summer programmes and the performances of the Szentendre Theatre are well known and popular. Mention should also be made of the fine arts, crafts and folk art of Vác, Gödöllő, Vácraót, Zsámbék, Zebegény, and of the Visegrád Palace Games. Many of Pest's settlements have a musical tradition, and the Pest County Symphony Orchestra reflects this musical orientation. Szentendre and Ráckeve are important centres of Serb culture and religion.

The Danube – a barrier to road transport

On account of the radial structure of the country's transport network, the capital is easily accessible from all parts of the county. The roads carry international transit traffic as well as the Budapest-bound traffic. The bulk of the Budapest residents' weekend day-trip and holiday traffic also passes along these roads. Less than 5% of the county's 2 500 km of road network is motorway.

In addition to the international and national rail lines, local suburban rail services handling daily commuter traffic have a

large role to play. Three quarters of the 584 km of railway lines in the county are electrified. Szob is an international border crossing to Slovakia for rail and Letkés is a major road crossing. Railway transport performance, in terms of both passengers and goods per km of line, is the highest in the country, three and two times higher, respectively, than the national average.

The Danube is a significant barrier to communications in the county. Apart from the M0 Budapest bypass ring-road bridge, there are only two bridges which cross the Danube in the county, and even these provide access only to the islands. By road it is only possible to reach the county's eastern parts from the western section by using bridges in the city of Budapest. Ferry services play an important role in getting traffic across the river and there are boat services providing access for tourists to the artists' colony at the Danube Bend.

There are two civilian airports in the county: at Budaörs and Dunakeszi. The Budaörs facility is the base for the air ambulance and the agricultural aviation

services, it provides domestic air services and international charter flights to neighbouring countries, and is also utilised for amateur and educational purposes. The Dunakeszi airport is used mainly for amateur flying.

Significant financial resources have been put into upgrading the underdeveloped telephone services network. In 1994 a quarter of dwellings had telephones as compared to just 6% in 1990.

	County Hungary	
	County	Hungary
Length in km per km ²	0.6	0.6
Length in km per 1 000 population	4.2	5.2
Length in km per 1 000 passenger cars	21.4	24.7
Surface area in 1 000 m ² per km ²	3.8	3.2
Surface area in 1 000 m ² per 1 000 population	24.8	29.3
Proportion of national roads (%)	67.7	62.4
Proportion of local roads (%)	32.3	37.6

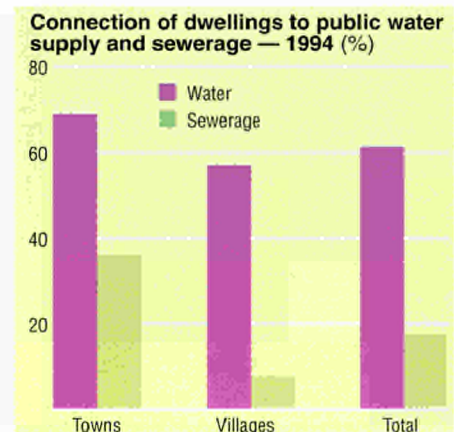
Telephone	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	34	96	109	174
% connected to digital network	73	88	94	97

Rapid extension of the public utilities, but incomplete coverage

The investments in the early 1980s into the extension of the public water supply and sewerage services were aimed, on the one hand, at the reduction of the large differences between settlements in this respect and, on the other hand, at reducing the gap between the public water supply and public sewerage provision. The length of the public water network increased 1.7-fold and the public sewerage network 3.4-fold between 1980 and 1995. Despite these efforts, 10% of the settlements are still without a public water supply. The public sewerage network is even less complete; more than two thirds of the settlements, and four fifths of the dwellings, are without access to public sewerage, which puts the county in last place in Hungary. The lack of public sewerage means that most of the municipal waste water originating in the county remains untreated. A little more than half of the settlements are covered by the municipal refuse collection services.

The reason behind this unfavourable situation is the fact that resources have been insufficient to keep step with the large-scale inward migration of the past decades; people seeking jobs in the capital arrived in great masses, and due to housing shortages and administrative limitations in Budapest they settled in the surrounding county on undeveloped sites. There are marked sub-regional differences in the level of public utility provision; the urban belt around Budapest and the districts of Gödöllő and Vác are the best supplied.

The length of the piped gas network increased 19-fold from 1980 to the extent that only one fifth of settlements in 1995 lacked piped gas supplies.



A region endangered by environmental damage

A region with as much natural variety as the county of Pest is a rarity in Hungary. The Danube Bend, the Buda Hills and the Ráckeve branch of the Danube offer not only recreational opportunities to the locals, but are also tourist attractions. It was on the Danube Bend where the construction of the hydropower plant, a part of the Gabcikovo-Nagymaros water system was started. Thanks to environmental protests that enjoyed wide support, the construction was stopped and the rehabilitation of the area started in 1995.

Both surface and sub-surface water conservation is very important since Pest supplies not only the water requirements of its own population, but also a significant part of Budapest's needs. The county's major source of water is the Danube with its shore-filter wells but the river suffers from third degree pollution, stemming chiefly from industrial effluent, inadequately treated sewage, and the lack of sewerage networks.

The urbanization process taking place in this region has been accompanied by increased quantities of communal waste. On account of the county's hydrogeological conditions and the rapidly increasing number of resorts and recreational areas, there are less and less places suitable for tips. Illegal dumping of industrial and communal waste is common.

The county has the nation's sole hazardous waste disposal site. It has an annual capacity of 10 000 m³.

The county's most endangered and polluted area is the heavily industrialized and populated belt around Budapest. In addition to water quality problems, air pollution has also reached critical levels. The main causes are the industrial establishments in the county and in Budapest, but an increasingly important source of air pollution is the road network which is focused on the county and has to cope with ever-increasing levels of traffic.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	21.3	100.0
Proportion of environmental investments in total investment	11.5	4.6
Proportion of environmental expenditure on:		
Water protection	23.0	38.3
Air protection	25.5	11.1
Waste management	1.4	7.5

In order to tackle these high levels of pollution, relatively large sums are spent on environmental protection. In 1994, public bodies and private sector companies combined devoted 14% of their total investment spending to environmental protection, mostly in the areas of nature, water, and air protection.

Gödöllő – the centre of agricultural science

Gödöllő is the county's most important scientific centre, and is recognized nationally and internationally as a centre for agricultural science. The vast majority of the nation's institutions concerned with agricultural research and development are concentrated here. One of the most important of these centres is the Gödöllő Agricultural University and its associated research institutes. The Ecological and Botanical Research Institute of the Hungarian Academy of Sciences at Vácrátót is engaged in environment-oriented biological research.

Industrial research, on the other hand, is less important in Pest. With scientific activities concentrated in Budapest, there are limited possibilities for the pursuit of research and development activities in the adjacent settlements. It was only relatively recently that the Hydrocarbon Research and Development Institute was established at Százhalombatta, and this has become the most important centre in the country for this type of work.

An economy capable of development, but with inadequate basic services

As a result of Budapest's close proximity, a relatively well-developed industry and market-oriented agriculture has developed in Pest. The employment levels and thus the economic security of the population are significantly better than in other parts of the country. The favourable natural conditions and the economic infrastructure afford secure foundations for the establishment of both large firms and small businesses. The unique landscape and cultural traditions are a sound basis for a strong tourist sector.

One of the county's most important problems is the high level of environmental pol-

lution associated with the close proximity of the national capital. The level of air pollution is particularly critical, but waste disposal, both industrial and communal, is also a major problem.

The high population concentrations in the urban belt surrounding Budapest remain a particular source of concern. Budapest's accelerated development in the 1960s and the associated increases in employment opportunities drew large numbers of people from every part of the country, often released from agriculture. Without central budgetary assistance, however, local governments were unable to accommo-

date and provide for the daily needs of the settlers. Consequently, as far as public utilities and the provision of basic services are concerned, the region has become the worst supplied in the country. Catching up to the level of the rest of the country has always been the goal, and this challenge remains.

SOMOGY

Somogyland

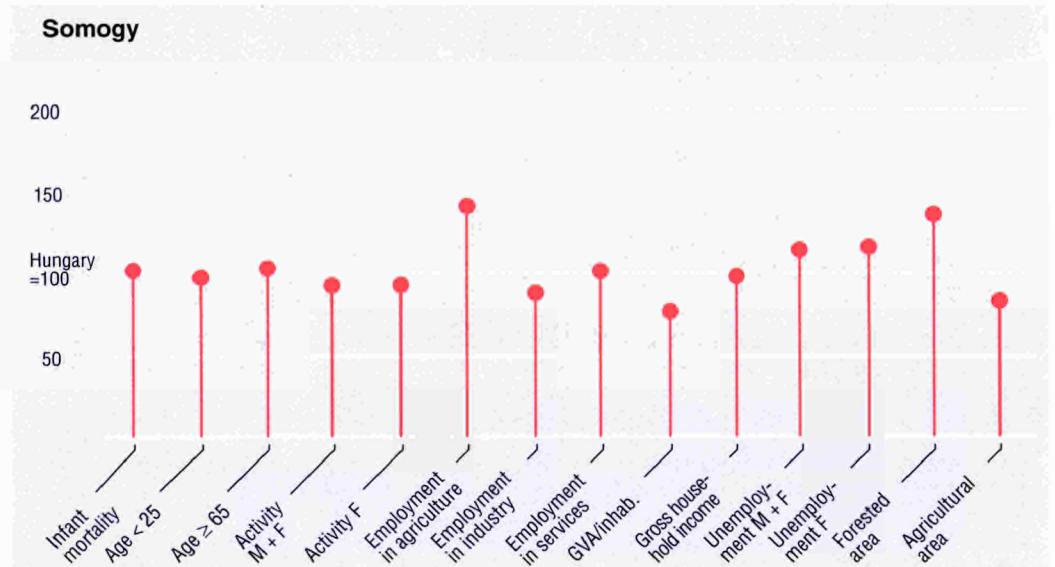
Somogy is the largest county in Transdanubia and due to its unique characteristics and individual identity it is known to many as Somogyland. In the past, large expanses of forests covered the whole area making it an independent geographical unit.

Man settled in the region over 25 000 years ago, and archaeological finds point to thriving Celtic settlements here during the time of Christ. On their arrival the Hungarians found tiny Slav and German villages here, and very favourable conditions for settlement: lush pastures, forests, rivers rich in fish, and Lake Balaton. Subsequently, during the 150 year-long Ottoman rule depopulation reached such proportions that, following the expulsion of the Turks, 40 000 Hungarians and Southern Slavs, and 15-20 000 Swabians settled in the county up to the end of the 18th century. Somogy thus became probably one of the most ethnically colourful counties.

Owing to the vast forests, swamps and difficult access this region was for a long time relatively isolated from the agricultural markets and thus economic development was late and slow to take off. Even now, Somogy is not an industrialized county. The development that took place in Hungary in the 19th and 20th centuries affected only the industry that was directly associated with the processing of agricultural products, and the various waves of socialist industrialization in the post-war period also largely passed this region by.



The ruins of the old abbey and fortress at Somogyvár



A forested county between Lake Balaton and the Dráva River

With a total land area of more than 6 000 km², Somogy is the fifth largest county in Hungary. It occupies the central part of the Transdanubian Hills, and constitutes two distinct regional units: the northern region, known as Outer Somogy, and the flatter, forested, southern region known as Inner Somogy. The county capital, Kaposvár, is situated in the valley dividing the two regions. The shores of Lake Balaton and the Dráva River may also be regarded as geographically distinct regions.

Moving eastwards the climate becomes more and more continental. The vegetation demonstrates clearly that long ago this area was covered with extensive forests, swamps and bogs; clay and sandy soils, as well as the peat and swampy forest floors, are characteristic of this region. The proportion of the county's area under forest is still very large (Somogy is the third most forested county), while the proportion of arable land, gardens and orchards is below the national average.

Somogy has a low population density. Of its 12 cities, five are on the shore of Lake Balaton.



Which EU regions are similar to Somogy?

- Land use:**
55% agriculture
Aragón; Murcia (E)
Groningen (NL)
- Population density:**
50-60 inhabitants per km²
Ireland
Tirol; Kärnten (A)
Västsvrige (S)
- Employment structure:**
59-61% in services
29% in industry
Cantabria (E)
Basse-Normandie (F)

Newly discovered oil fields

While Somogy is not well endowed with natural resources, significant oil fields have recently been discovered and there are plans to commence production in the oil field between Szökedencs and Sávoly. Some of the other more important mineral resources of the region are sand, clay and river gravel, the peat south of Lake Balaton and the mineral and thermal water springs. The thermal waters in Somogy are best for locomotive disorders. The best-known thermal spas are in Igal, Csokonyavisonta, Kaposvár, Nagyatád and Buzsák-Csizta-

puszta, while Fonyód has significant mineral water reserves.

The county's only large river is the Dráva, but the Kapos is also of local significance. Lake Balaton is by far the most important of the region's lakes. Its gently sloping southern shore is in Somogy, and the waters there are shallow. This region has high levels of sunshine, its climate is attractive to humans and favourable for fruit and grape growing.

	Area km ²	Population		Change (%)		Activity %	Unempl. %	Employment					
		1 000	Inhab./km ²	1980-89	1990-94			1990	1990	1990			
		1995	1995	1990	1994			% Agricult.	% Industry	% Services			
B.boglár-B.lellei	211	16	75.0	1.0	- 1.1	54.7	9.4	1990	1990	1990			
Barcsi	696	27	38.7	- 6.6	- 1.8	53.1	18.6	31.6	19.8	48.5			
Csurgói	496	19	38.9	- 8.2	- 3.1	49.5	12.9	37.9	24.3	37.8			
Fonyódi	490	25	50.5	- 2.7	- 1.4	52.1	10.3	33.8	20.6	45.7			
Kaposvári	1 573	124	79.1	- 4.0	- 1.8	54.2	8.2	25.1	21.8	53.1			
Marcali	814	33	41.0	- 8.3	- 2.2	50.5	11.4	16.5	33.6	49.9			
Nagyatádi	647	29	45.2	- 6.3	- 2.1	55.1	15.4	30.3	26.9	42.8			
Siófoki	628	47	74.7	2.8	- 1.3	56.0	9.4	25.5	32.3	42.2			
Tabi	480	18	36.7	- 11.3	- 1.4	50.8	13.0	13.1	23.5	63.4			
Somogy	6 036	338	56.1	- 4.3	- 1.8	53.5	10.8	30.6	31.8	37.7			
Hungary	93 030	10 246	110.1	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5			
							1995	Dec. 1995	1995	1995	1995		
							Somogy		45.0	13.8	11.4	29.3	59.3
							Hungary		48.2	12.0	8.1	33.1	58.8

A high mortality rate

Currently the most important features of Somogy's demography are the average rates of fertility, the high mortality rates, and a relatively old population. A natural population decrease began in 1978 and has continued since with a sharply decreasing birth rate. Thus, in 1980 there were 13.5 births and 15.3 deaths for every 1 000 population, while by 1994 these figures had changed to 11.6 and 15.2, respectively. For many years, Somogy has had one of the highest mortality rates in Hungary; this is explained by the older than average age-structure of the population. Further, the rate of net migration out of the county increases year by year, adding to the population decrease. The ageing of the population is demonstrated well by the fact that while the proportion of those over age 60 in 1980 was 18%, by 1995 it had risen to 20%. At the same time the proportion of children aged between under 14

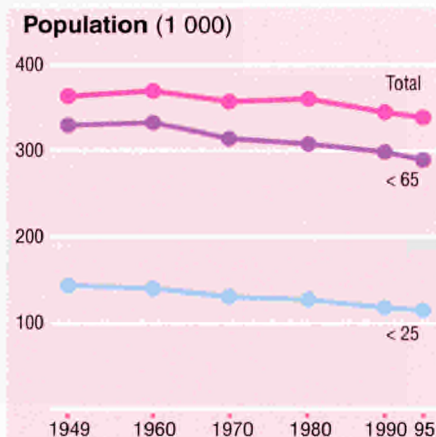
decreased from 21 to 18%. The mortality rates are highest among men and rising, especially within the 30-59 age-group.

There has been no change in the proportion of men and women in the county over the last few decades, with men accounting for 48% and women 52% of the population. The surplus of women is explained by their higher life-expectancy; women live an average of 75 years, while men average only 64.

There have been significant improvements in infant mortality rates; thus, while in 1980, 24 infants less than one year old died for every 1 000 live births, by the mid-1990s this had decreased in line with the national average to below 12.

Approximately 3% of the population declare themselves to belong to an ethnic group other than Hungarian. Most of these

are Gypsies, but there are also significant numbers of Southern Slavs, ethnic Germans and small numbers of Romanians and Slovaks.



Resident population of foreign nationality — 1994

		% of total population
Total	2 965	0.88
Romania	1 675	0.50
Former Yugoslavia	344	0.10
Former Soviet Union	320	0.09
Germany	258	0.08

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	61	18.0	19.0	17.1
15-24	51	15.1	16.6	14.3
25-39	68	20.1	21.5	18.9
40-54	71	21.0	21.5	20.6
55-64	38	11.2	10.4	12.0
≥ 65	49	14.5	11.0	17.1
Total	338	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	360
Births	42
Deaths	54
Net migration	- 4
Population 1.1.1990	345

Lake Balaton tourism boosts wages in the hotel and catering sector

Since the late 1980s, gross monthly incomes in Somogy have lagged 10-12% behind the national average. Over the same period, there was also a decrease in purchasing power until 1994, much as in the country as a whole.

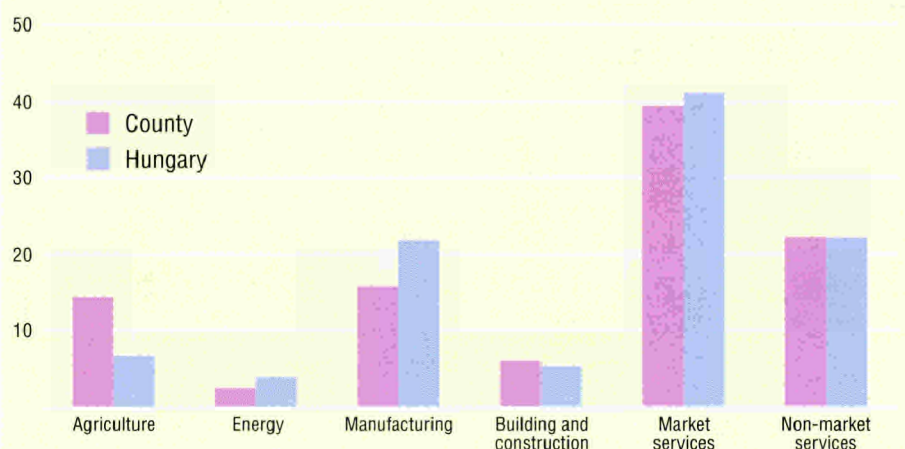
White-collar workers in 1994 earned significantly (1.77 times) more than manual workers, and men earned 1.21 times more than women overall, but in white-collar jobs the difference between the sexes is almost 1.6-fold. For many years the worst paid have been the agricultural workers, while average earnings in industry, construction and commerce are similar. The best paid are those employed in the financial sector and in State administration. However, wages and salaries in the hotel and catering sector are significantly higher than the

provincial average on account of the tourism centred on Lake Balaton.

The proportion of household income derived from full-time wages and salaries has declined in the 1990s in favour of income from businesses and social security sources. Concomitantly, a process of marked income polarization has commenced.

The proportion of household income spent on food and household maintenance has increased in the 1990s and consequently, in the average household much less is spent on clothing, education and culture, holidays, and housing.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Somogyi Erdészeti és Faipari Rt	Forestry
Balatonboglár Borgazdasági Rt	Plant cultivation and wine
Déldunántúli Gabonaiipari Rt	Grain and flour products
Somogy megyei Sütő-és Édesipari Rt	Baking and confectionery
Kaposvári Ruhagyár Rt	Textiles
Kaposvári Villamossági Gyár Kft	Electric motors, generators, transformers
Dunántúli Regionális Vízmű Rt	Water supply
Déldunántúli Vízügyi Építő Kft	Civil engineering
Kőolajvezeték Építő Kft	Civil engineering

Agriculture - the backbone of the economy

Agriculture remains the backbone of both Somogy's economy and of the lives of its population. Industry remains in second position, with agriculture supplying the raw materials for the industrial sector's food processing branch.

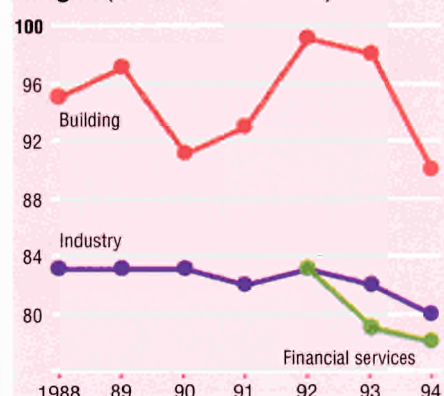
The significance of agriculture is well illustrated by the fact that 3.6% of all wheat, 8.6% of maize, 3.6% of sugar beet and 6.4% of potatoes produced in the country come from Somogy. Cattle and pig-farming have the longest traditions in the county, although in the mid-1990s the numbers of both these animals are much lower than even in the recent past. Sheep stocks in the 1980s were considerable, but today they are not significant anymore. A third of the cultivable land is covered in forests, providing an important source of basic wood materials for the county. Fruit-growing is also of importance (especially apples), as well as grape-growing in the northern Somogy region (the southern Lake Balaton district), where both white and red wines, sparkling wines, vermouths and soft drinks are made. The labour-intensive vegetable-growing has been pushed into the background since fewer

and fewer people are working in agriculture.

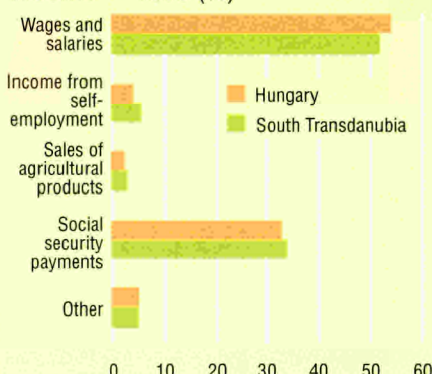
Despite the development of the industrial sector following forced industrialization in the county in the period 1970-85, industry was not able to surpass agriculture in importance. Since 1989, all areas of industry have been undergoing very significant economic difficulties due to the loss of the eastern markets, low quality of production, lack of technical modernization and payment difficulties. At the same time, however, the services sector has undergone very significant expansion. There were 44 600 registered businesses in the county in 1995; a quarter of them were in commerce, while two fifths were in business services and real estate.

Foreign investors have not found the county particularly attractive, but even so there are over 500 joint-venture companies. Most of these are in commerce, while some are in industrial branches such as food processing, clothing and communications. Most of the joint-venture companies are with Austrian, German, and Italian partners.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



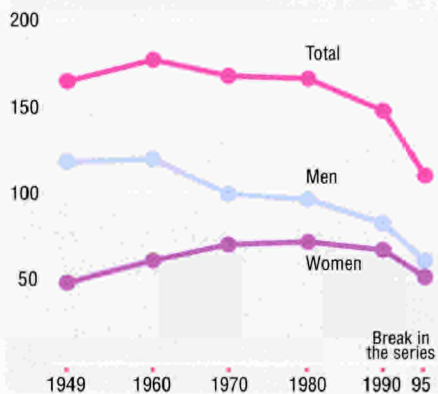
Agriculture — 1994

Number of holdings	1 514
Labour force	11 583
Agricultural area (ha)	332 500
Livestock (LU)	62 543
Gross per capita value of production (Hungary = 100)	109

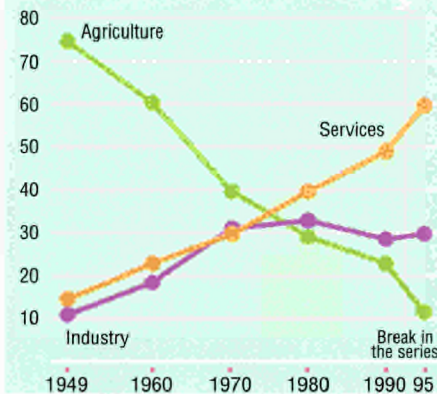
Main products by gross value of production:

Maize	18%
Pigs	15%
Milk	8%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	146.8
+ Non-residents having a job in the county	46.0
– Residents having a job outside the county	45.3
= Internal employment	147.4

Services – the biggest employer

Since the 1970s, the county's employment structure has been fundamentally transformed. There has been a significant decrease in the number of active earners, but there has also been a decrease in the number of dependants; an increase has been recorded only in the ranks of inactive earners: those receiving pensions, benefits or capital income for example. The proportion of active earners in the total population decreased from 47% in 1970 to 43% in 1990. This also means that while in 1970, every 100 active earners supported 114 inactive earners and dependants, by 1990 they were supporting 131. Particular features of Somogy are that more than half of all active earners live in the cities, while the proportion of the inactive earners and dependants is higher in the villages.

At the county level there has been a shift in age structure within the ranks of active earners. Thus, while in 1970 the 14-29 age-group accounted for 40% of the active earners, by 1990 the 30-54 age-group was in the majority accounting for 70% of active earners.

There has also been a fundamental change in the sectoral structure of employment. In 1970, 40% of active earners were employed in agriculture but by 1990 this proportion had dropped to 23%. Industry accounted for 22%, construction for 7% and commerce for 11% of employment in 1990. By 1994, however, agricultural employment had further decreased to 16%, construction to 5% and commerce to 8%. The share of

industry in employment remained stable, while the proportion of those employed in services exceeded 48%.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	79	8	71	2
Women	13	84	3	86	7
Total	13	81	6	79	4

The food industry dominates

Prior to the Second World War, all of Somogy's largest and most important companies were in the food industry but the structural change in industry which took place after 1949 resulted in the increased importance of engineering. Industry was first concentrated mostly in the county capital, but spread with time to other cities as well, such as Barcs, Marcali, Nagyatád and Tab. Up to 1985, industrial production increased at a rapid pace, but declined visibly between 1988 and 1993. Since 1994, production has once again been on the upswing.

The changes of the early 1990s and the accompanying privatization programme have once again transformed the county's economic structure. The proportion of the value of production accounted for by engineering fell sharply while the proportion of light industry increased significantly. In 1994, 30% of the county's industrial production was exported and within this 57% of light industry's production, 44% for engineering and 10% for the food industry.

An important event for the county's businessmen every August is the Kaposvár International Expo and Trade Fair which has the theme 'From the Alps to the Adriatic'. Since 1988, Somogy has been an active member of the Alps-Adriatic Collective which consists of 19 provinces.

Unemployment peaked in 1993

The 1990 census revealed 3% unemployment in Somogy, which increased very significantly in the next few years to reach a peak of 20 000 people in 1993. By June 1995, however, the number of the registered unemployed had decreased by a fifth, to 16 100. In terms of county rankings, Somogy had the tenth highest rate of unemployment.

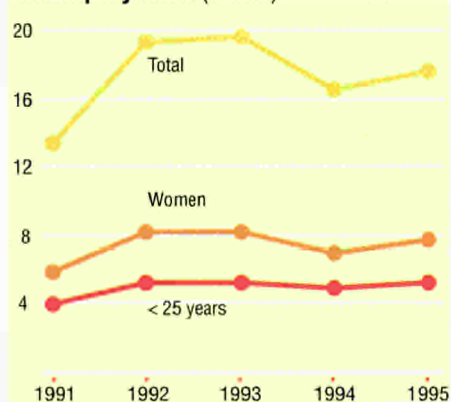
Sixty per cent of the unemployed in 1995 were male, and 80% were manual workers. The skill proportions within this category have not changed significantly; two fifths were skilled workers, one third were labourers, while the proportion of semi-skilled workers was about 27%. In terms of age structure, the 26-45 age-group make up 55% and those under 25, 30% of the unemployed population.

Both the number and proportion of unemployed first-time job seekers are increasing. In 1991, every sixteenth unemployed

person was in this category while in 1995 this was one in eight. Over half of the unemployed have completed secondary school, but a mere 2% have tertiary qualifications. The ranks of the long-term unemployed are increasing: in 1995, almost a third of all job-seekers were in this category.

Job opportunities in Somogy are not evenly distributed. Kaposvár has always accounted for one third of the unemployed, but the rate itself has been below the county average. The situation is the worst in Barcs, Csurgó and Tab and their districts, where unemployment reaches as high as 15-20%. Job losses affected the county's most important economic branches: thus, the highest number of dismissals occurred in agriculture with the closing of the large agricultural enterprises and food industry concerns, but engineering was also hard hit.

Unemployment (1 000)



Two million books in 274 libraries

The well-developed library network has made it possible for almost all the population to gain access to reading material either where they live or where they work. In 1994, the county's 274 public libraries had a stock of more than 2 million volumes.

Since 1960, there has been a threefold increase in the number of people with primary education and the numbers of those with secondary and tertiary educations each increased fivefold. In 1995, there were over 10 000 secondary school students in Somogy, twice the number in 1980. Tertiary education is provided by the teacher training, health care and technical colleges, and by the University of Agriculture. All these institutions are located in Kaposvár and have a combined student population of 1 600.

While there are only 27 doctors per 10 000 population as opposed to the national average of 34, the number of general practitioners is more favourable. In 1994, there were five hospitals in the county with a combined 3 100 beds. In terms of the number of hospital beds per 10 000 population, Somogy occupies seventh position in the county rankings.

Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	13.5	47.5
Primary	31.7	48.9
Vocational	7.2	40.5
Secondary (technical)	6.5	50.9
Secondary (general)	3.7	64.1
Higher education	3.4	:
Total	66.0	:

Open-air village museums

The Gergely Csiky Theatre in Kaposvár became an independent theatre company in 1955. As well as the Kaposvár performances, the company makes many appearances in the villages, in this way enriching the cultural life of the whole of the county. The Gergely Csiky Theatre Company is also known to audiences Europe-wide and is one of the most visited provincial theatre companies.

In Somogy, over and above the museums, it is the 'skanzens' (open-air village museums) and the historical monuments and local folk attractions which play a special role in the showing the traditions of the county. The lives and works of a few of the famous local and historical personalities are brought to life by museums such as the Rónai Rippl Memorial Museum in Kaposvár, the Zichy Museum in Zala and

the József Attila Memorial Museum in Balatonszárszó. The Kaposvár Spring Festival is held every March.

Inadequate road network

The road network is 1 600 km long but only 100 km are primary main roads. A major source of concern is the increased traffic on the roads on account of the increases in tourism and transit traffic. The M7, running through the settlements on the southern shore of Lake Balaton, is of international importance but traffic congestion is a major problem in the summer during the peak tourist season. The upgrading of this road is planned for 1998.

The current railway network is centred on Kaposvár. The county capital is linked to Budapest and the border-crossing station

at Gyékényes by an electrified line. The other important railway runs along the southern shore of Lake Balaton heading to Croatia.

The county's three international border-crossings, the road crossings at Barcs and Berzence and the railway crossing at Gyékényes, are important both from the transport and tourist perspectives.

Shipping on Lake Balaton is limited primarily to passenger ferries for tourists. Air transport is also linked mostly to tourist traffic, and is centred on the Siófok-Kiliti civilian airport.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.5	0.6
Length in km per 1 000 population	8.2	5.2
Length in km per 1 000 passenger cars	39.1	24.7
Surface area in 1 000 m ² per km ²	2.5	3.2
Surface area in 1 000 m ² per 1 000 population	44.7	29.3
Proportion of national roads (%)	67.8	62.4
Proportion of local roads (%)	32.2	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	73	96	165	174
% connected to digital network	85	88	96	97

Only one in ten settlements has public sewerage

The first waterworks were built early this century and had a fairly small capacity. Piped public water supply began to be developed only after 1950, and was given increased momentum in the 1970s within the 'miniature waterworks' programme, which aimed at providing clean drinking water to villages. Thus, in 1970 a quarter of the county's settlements had piped drinking water while by 1994, a 97% coverage had been attained. In 1994, 82% of the households in the county were connected to the public piped drinking water network, a higher figure than the national average of 78%.

The public sewerage network lags significantly behind public water supply. Even in 1994, only 10% of settlements were linked to the public sewerage system. The settlements along the shore of Lake Balaton enjoy the highest connection rates to the public utilities networks. Only one third of the households in the county were served by the organized municipal waste collection schemes, a

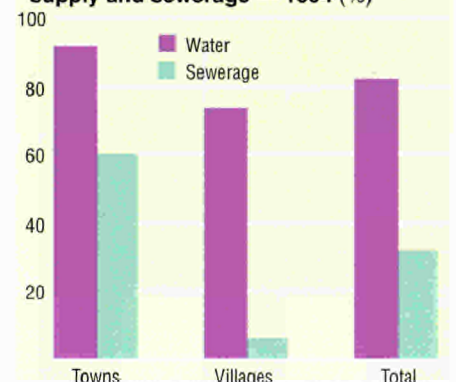
proportion lower than the national average of 43%.

The installation of piped gas in Somogy began in the 1960s and gas services were commenced in Kaposvár in 1968. In 1980, 13 settlements were using piped gas, and by 1994 this had increased to 80 settlements. The length of the piped gas network between 1980 and 1994 increased eightfold to 1 600 kilometres with 70 000 users – 65 000 of which were households.

There have been significant advances made in the 1990s in the modernization of telecommunications services, and in 1994 there were 165 telephones per 1 000 population, which is higher than the provincial average of 135.

Apart from the regional office of the Hungarian National Bank, 11 banks with 37 branches and 12 'credit unions' with 76 branches operate in Somogy.

Connection of dwellings to public water supply and sewerage — 1994 (%)



A healthy natural environment

Somogy's natural environment is favourable: its climate lacks extremes, its forests are vast and the population density is low. The high profile of agriculture and forestry in the economy, and low level of industrialization also help the environment.

Owing to its relief and soil-types, however, more than half the county is threatened by erosion. In the mid-1990s, 6% of the land surface was seriously eroded, 27% moderately, and 20% slightly eroded.

The quantity of industrial effluents discharged into the county's rivers and lakes has significantly decreased since the mid-1980s. It is unfortunate that the large-scale waterworks projects have not been accompanied by similarly large-scale public sewerage and waste water treatment projects, thus the 'public utilities scissors' is wide open. Barely a third of the county's population enjoy public sewerage services. The level of service is high (covering 80-85% of premises) on the Lake Balaton shore, but elsewhere it is at

acceptable levels only in the cities.

The air is less polluted over Somogy than most other parts of the country since there is a relative absence of high-polluting heavy industries in the county's industrial structure. The effects of other pollutants, however, should not be ignored; Kaposvár, which suffers high nitrogen dioxide and dust, and the settlements on the southern shore of Lake Balaton, with high nitrogen dioxide, are classed as 'moderately polluted'.

In terms of industrial and agricultural wastes and also of hazardous wastes, Somogy has no major problems. However, there are serious problems with municipal waste, as regular waste collection and treatment covers only the Lake Balaton shore and the cities to an acceptable level.

Since the end of the 1980s, parallel with the economic crisis, there has been a decline in expenditure on environmental protection, but some increases in

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	1.9	100.0
Proportion of environmental investments in total investment	3.9	4.6
Proportion of environmental expenditure on:		
Water protection	55.1	38.3
Air protection	1.9	11.1
Waste management	1.5	7.5

spending on nature conservation. Thus, while in the 1980s it was the protection of Lake Balaton and its environment and the improvement of the River Kapos' water quality that required significant sums of money, in the 1990s the proportion spent on nature conservation has increased.

Low expenditure on research and development

In terms of research and development Somogy has a lot of ground to make up. Only one other county devotes less resources to research and development activities than Somogy. In 1994, the county accounted for only 0.3% of the total national expenditure in this area – a mere one sixth of the provincial average. There is really only one significant research establishment here: the Kaposvár Faculty of Animal Husbandry of the Pannon University of Agriculture. At the county level, 73 people were employed in research and development in 1994 and this is far below even the provincial average.

A unique duality

In terms of the current situation and the potential for future development, Somogy county is characterized by a stark duality: the development possibilities offered by its many advantages and the factors that inhibit development originate from the same source.

Its geographical features, for example, are advantageous, since the diversity in the landscape, the favourable terrain, climate, and soil conditions and natural beauty can all contribute significantly to economic development; on the other hand, the county lacks energy sources and mineral resources. While it is a good thing that the

conditions for agriculture are favourable, it is also a fact that in today's economic conditions, agriculture can never hope to become a prime mover within the economy.

It is advantageous that there has not been any wholesale environmental destruction, but the reason for that was the low level of industrialization. At the same time, it is also important to consider the dangers for Lake Balaton of overdeveloping the tourist industry to a level which the area is not capable of supporting.

These very real constraints map out the most likely future development of the

county: a developed food processing sector built on the existing agricultural base, with a carefully managed tourist industry based on the considerable natural advantages of the region, always keeping a careful eye on the environmental dimension. A further important task is the elimination of the gaps in the provincial infrastructure.

SZABOLCS-SZATMÁR-BEREG

The easternmost county

Szabolcs-Szatmár-Bereg is situated in Hungary's far east, at the north-eastern tip of the country. It borders Ukraine, Slovakia and Romania, and has good communications both by road and rail.

The early Hungarians transformed this region significantly by clearing large areas of forest to make way for pastures and plough-land. Approximately 500-600 ha of forest were cleared for the construction of the Szabolcs earthwork in the ninth and tenth centuries and its ruins are still with us. With the subsequent development of the country, the region became marginalized in the 15th century. Continuous infighting, rebellions and wars exacted a heavy price and further hindered the region's development.

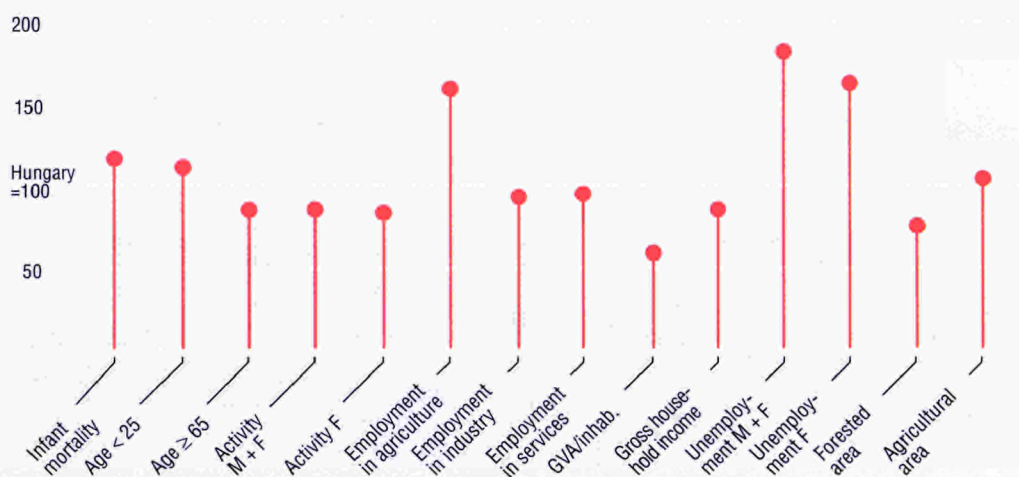
The county's borders have been altered frequently over the years, its current territory being established in 1950 with the amalgamation of the counties of Szabolcs-Ung and Szatmár-Bereg-Ugocsa.

Szabolcs-Szatmár-Bereg is agricultural in character; following the Second World War it was here that land was first redistributed replacing the earlier small farms with medium-sized farms. In the 1950s and 1960s these, however, were expropriated by the State and made into cooperatives. The collectivisation process was anything but smooth but, finally, an efficient large-scale agricultural structure came into being. Industry was of very little consequence until the mid-1960s, and it was not until the 1970s that its development took off.



Late gothic church at Nyírbátor

Szabolcs-Szatmár-Bereg



Good conditions for agriculture

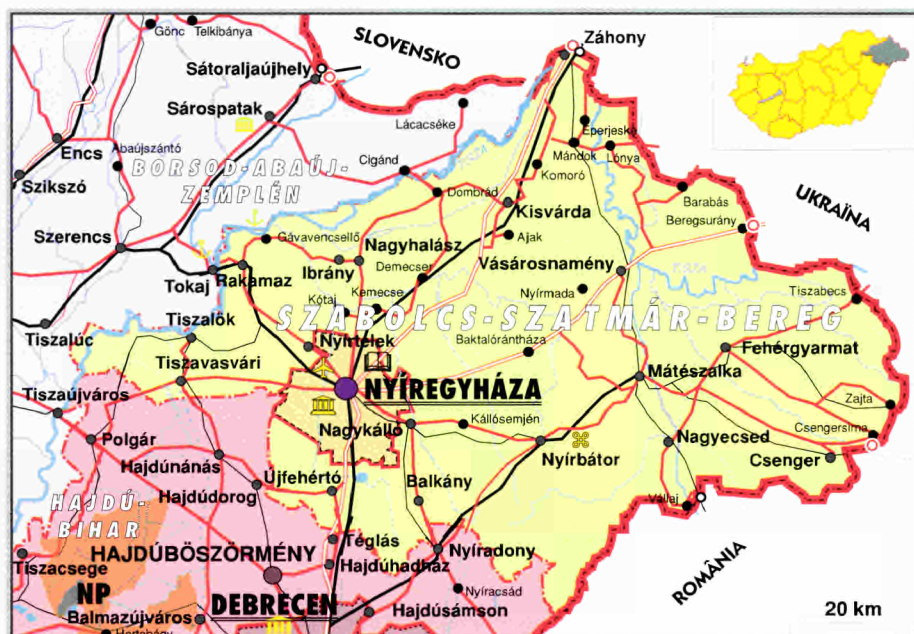
Szabolcs-Szatmár-Bereg is Hungary's sixth biggest county with a total land area of 5 937 km². Two-thirds of the county is the Nyírség plain: Hungary's second largest plain situated on top of an alluvial cone formed by river sediment. It features many sandhills and its highest point, at just 182 m, is the highest point on the Great Plain. The other main geographical region is the Upper Tisza area, comprising the Rétköz and the Szatmár and Bereg plains.

The northern part of Nyírség is covered with sandy forest soils, the southern areas have loose wind-blown sand. Alluvial and meadow soils are found in the Upper Tisza region. The county has a continental climate; it is cooler than the Great Plain because it is further north. The higher than average number of days of sunshine make ideal conditions for the growing of tomatoes, sunflower, tobacco, grapes and other fruits.

The county has 229 settlements, of which 16 are towns. The county capital and largest city is Nyíregyháza with a population of 113 000. The

other cities have relatively small populations; only those of Kisvárd and Mátészalka approach the 20 000 mark. The eastern part of the county is lightly populated and is dotted with small villages and has many economic and social problems.

SZABOLCS-SZATMÁR-BEREG



Which EU regions are similar to Szabolcs-Szatmár-Bereg?

- Age structure:**
 38-40% under 25
 12% over 65
 Norte (P)
 Murcia; Andalucía (E)
- Land use:**
 69% agriculture
 Wales (UK)
 Haute-Normandie (F)
- Population:**
 0.57-0.6 million inhabitants
 Dessau (D)
 Lincolnshire (UK)
- Employment structure:**
 56% in services
 13% in agriculture
 Ireland

The River Tisza and thermal springs

The Upper Tisza region has many streams and rivers, but the Nyírség region has little surface water. The River Tisza flows for 235 km through Szabolcs-Szatmár-Bereg, and 208 km of this is the Upper Tisza. The most important of its tributaries is the River Szamos, which is also characterized by great variations in water volume. There are irrigation systems, a water barrage and a hydro-electricity power station on the Tisza at Tiszalök.

Lakes of various sizes have evolved in sandy areas such as the basin of the Sóstó (Salty lake) of Nyíregyháza, whose alkaline, hydrogen-carbonated waters have medicinal qualities. Many water reservoirs have been built to satisfy local needs. Thermal waters of 55-65° C spring up from wells as shallow as 1 000 m. The most important thermal water reserves are

in Nyíregyháza, Kisvárdai, Mátészalkai and Tiszavasvári. The region's geothermal energy still awaits exploitation.

The county has relatively few mineral reserves, and consequently large quantities of raw materials and energy need to be imported.

	Area km ²	Population				Activity %	Unempl. %	Employment				
		1 000	Inhab./km ²	Change (%)				% Agricult.	% Industry	% Services		
				1995	1995						1980-89	1990-94
Csengeri	247	14	58	- 10.0	- 1.0	46.2	25.5	35.0	33.7	31.3		
Fehérgyarmati	696	39	57	- 9.2	- 0.4	46.6	25.7	36.1	24.8	39.1		
Kisvárdai-Záhonyi	720	83	116	- 3.9	0.4	52.8	16.2	15.7	26.1	58.1		
Mátészalkai	625	67	107	- 3.5	0.1	47.5	24.9	28.5	30.0	41.4		
Nagykállói	277	25	90	- 6.4	0.1	50.1	23.6	27.8	38.7	33.5		
Nyírbátori	696	45	65	- 5.2	0.1	48.4	23.7	30.8	34.0	35.2		
Nyíregyházi	1 665	232	139	- 0.6	0.1	53.3	17.9	16.2	38.2	45.7		
Tiszavasvári	382	29	75	- 4.5	- 0.4	50.8	16.3	21.4	44.8	33.8		
Vásárosnaményi	629	38	61	- 8.0	0.3	47.0	29.6	34.4	27.4	38.1		
Szabolcs-Szatmár-Bereg	5 937	573	96	- 3.6	0.1	50.8	20.4	22.1	33.9	43.9		
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5		
						1995	Dec. 1995	1995	1995	1995		
						Szabolcs-Szatmár-Bereg		41.4	21.8	12.9	30.9	56.2
						Hungary		48.2	12.0	8.1	33.1	58.8

SZABOLCS-SZATMÁR-BEREG

A young population

The county of Szabolcs-Szatmár-Bereg has the third largest population in Hungary with 573 000 people; 5.5% of the country's total population. With its 96 people per km² density, the county is slightly more densely populated than the provincial average. The Nyíregyháza subregion, and also the districts around Kisvárd, Záhony and Mátészalka have higher population concentrations.

The population is young, with 44% below the age of 30. The proportion of elderly is low, in Hungarian terms, at 17%. But overall the population is ageing, mostly because of the low birth rate. Even though the county has not experienced natural losses yet (this is the only region where the number of births still exceeds that of deaths), the formerly large gap between birth rates and mortality rates has shrunk alarmingly since 1993. Owing to better health-care, infant mortality rates have

been reduced significantly.

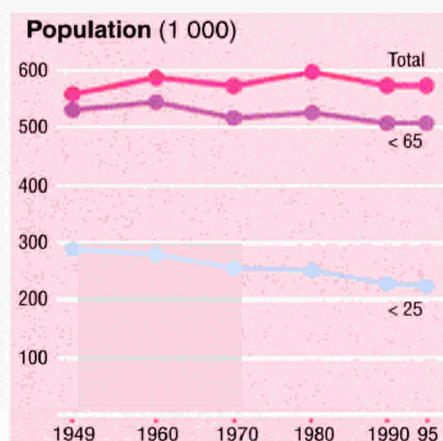
In 1994, the female and male life expectancies were 72 and 62 years, respectively. The level of health of the Hungarian population in general is unsatisfactory, but the situation in Szabolcs-Szatmár-Bereg is even worse. Effective preventive treatment is needed now more than ever.

With men dying early, more and more females are left by themselves. In the young age groups there is a numerical balance between the sexes, but with the passing of time, the balance tips more and more in favour of women. On average there are 1 069 women for every 1 000 men.

The county finds it difficult to retain its population; the rate of migration is much higher than in other counties and the fall of more than 20 000 in population since 1980

is entirely due to this phenomenon, which is most pronounced in the young age groups. The 1990s economic crisis has, however, slowed the pace of migration.

There are few national minorities to speak of but small numbers of Germans and Slovaks are concentrated in a few settlements. One tenth of the population, however, are Gypsies – one of the highest proportions in the country.



Resident population of foreign nationality — 1994

		% of total population
Total	7 187	1.25
Romania	3 946	0.69
Former Soviet Union	2 623	0.46
Germany	165	0.03
Former Yugoslavia	137	0.02

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	123	21.5	22.6	20.8
15-24	94	16.4	17.6	15.4
25-39	121	21.2	22.2	19.8
40-54	108	18.9	19.4	18.4
55-64	57	10.0	9.0	10.9
≥ 65	69	12.1	9.3	14.7
Total	573	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	594
Births	88
Deaths	73
Net migration	- 36
Population 1.1.1990	572

Low average standard of living

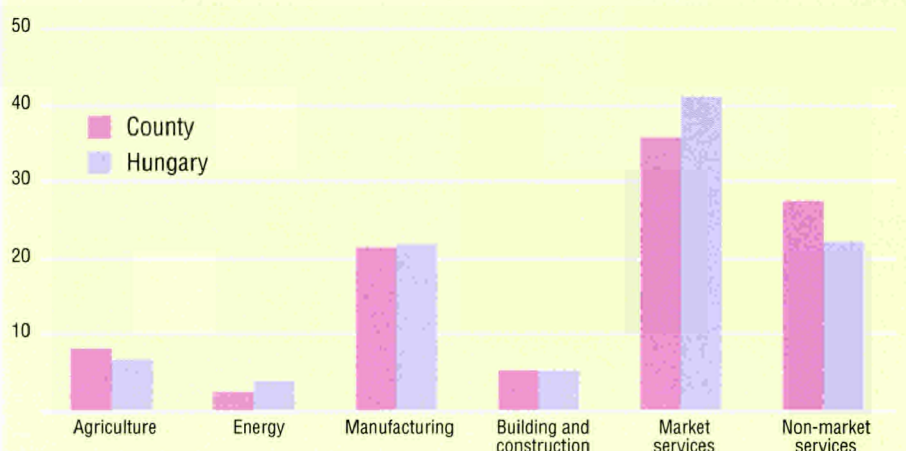
Labour is cheap in Szabolcs-Szatmár-Bereg. Wages and salaries have always been below both the national and the provincial average, being 15-20% below the national level in 1994, chiefly on account of the low productivity of the county's economy and the lack of a skilled work-force. Owing to this, Szabolcs-Szatmár-Bereg occupies the last but one position in county rankings.

Wages and salaries are highest in financial services, public utilities, education and public administration, and lowest in agriculture. White-collar workers earn 80% more than manual workers, in line with the national picture. Male earnings average 16% higher than female, which is a much smaller difference than in other parts of the country and is explained by the overall low level of earnings and by the high share of

the services sector in employment.

Average per capita household income is lowest in the North Great Plain region, of which the county forms part. One in five of the county's population of active age at the end of 1994 was unemployed – the highest rate in the country. A further factor contributing to low per capita incomes is the bigger than average family size and the consequent high rate of child maintenance obligations in the county. The total of social welfare payments of various sorts – family allowance, unemployment benefits, sickness pensions and so on – approaches or surpasses income from wages and salaries in more and more households. Close to two fifths of spending is accounted for by food, while expenditure on recreation barely reaches half of the national average.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Alkaloïda Vegyészeti Gyár Rt	Pharmaceutical products
Interspan Faipari Kft	Wood-chip panels
Nyiregyházi Dohányfermentáló Rt	Tobacco
Taurus Mezőgazdasági Abroncs Kft	Agricultural and industrial tyres

Expanding services sector

As the county is poor in minerals and energy sources, it has never been able to attract industrial capital. Industrialization started with the construction of the water power plant at Tiszalök, and during the 1960s industrial employment began to rise following a series of central decisions aiming at the industrialisation of the Great Plain, including Szabolcs-Szatmár-Bereg. The establishment of new industrial plants as well as the reconstruction of the few traditional ones was concentrated in those settlements which are now the most developed towns of the county. By 1990, the share of employment in agriculture dropped to 22% from 80% in 1949, while that of industry went up from 10% to 34% and services from 14% to 44%.

There has been a radical change in the county's economic structure in the 1990s. Agriculture was the big loser in the county; today it employs proportionately fewer people than in other Great Plain counties. Industry's losses were somewhat more moderate. Szabolcs-Szatmár-Bereg's economy is becoming increasingly characterized by the dominance of the services sector at the expense of the

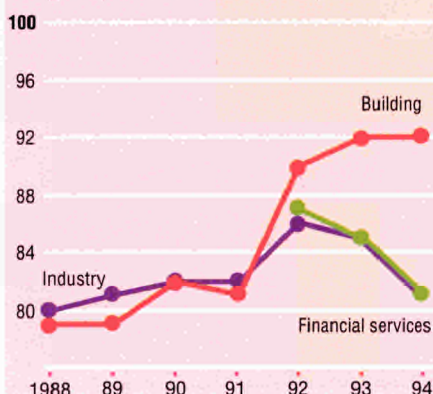
producing sectors. Currently, industry, construction and agriculture combined account for only 40% of all employment. Three fifths is claimed by the services sector, with commerce (the third most important branch), transport, post and telecommunications and the hotel and catering branches together accounting for one fifth.

The crisis in the producing sector was caused primarily by the collapse of the CMEA (Comecon), since the county's export structure was based on this market. There was a severe contraction in domestic markets as well, and it has been more difficult than anticipated to gain access to the markets of the developed economies. There are very few competitive industrial branches in the county. Agriculture has been very hard hit by the disruption caused by the changes in ownership and by the reduction in central subsidies. There was a time when 3% of Europe's apples came from Szabolcs-Szatmár-Bereg; now a mere fraction of the orchards remain. Three quarters of the agricultural land is devoted to grain: cereals, sunflower and fodder crops. In the

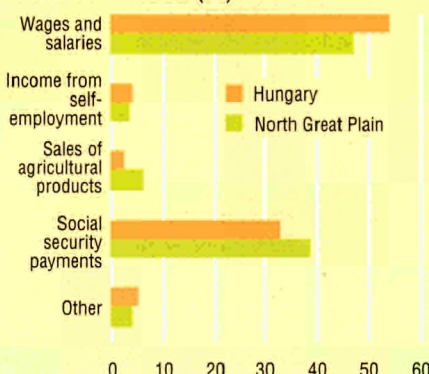
1990s there has, however, been an upturn in vegetable and, more importantly, livestock production.

While foreign capital seems to show little interest in this particular region, there are some successful foreign ventures operating here, and, with the strengthening of the private sector it is hoped there will be an increase in job opportunities as well.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



Agriculture — 1994

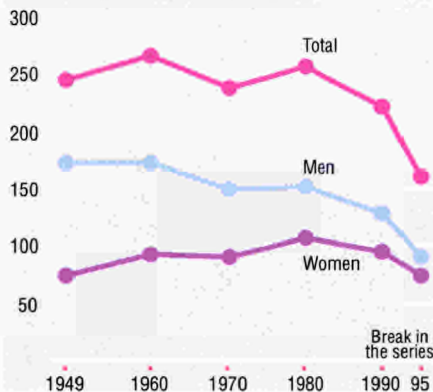
Number of holdings	4 344
Labour force	23 022
Agricultural area (ha)	409 300
Livestock (LU)	84 076
Gross per capita value of production (Hungary = 100)	82

Main products by gross value of production:

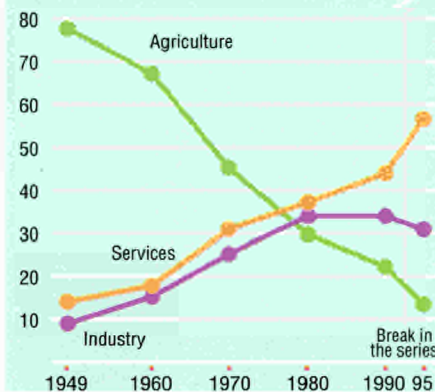
Apples	19%
Pigs	12%
Milk	7%

SZABOLCS-SZATMÁR-BEREG

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	221.4
+ Non-residents having a job in the county	64.2
– Residents having a job outside the county	68.3
= Internal employment	217.4

Falling activity rate

Parallel with demographic and economic phenomena, the economic activity rate of the county's population had been steadily increasing up to the 1960s; since then a steady decrease changed into a dramatic decline after 1990. Active earners made up 68% of the population of working age in 1990, this was 39% of the total population and 54% of those aged between 15 and 74. Twenty-eight per cent of inactive earners and dependants were of working age. By 1995, the activity rate for the 15-74 age group had fallen to 46%; the lowest in the country. In absolute terms there was a 60 000 decrease in the number of active earners between 1990 and 1995.

Agriculture has been shedding labour since 1960. Between 1960 and 1970

people left the villages in droves in search of jobs in the country's industrial centres and Budapest. The same exodus was repeated between 1980 and 1990, but on a smaller scale. Since then, the disintegration of the large-scale agricultural concerns (cooperatives and auxiliary enterprises) has resulted again in massive job losses.

Industry first began to gain significance in the county in the 1970s with the establishment of light industry and processing sub-units in an effort to ease unemployment. It was precisely these companies that were the first to fall prey to the changes in the early 1990s. Industry lost 25 000 jobs in the course of five years, though by 1995 this had moderated to a rate of dismissals of only 2 to 3%. There

are more and more small businesses springing up, but not in sufficient numbers to soak up the unemployed. Almost four fifths of the active earners are employees, 60% of them are still working for the approximately 40 organizations which have over 300 staff.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	79	9	76	3
Women	13	81	6	85	8
Total	13	80	7	79	5

Contracting market for industrial products

The county has considerable capacity in the processing industry. The food and the chemical industries dominate, but engineering and the clothing, wood and paper manufacturing industries also enjoy significant representation. Half of the country's production of resinous wood-chip panels, and all of its phenol formaldehyde resin-based friction materials and crude morphine are produced here. Since the 1990s changes in ownership and organizational structures, industrial production has been carried on in production units of widely differing size

with medium-sized businesses (those employing between 51 and 300 people) accounting for a large proportion. The most important of the bigger companies by production volume are in the chemical, wood, dairy and tyre industries.

The existing industrial capacities are not being fully utilized owing to the reorganization of the economy, low domestic purchasing power and the consequent loss of markets. Production, therefore, is decreasing. Two thirds of production is sold domestically, the rest being exported.

The Eastern European markets are indispensable for the county on account of their size and proximity.

High unemployment

The rate of unemployment in Szabolcs-Szatmár-Bereg is almost twice the national level and one tenth of all the unemployed in Hungary live in the county. Throughout most of 1995, the unemployment rate was steady at 20%; by September, however, it had fallen to 18%. There are 37 jobless for every registered vacancy. The most alarming feature is that 60% of the unemployed are below the age of 35.

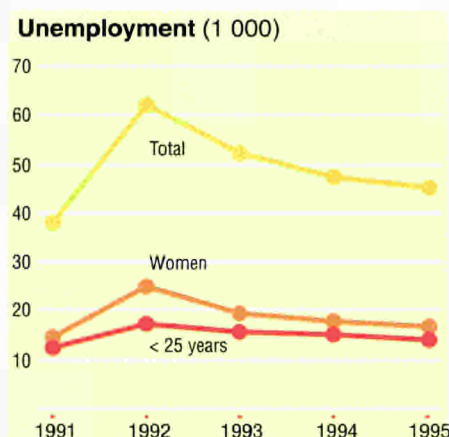
While it is encouraging that the number of unemployed is decreasing and that there has been a decrease in the rate of redundancies, the situation at the end of 1995 had not yet stabilized. The reduction in the unemployment rate was not due to increased economic vitality, but to government programmes employing more and more of the formerly jobless in public utility projects.

More than 60% of the unemployed are male. Female unemployment is lower

because a larger proportion of them are employed in the services sector where redundancies have been more moderate.

Almost 40% of the unemployed have completed only primary school. Less than 2% have tertiary qualifications and an ever-increasing proportion of the registered unemployed are unskilled. The hardest core of the unemployed is represented by those who are no longer receiving unemployment benefit and who qualify for social income payments. These made up 60% of the unemployed in September 1995. Sixty-five per cent of the women and over half of the men in this category come from the agricultural and the processing industry sectors.

Unemployment is a problem throughout the county, but it is most serious in the least-developed, eastern parts. Sub-regional rates in 1995 varied between 14.6% and 27%.



Good library network

The current structure of the library network was established in the 1970s. Most of the county's 250 libraries are run by the local governments and in 1994 they lent almost 2 million books. The secondary schools and tertiary educational institutions also have significant numbers of books, some of which are priceless collections. In the specialized museum and hospital libraries there are both Hungarian and foreign language book collections dating back to the early 18th century. The county archives house the oldest collections.

University and tertiary education is provided by The Greek Catholic University of Religion and the three colleges of advanced education in Nyíregyháza. The latter train teachers, economists, agricultural engineers and health workers. The four institutions have 3 500 students, many of them coming from other counties.

There are independent hospitals operating in all six of the county's cities, and these have auxiliary clinics in some of the larger settlements. The number of beds per 10 000 inhabitants is below the national and provincial average.

Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	25.4	48.1
Primary	65.9	49.2
Vocational	10.7	38.1
Secondary (technical)	8.2	50.3
Secondary (general)	7.8	69.6
Higher education	5.9	:
Total	123.9	:

Rich cultural traditions

The Nyírség, Bereg and Szatmár regions' folklore is still a characteristic element of the county's present cultural life. Szabolcs-Szatmár-Bereg has numerous cultural centres providing regular services to the public, and most of them are run by the local authorities. In half of these centres there is a library, while in every fifth one there is also a cinema. The centres are involved mostly with educational programmes, and in the cities they run various courses in languages, arts, and technical subjects. The playhouses,

exhibitions, and fairs are popular sources of entertainment and culture.

In 18 of the county's settlements museums, various collections and exhibitions enrich the cultural programmes. Nyíregyháza's Zsigmond Móricz Theatre also gives performances in the county's other cities and settlements, and the Castle Theatre at Kisvárd is always popular. Many of the Great Plains' monuments are found in the county.

SZABOLCS-SZATMÁR-BEREG

The gateway to the East

Despite its peripheral location, Szabolcs-Szatmár-Bereg plays an important role in the country's transport network due to its position on the Ukrainian border. Almost all passenger and freight transport towards the east crosses the county. In the 1990s, international border traffic has grown dramatically.

Budapest can be reached from the county by a main road, though this is overloaded, especially the stretch between Nyíregyháza and Záhony. The planned extension of the M3 motorway to reach the county will be a great improvement.

	County	Hungary
Length in km per km ²	0.5	0.6
Length in km per 1 000 population	5.6	5.2
Length in km per 1 000 passenger cars	35.7	24.7
Surface area in 1 000 m ² per km ²	3.0	3.2
Surface area in 1 000 m ² per 1 000 population	30.8	29.3
Proportion of national roads (%)	71.9	62.4
Proportion of local roads (%)	28.1	37.6

The largest international border crossing is at Záhony; it plays an important role in east-west trade, hence it is often called 'The Gateway to the East'. However, its capacity is relatively small and insufficient. Significant improvements are expected with the planned reconstruction and extension of the bridge over the Tisza.

The most important railway line in the county is the one linking Budapest to Nyíregyháza and Záhony. The double-track, electrified line still has an important role in the country's external trade. A large railway station at Záhony serves as the transshipping point necessary for the different rail-gauges in Hungary and Ukraine. The mechanical condition of the railway lines crossing the county is acceptable, and the railway station at Nyíregyháza is being reconstructed in order to cope better with the anticipated future increase in traffic.

In terms of telecommunications, the county is in the worst position in Hungary. In 1994 there were only just over than 80 telephone lines per 1 000 inhabitants, less than half the national average, despite the

fact that between 1990 and 1994 the number of telephones increased two-and-a-half times.

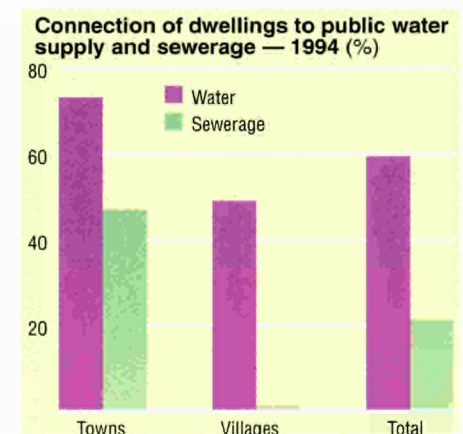
Telephone	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	33	96	81	174
% connected to digital network	68	88	94	97

Government-sponsored piped gas programme

Szabolcs-Szatmár-Bereg's infrastructure was given a great boost in the 1990s by the development of the county's piped gas network. Thanks to the project sponsored and partly financed by the central government, almost all of the county's settlements now have piped gas. By the end of 1994, households accounted for half of the county's gas consumption. The length of the piped gas network increased eight times between 1990 and 1994.

Every settlement has been linked to the more than 4 000 km network of water supply pipes and close to two thirds of households have piped water installed. The public sewerage network's level of development falls far short of the national average; only 44 settlements have public sewerage, and just one in five dwellings are connected.

There is a considerable problem in the field of municipal waste removal and treatment. Organized public waste collection is available only in 23 settlements, covering a mere 37% of households.



The Tisza Flowering

The Szatmár-Bereg landscape protection area is a live museum of natural science. Many of its rare and protected species (especially fish and amphibians) are found only here in Hungary. A special feature of the area is the mass swarm of mayflies over the Tisza in June, known as the 'Tisza flowering'. Of the 10 nature reserves, the most valuable is the ancient moorland at Bátorliget, where 4 672 animal species have been identified. The Mohos lake is the last floating willow bog on the Great Plain, and there is an important hornbeam oak grove at Kállósemjén.

Owing to the absence of large-scale industry in Szabolcs-Szatmár-Bereg, the air is much less polluted than in some other parts of the country. The effects of urbanization and the ever increasing number of motor vehicles concentrate whatever air pollution there is in the larger urban centres.

A source of greater concern, however, is the lack of an adequate public sewerage

network. The collection and handling of refuse is still a problem and there are many illegal waste disposal areas throughout the county. Beyond their effect of spoiling the environment, these also pose a threat to the purity of both the surface and sub-surface water reserves.

There are many forests in Szabolcs-Szatmár-Bereg. While the 18% forest coverage is acceptable, 25 to 30% coverage would be ideal.

The goals of the county's environmental protection programme to 2000, therefore, are to continue to protect what has not yet been spoilt, to increase the area of green surfaces, and to modernize the sewerage system and waste disposal.

Despite the problems, the state of the county's environment is good. It has many unspoilt areas with rare species of both fauna and flora. About 22 000 ha have been set aside on the Szatmár-Bereg plain as a land conservation area. Close to one

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	6.3	100.0
Proportion of environmental investments in total investment	7.9	4.6
Proportion of environmental expenditure on:		
Water protection	43.1	38.3
Air protection	2.5	11.1
Waste management	5.6	7.5

tenth of the country's nature reserves are in the county and 27 natural sites – castle-parks, trees, tree-groups, meadows, and so on – are officially protected.

Few resources for research and development

In the past there was a significant amount of agricultural research conducted in the county with noteworthy results. Despite considerable developments in widening the scope of R&D activities, there have never been institutions in the county with a pure research and development profile, research concentrated mostly on product improvement and applied research but suffered from small sizes and isolation. Most research activities are now carried out by the Agricultural College Faculty of the Gödöllő (Pest)-based Agricultural University, by the Research Centre of the Debrecen-based Agricultural University, by the Teacher Training College, by the

County Archives and by some prospering companies.

Only the most profitable companies are able to spend money on R&D. In order to utilize the existing material and intellectual resources better, a regional scientific information and coordinating centre is required.

Border location but economic problems

The county borders three countries, and it is the only county bordering Ukraine. The railway border crossing towards Ukraine is well developed, with high capacity and is thus able to satisfy the requirements of transit traffic and of bilateral trade. Following the reconstruction of the road border crossing, the county will also be able to cope with increased road transportation.

Several regions in the county have tourism potential, so far mostly unexploited.

Szabolcs-Szatmár-Bereg has several agricultural products of excellent quality, with capacity for higher production. There is an abundance of low-cost labour, and this is the only part of the country where there still is natural population growth.

The county's biggest problem is the economic crisis. There is a shortage of local capital and inward investment, which restrains the creation of new jobs, thus the highest unemployment rate of Hungary has not decreased substantially. The

performance of industry lags behind the rest of the country and the product structure is unfavourable with not enough high quality, high value-added products. The labour force has low qualifications on average. In terms of telephone services the county is the last placed in Hungary. The quality of soils is bad, thus the scope for economical agricultural production is limited to a few products, which, at present, are suffering from the shrinking of the eastern markets.

TOLNA

Ethnic variety

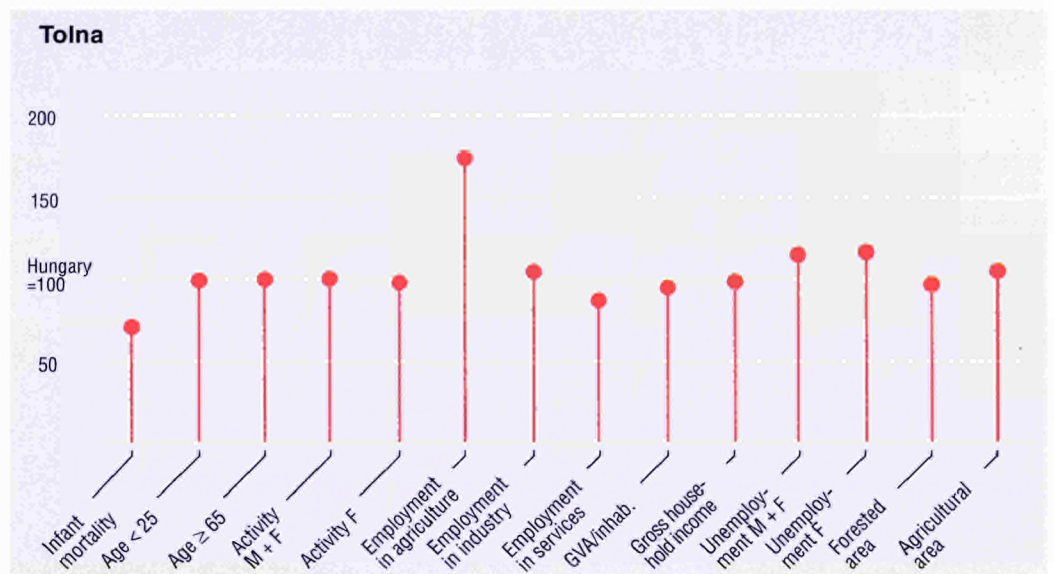
The county of Tolna is situated in southern Hungary on the western side of the Danube River, and is bordered by the Mecsek mountains, the Somogy highlands, and the Mezőföld plains. This small county, just 3 700 km² in land area, is easily accessible not only from Pécs, the largest city of Southern Transdanubia, but also from Budapest and the Lake Balaton area as well.

The region's favourable characteristics have attracted people from far and wide for centuries. The Romans established viticulture here and were followed by the Longobards and the Avars. Finally, despite the centuries-long struggle, Hungarians were able to get the most permanent foothold of all here. In the wake of the Ottoman period, Serbs and later Germans settled here in the early part of the 18th century and helped in the reconstruction. After the Second World War, Tolna gave home to the refugees from northern Hungary and to the Bukovina Szeklers ousted from their homes. Thus, Tolna is one of the few Hungarian counties where there are significant ethnic minority populations.

Tolna is characterized by a village settlement structure in which there is not a single large city. With a population of 36 000, Szekszárd is Hungary's smallest county capital. The other important towns are Dombóvár, the transport junction at the point where the counties of Somogy, Tolna, and Baranya meet, and Paks, the 'nuclear city'. These, and the other four cities, were originally country towns providing services to their immediate surroundings. The population of the cities ranges from 5 000 to 21 000, while the majority of the villages are medium-sized settlements with populations between 500 and 2 000.



Vineyards at Szekszárd



Low population density

Tolna is bordered by Fejér in the north, Baranya in the south, Somogy in the west, and its eastern border is the Danube, with Bács-Kiskun lying on the other side.

Geographically, the county can be divided into four distinctive parts: in the east the Mezőföld, characterized by its flat relief and the Sárköz-Danube flood plain; the central Völgység-Hegyhat extension of the Mecsek mountains; and in the west the Tolna highlands, an extension of the Somogy highlands. The climate is characterized by a kind of transition between the continental conditions of the Great Plain and the ocean effects coming from the lower Alps, with very little Mediterranean influence.

The county has 108 municipalities, six of which are classed as towns. The towns occupy 19% of the land area and have 40% of the population. Population density is one of the lowest in the country with 68 people per km², and its distribution is quite even.

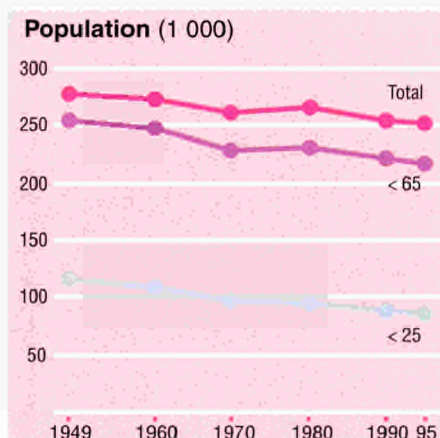
Population falling since 1941

The population of the county has been gradually falling since 1941. The main reason for this was the relatively late industrialization in the county which meant that the labour force released from agriculture moved to other, more industrialized parts of the country. Migration stopped only when the establishment of industry began in Tolna in the early 1970s. There was even some inward migration during the 1970's. However, between 1980 and 1995 the population of Tolna continued to decrease, falling from 271 000 to 250 000. The population of the smaller settlements has aged the most, since many young people migrated either to the cities or to neighbouring counties in search of better job opportunities. This population exodus, however, has abated, and it is now a natural population decrease that characterizes the county. There has been a dramatic fall in birth rates, while the

mortality rate has remained more or less stable. The natural population loss per 1 000 inhabitants is slightly higher than the national average. Infant mortality has decreased to such a level that Tolna has one of the lowest rates in the country. Because of the low birth rate, there are more people over the age of 60 than below 15.

As a consequence of unhealthy lifestyles, life expectancy has dropped back to the 1960s' average. Thus, women can expect to live to the age of 75 and men 64. There are 108 women for every 100 men but there is a male surplus below the age of 40.

In the Völgység-Hegyhát region the proportion of ethnic Germans is high in a number of the villages, and there are ethnic Serbs in small numbers in the central and southern parts of the county.



Resident population of foreign nationality — 1994

		% of total population
Total	1 976	0.79
Romania	966	0.39
Former Yugoslavia	425	0.17
Germany	196	0.08
Former Soviet Union	101	0.04

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	47	18.8	20.2	17.8
15-24	38	15.2	16.8	14.0
25-39	51	20.4	21.0	19.4
40-54	52	20.8	21.0	20.2
55-64	27	10.8	10.1	11.6
≥ 65	35	14.0	10.9	17.1
Total	250	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

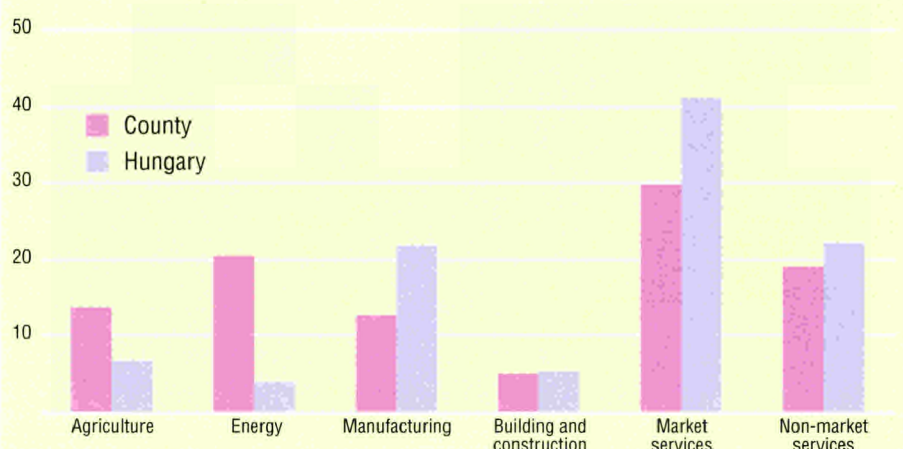
Population 1.1.1980	266
Births	33
Deaths	37
Net migration	- 9
Population 1.1.1990	254

Large earnings differentials

The county's wage and salary earners take home a slightly higher amount than the provincial average, explained by the higher than average earnings in the nuclear power plant which boosts average industrial earnings. Earnings in agriculture, the second most important sector, are quite low, but still slightly higher than the national average. The large enterprises in the building industry have been divided into many smaller companies in the course of the economic transformation. Earnings in these companies are fairly low, much as in this branch in the whole of the Southern Transdanubia region. The best paid positions in Tolna, as elsewhere, are in the financial services sector. Workers in the textile industry earn the least.

As a consequence of inflation and the increasingly higher rates of taxation, the purchasing power of incomes is decreasing. On account of the low pensions and unemployment benefits, many families are struggling. The selling of surplus agricultural products is an additional source of income for many households, and the consumption of self-produced products is significant. At the same time, however, the material position of a small sector of society is improving, presumably due to successful business activity. Judging from the per capita income tax payments, many well-to-do people live in Paks and Szekszárd as attested by, amongst other things, the level of car ownership.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Paksi Atomerőmű Rt	Electricity production
Szekszárdi Húsipari Rt	Abattoir, meat processing
Tolnatej Rt	Dairy products
Ema-Lion Zománcáru Kft	Household kitchenware
Samsonite Hungária Börönd Kft	Suitcases

Traditional sectors still dominate the economy

Up to the end of the Second World War Tolna's economic profile was decidedly agricultural, with no significant industrial establishment at all. Commerce had traditions along the Danube, especially at Dunaföldvár, where a bridge provides the link with the Great Plain. A number of industrial branches and other activities made a firm foothold in the county in the post-war decades but much of the county's industry consisted of subsidiaries of large companies based in Budapest and elsewhere which were established here in the 1960s and 1970s in the framework of the programme to industrialize the provinces. In the early 1980s a number of large investments were directed into the county, as a result of which a number of enterprises came into being such as the Paks Nuclear Power Plant and the Szekszárd Meat Works.

In terms of employment and the value of production, industry is the most important sector. Among the other traditional branches of production, the weight of the building industry in the county's economy both in terms of value of production and employment is about the same as it is

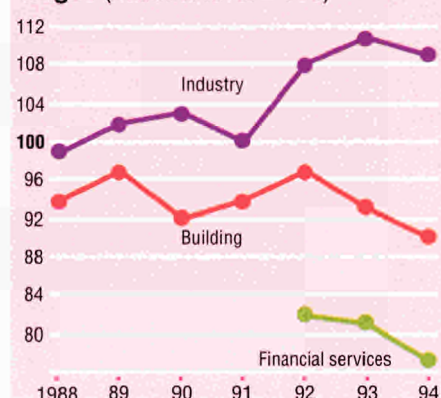
nationally. Following the contraction experienced in the early 1990s, the county's building industry seems once again to be on the upswing.

Agriculture still plays an important role in Tolna. This is reflected in the fact that there are proportionally many more firms engaged in agricultural activities than nationally. Further, this sector provides many families with jobs and incomes over and above their regular jobs.

Most small businesses are engaged either in commerce or in repairs and maintenance, which together account for over a quarter of small business activity. On account of the relatively small initial capital outlay and the relatively quick returns, there has been a mushrooming of shops, restaurants and hotels not only in the cities but in the smaller settlements as well.

Only a small proportion of foreign capital entering Hungary finds its way into Tolna. A problem is that the county does not have important commercial cities in which companies could widen their business contacts and increase sales.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



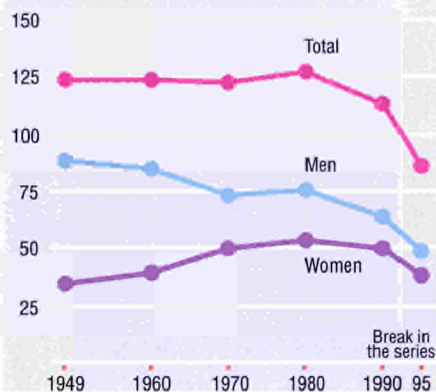
Agriculture — 1994

Number of holdings	1 683
Labour force	13 286
Agricultural area (ha)	255 300
Livestock (LU)	84 305
Gross per capita value of production (Hungary = 100)	103

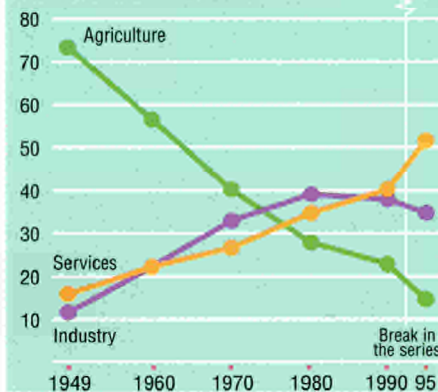
Main products by gross value of production:

Pigs	23%
Maize	22%
Milk	10%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	111.7
+ Non-residents having a job in the county	31.4
– Residents having a job outside the county	32.5
= Internal employment	110.5

Changes in the employment structure

The post-war period saw a radical change in the branch distribution of employment; agriculture lost its position as the leading employer to be replaced by industry (primarily the processing industry). In 1990, out of the 112 000 active earners, more than 20% had agricultural occupations; industry and construction accounted for 37% and the services sector employed over 40% of the active labour force. The compensation programme implemented in the early 1990s again hit agriculture the hardest, with many jobs being lost from the large agricultural enterprises. Industry also suffered very significant job losses in the course of the economic transformation. The number of employees continued to decrease between 1992 and 1994, except in the

financial sector and in public administration, and job losses were again most severe in agriculture where another one-third of jobs were lost. With the mushrooming of small businesses, the services sector is becoming more and more important in the county's economy. Thus, in 1995 agriculture accounted for 14%, industry 35%, and commerce and services 51% of employment. These figures, however, still show Tolna to have a higher than average agricultural and industrial population.

Despite the fact that the average size of enterprises decreased significantly, parallel with the economic transformation and the appearance of small businesses, two thirds of employees are still employed

by the few enterprises with more than 300 people.

The labour force is becoming more and more highly qualified, with the level of education of both men and women increasing. According to the 1990 census, 57% of the active earners had academic qualifications above the mandatory eight years of primary school. The relatively high levels of academic qualifications bode well for future retraining and further education.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	13	79	7	77	1
Women	14	81	5	84	7
Total	14	80	6	80	4

Nuclear power and food processing

In evaluating the county's industry, the role of the Paks Nuclear Power Plant has to be emphasized as it accounts for almost half the value of the county's industrial production. Excluding electricity generation, food processing is the most important industrial activity followed by leather, furs, shoe-making and engineering.

Most firms in the industrial sector employ fewer than 50 people. These 2 400 small companies have not been able to deliver the same results, either in production or exports, as did the former large enter-

prises. By 1995 the county's industry had largely recovered from the market losses resulting from the collapse of the Soviet Union and was beginning to establish Western markets for itself. In 1995, 40% of the processing industry's production was exported, helped by market research and product modernization.

The highest unemployment in the Transdanubian region

One of the negative consequences of the structural changes in the economy is the emergence of unemployment following decades of full employment. Despite the fact that there is a conspicuous absence of heavy industry in its economic structure, the employment crisis in Tolna is as serious as anywhere else. Although the economy is over the worst of the economic crisis, and there is a gradual increase in economic vitality, Tolna has the highest unemployment rate in Transdanubia. However, the rate has declined since its peak of 15.3% in January 1993 to 11.6% in June 1995.

Not surprisingly, both job losses and long-term unemployment affect the unskilled and the older workers most severely. More than four fifths of the unemployed are manual workers, and almost half are in the 36-55 age group. The majority of the jobless do not have secondary school educations and only a small proportion are

tertiary graduates.

There are more unemployed males than females as the traditionally female jobs have been less affected by restructuring. Furthermore, females often leave the work-force upon giving birth, and also retire earlier.

The geographical distribution of unemployment is very uneven; most of the unemployed are in the county's central and most disadvantaged region where there are minimal chances of finding a new job. The best-placed region is the Paks-Szekszárd-Bonyhád axis. The employment situation's seriousness is also indicated by the high proportion of the unemployed who have been without a job for over six months. There are few job vacancies in Tolna, and whatever openings there are tend to be in the more advantaged areas. This means that the majority of those without jobs are long-term unemployed.

Many libraries but few hospitals

Every settlement has a public library, and in the small village environments it is almost the only local means of cultural recreation. However, due to financial constraints, the development of library stocks is only moderate nowadays.

Tolna has only a few tertiary education institutions. In addition to the teacher training college, courses in information technology and the professional training of power plant workers, a training programme for social workers has been set up and this was the first outside Budapest. The majority of tertiary students, however, follow their studies in the colleges and universities of Budapest and the neighbouring counties. On the other hand, there is a good choice of secondary school level training available in agriculture, commerce, economics, health-care, and the technical trades.

Four hospitals provide in-patient treatment but their distribution is uneven. The sick in the northern part of the county turn either to the county hospital, or to the closer hospitals of the neighbouring counties. The number of beds per 1 000 population is lower than the national average and is also the lowest in the region.



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	10.7	48.6
Primary	25.5	48.7
Vocational	5.4	44.6
Secondary (technical)	4.4	50.8
Secondary (general)	3.1	65.9
Higher education	2.5	:
Total	51.6	:

Colourful festivals, German language theatre performances

Tolna boasts an effervescent cultural life. Szekszárd and its district offer interesting cultural programmes in every season of the year, particularly for foreign visitors from Tolna's 'twin counties'. The Pentecost and the harvest festivals, the Sárköz wedding celebrations, and the 'Folklore by the Danube' Festival have become traditional.

Tolna does not have its own theatre company, but settlements which have appropriate venues regularly enjoy guest performances of companies from other counties.

However, the county does have a German language theatre company (the Deutsche Bühne) in Szekszárd, performing to the county's German-speaking population and to the great satisfaction of the student population learning German. Every large settlement has a cinema showing the latest productions.

The county's museums have rich and colourful collections on display; the most elaborate one is a permanent exhibition in the Mór Wossinszky County Museum which relates the county's history.

Road transport is good, but rail less so

The county's railway network is not well situated, hence the greatest burden of freight and passenger transport is assumed by the road network. The problems with the rail services are twofold; firstly, there are only two lines of national significance that cross the county: the Baja-Szekszárd-Budapest and the Pécs-Dombóvár-Budapest services, and only the latter is electrified. Secondly, there are too few intra-county lines, and there are some areas totally without railways.

The situation is somewhat better regarding the road system: there are a number of

Surfaced public roads

	County	Hungary
Length in km per km ²	0.5	0.6
Length in km per 1 000 population	7.8	5.2
Length in km per 1 000 passenger cars	35.1	24.7
Surface area in 1 000 m ² per km ²	2.7	3.2
Surface area in 1 000 m ² per 1 000 population	40.3	29.3
Proportion of national roads (%)	64.8	62.4
Proportion of local roads (%)	35.2	37.6

important routes crossing the county and all settlements are easily accessible by road. Amongst the most important of these routes are the Pécs-Szekszárd-Paks-Budapest main road, and that linking Szekszárd with Siófok (at Lake Balaton) and Székesfehérvár. Among the other important main roads are the ones leading from Szekszárd through Mohács to Osijek (Croatia), and from Tamási over the Danube at the bridge at Dunaföldvár and on to the Great Plain. A considerable proportion of the (mostly transit) traffic between the Great Plain and Transdanubia crosses the Dunaföldvár Danube bridge. There is no commercial civilian airport in Tolna, but the county hosts Hungary's largest amateur airport, at Öcsény.

There have been significant improvements in the telecommunications network of the county; between 1990 and 1994 the number of telephones increased 1.7 times. With further significant extensions of the network in 1995 practically all needs have been met.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	60	96	107	174
% connected to digital network	86	88	95	97

The county's banking system is well developed, and there are more and more commercial banks establishing branches, primarily in the cities. In the smaller settlements, it is the post office that provides basic banking services.

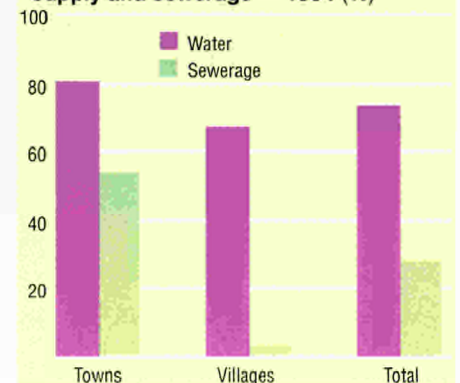
Waste water treatment is a problem

For a long time now all the county's settlements have had electricity, and all enjoy piped, clean drinking water. Public sewerage is available mostly in the towns and the bigger villages, but even here its development is uneven; in village settlements, domestic drains are relied on for waste water. Less than one fifth of the settlements have public sewerage and, despite the fact that only one third of the dwellings connected to the public water supply are also connected to the sewerage system, there was not any advance in this field during the first half of the 1990s. A programme to extend the piped gas network has been started, but despite a twofold increase in the length of the network between 1992 and 1994, the county still lags behind the rest of the country. Currently piped gas is available in 18 settlements, notably in the districts of Szekszárd, Bonyhád and the town of Tolna.

There is regular and organized refuse collection in more than half of the county's

settlements, covering almost 70% of the dwellings. Selective waste collection has not yet been introduced. Much as in other parts of the country, the only method of municipal waste disposal is landfilling. The safe and environmentally friendly disposal of the increasingly large quantities of waste continues to pose a problem, especially in the bigger towns.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Nuclear waste storage problem

Apart from the nuclear power station, there are no intensively polluting industrial establishments of significant size and the state of the environment is consequently relatively good. A more pressing concern is soil erosion – more than half of the county's land area is to some extent endangered.

Twenty-three sampling and measurement stations surrounding the nuclear power station provide information about radioactive materials in the environment. The values measured have always been far below the permitted limits. Consequently, the most important environmental protection problem is the storing and disposal of the nuclear waste from the Paks Nuclear Power Plant. This requires investment (storage facilities, roads, and so on), but no decision has been reached on the critical question of the site for the storage of the nuclear waste. The geological features of the various settlements have been considered, and the most suitable ones have been chosen.

Green movements have started a debate about the security of the plant, especially the utilization of used heating elements imported from Germany.

Of the county's natural features, the Gemenc landscape protection area, of which two thirds is in the county, is one of the most beautiful natural landscapes in Hungary. Its more than 10 000 ha of riverside and flood plain are home to rare flora and fauna and forest habitats. The southern part of the county belongs to the East Mecsek landscape protection area, with its unique geomorphological formations, protected silver linden, hornbeam oak and beech forests. The vegetation here shows a Balkan-Mediterranean influence unique to Hungary. The forests expanding from Tamási to Gyulaj feature significant quantities of the rare Hungarian oak. A unique feature is Central Europe's thickest and most studied loess wall at Paks, where 600 000 years of loess layers can be seen in full cross-section.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	2.4	100.0
Proportion of environmental investments in total investment	5.7	4.6
Proportion of environmental expenditure on:		
Water protection	24.0	38.3
Air protection	1.4	11.1
Waste management	56.1	7.5

Limited agricultural and nuclear research

In the absence of universities and research institutions, the county's contribution to research and development is small; a total of 170 people are employed in three cities predominantly within the framework of company programmes. Owing to the important role of agriculture in the county's economy, most of this research is oriented towards improving plant varieties.

In R&D, as in everything else in Tolna, the nuclear power station plays an important role. Most of the research and development conducted here is to do with operational safety and the safe disposal of nuclear waste.

Nuclear power and a good agricultural base

The county is known abroad mainly for hosting Hungary's only nuclear power plant. This plant is the region's biggest and best-paying source of employment.

Tolna's terrain and climate is well suited to agriculture, and the appropriate food processing plants have been established, although there is still potential for further development. Grapes grow on the gentle slopes of the Szekszárd Hills producing wines which are well-known throughout the country.

Even though the county is rich in medicinal waters and health spas which attract tour-

ists, the accommodation and restaurant services are rather modest, which limits the county's appeal to visitors. If these facilities were developed, more of the tourist traffic bound for Pécs and Lake Balaton could be attracted into the county.

Tolna is lacking in both foreign and domestic capital, making economic development extremely difficult. Thus, the county's labour force, despite good basic qualifications remains largely under-utilized, as does the reasonably good quality infrastructure. The bridge across the Danube at Dunaföldvár is not sufficient to offer good transport and communi-

cations links with the eastern part of the country. A new bridge with a much larger capacity would do a lot to improve the county's prospects.

VAS

Gateway to the West

The county of Vas, on the western edge of Hungary and at the foothills of the Alps, has played an important role over thousands of years as a link between civilizations with the road crossing Europe from the north to the east leading through its hills. Throughout the centuries, the county has always been open to western European culture and served as an intermediary in economic modernization.

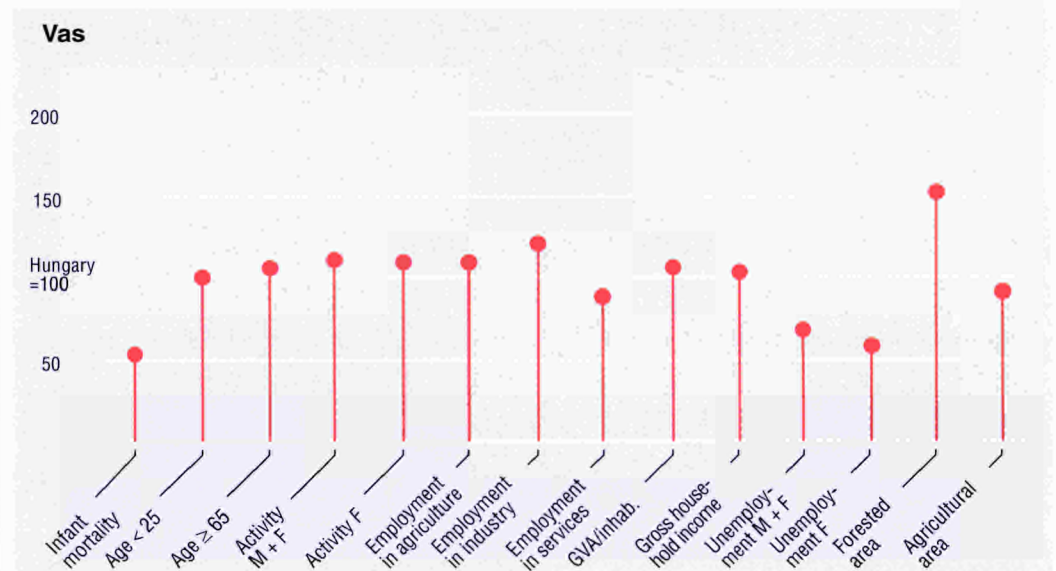
Following the First World War, the county's borders with Austria were redrawn in the west along the Kőszeg mountains and in the south with Slovenia. Owing to its favourable geographical location it has good communications and Szombathely has a domestic railway junction with a direct international connection. The A2 motorway just over the border in Austria gives good access to Western Europe.

Following the difficulties it suffered while the Iron Curtain still existed, the county is again enjoying its border position and the rate of economic growth recorded in the 1990s is among the highest in the country.

Regional administration is based on the local governments of the 208 villages and seven towns. Szombathely has been the county capital since 1579.



Roman excavations at Szombathely

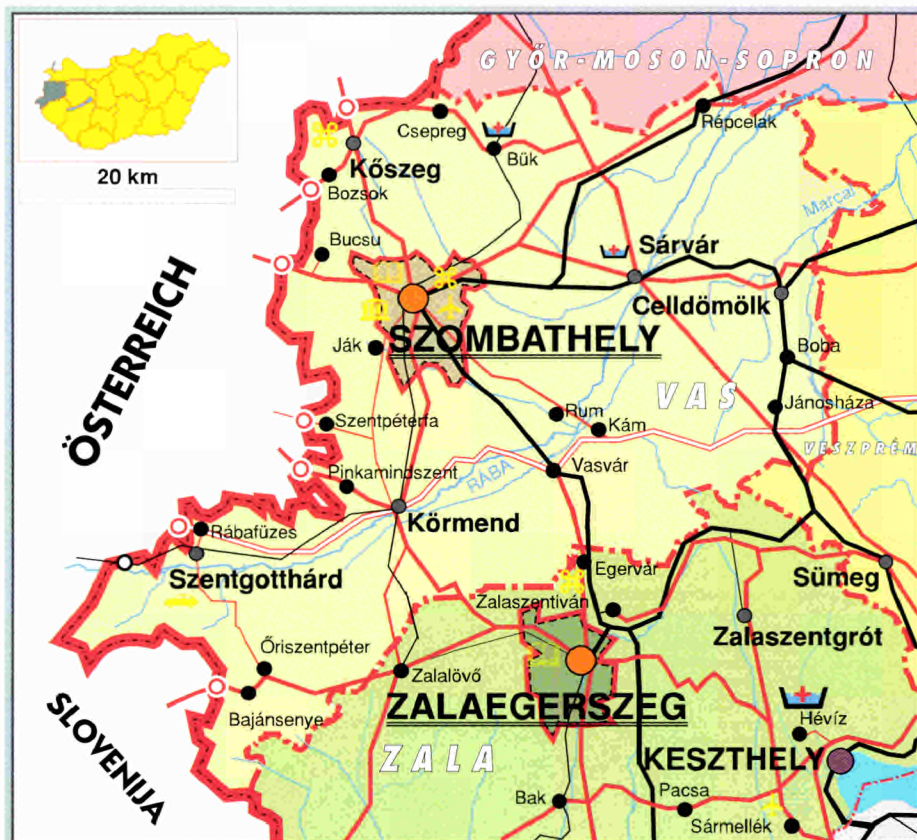


A landscape with great variety

Vas covers a land area of 3 337 km² which represents 3.6% of the country's total. Its landscape is blessed with great variety: plains, hills, mountain ranges, volcano cones, and thick layers of gravel are all found here. In the west the county is bordered by Austria, in the southwest by Slovenia, in the south by the county of Zala, in the east by Veszprém, and in the north by Győr-Moson-Sopron. The climate is continental, with the northern parts recording the highest precipitation levels in Hungary. Almost 60% of the county's land is under agricultural cultivation, the bulk of it is ploughland, and one third of the productive land is covered by forest.

The county's settlement network is dense, with more than six settlements per 100 km² – twice as many as the national average. The county capital Szombathely has the largest population with more than 80 000. Kőszeg was a sovereign royal city as early as the 17th century. The other towns – Sárvár, Celldömölk, Körmend, Szentgotthárd, Vasvár and Csepreg – are all traditional provincial towns with populations ranging

between 3 300 and 15 900. Most of the villages are small in terms of population.



Which EU regions are similar to Vas?

- Area:**
3 200-3 400 km²
Overijssel (NL)
Valle d'Aosta (I)
- Land use:**
28-30% forest
Auvergne (F)
Navarra; Andalucía (E)
- Population:**
about 275 000 inhabitants
Burgenland (A)
Highlands, Islands (UK)
- Employment structure:**
40% in industry
País Vasco (E)
Bayern; Saarland (D)

Land of thermal waters

Vas has few energy and mineral resources. The lignite deposits at Torony could potentially be developed, but the small amounts of natural gas are not commercially viable. The county has considerable natural carbon dioxide reserves, supplying the country's entire carbon dioxide production with the biggest deposits found at Répcelak. There is an abundance of thermal and medicinal waters, with 18 fully developed wells in nine settlements, and 47 awaiting development. The medicinal qualities of a few of the wells place them among the best in Europe. Of the medicinal thermal

waters, the best known are those at Bükfürdő, Szombathely, Sárvár and Rábasömjén. The temperature of the latter is 80°C and a litre contains 45 grammes of dissolved materials. After evaporation, its salts are sold as Sárvár Thermal Crystals.

The county's largest river is the Rába, which stretches for 139 km through Vas to flow eventually into the Danube. The county's only hydro-electricity generator is on the Rába River, and it was the first of its kind to be built in Hungary at the beginning of the century. Gravelpits provide valuable material for the building industry. Vas has

no natural lakes, but more and more artificial ones are being created.

	Area		Population			Activity %	Unempl. %	Employment		
	km ²	1 000	Inhab./km ²	Change (%)				%	% Agricult.	% Industry
		1995	1995	1980-89	1990-94	1990	Dec. 1994	1990	1990	1990
Celldőmölki	474	28	59	- 8.7	- 1.5	55.0	7.7	24.0	29.2	46.9
Körmen	636	31	48	- 6.6	0.7	55.8	8.8	27.8	34.3	38.0
Kőszegi	278	24	88	- 4.4	- 2.2	56.5	8.4	15.1	40.1	44.9
Sárvári	694	43	61	- 5.9	- 1.3	56.7	8.8	26.5	38.8	34.7
Szentgotthárdi	233	15	66	- 5.4	0.8	55.2	11.4	17.8	45.7	36.6
Szombathelyi	646	115	178	2.0	- 1.6	58.6	6.9	10.8	36.6	52.7
Vasvári	374	16	44	- 12.1	- 1.5	50.9	13.6	33.3	28.7	38.0
Vas	3 337	273	82	- 3.3	- 1.2	56.8	8.2	18.4	36.3	45.3
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5
							1995	Dec. 1995	1995	1995
							Vas	8.0	8.8	39.7
							Hungary	12.0	8.1	33.1
									1995	1995
									51.5	58.8

Small villages with an ageing population

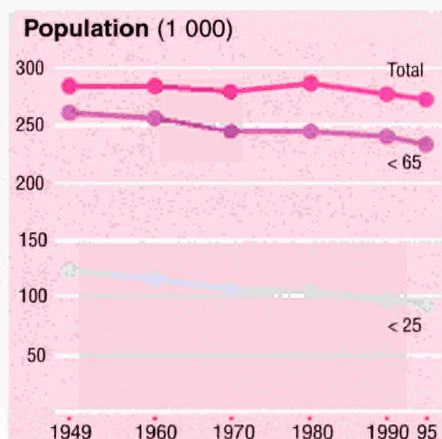
With 272 000 inhabitants, Vas is the third smallest county in population terms in the country. Population density is below average, Szombathely and its district are the most densely populated. The ethnic minorities make up 2,5% of the county's population; mostly Gypsies, ethnic Croats, Slovenes and Germans. The ethnic Croats and Germans live mainly in Szombathely and Kőszeg and their surroundings, while the Slovenes are mostly in the border areas at the county's south-western tip. These ethnic minorities add colour to the region's culture, and promote better relations with Hungary's neighbours. The most-studied foreign language in the county is German, but English is increasing in popularity.

With the exception of the decade of the 1970s, the county's population has been falling steadily. The most important reason for this in the beginning was large-scale

migration, but a strong natural decrease in the 1980s added to this trend. From 1982 onwards, mortality rates exceeded birth rates. This is explained by the older-than-average age structure of the population and the increasing decline in fertility; birth-rates are among the lowest in the country. On the other hand, the infant mortality rate is the most favourable here, and it appears that migration trends are reversing to show a slight positive balance. The age pyramid shows a surplus of males up to the age of 50 and a female surplus above. Currently there are 1 055 females per 1 000 males. As a result of migration and fertility decreases, the proportion of children barely reached 18% of the county's population in 1994, while one fifth are over 60. This age structure is particularly noticeable in the small villages.

Fifty-five per cent of the population are city-dwellers, but close to 97% of settle-

ments have populations below 2 000, 50% having less than 500 inhabitants. Vas has the country's smallest village, Nemesmedves, with a permanent population of just 25.



Resident population of foreign nationality — 1994

		% of total population
Total	1 421	0.52
Romania	662	0.24
Germany	171	0.06
Former Yugoslavia	146	0.05
Former Soviet Union	136	0.05

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	49	17.9	18.9	17.1
15-24	42	15.4	16.7	14.3
25-39	55	20.1	21.2	19.3
40-54	58	21.2	22.0	20.7
55-64	29	10.6	9.8	11.4
≥ 65	40	14.7	11.4	17.1
Total	273	100.0	100.0	100.0

Demographic account — 1980-90 (1 000)

Population 1.1.1980	285
Births	34
Deaths	39
Net migration	- 5
Population 1.1.1990	276

Low wages and salaries

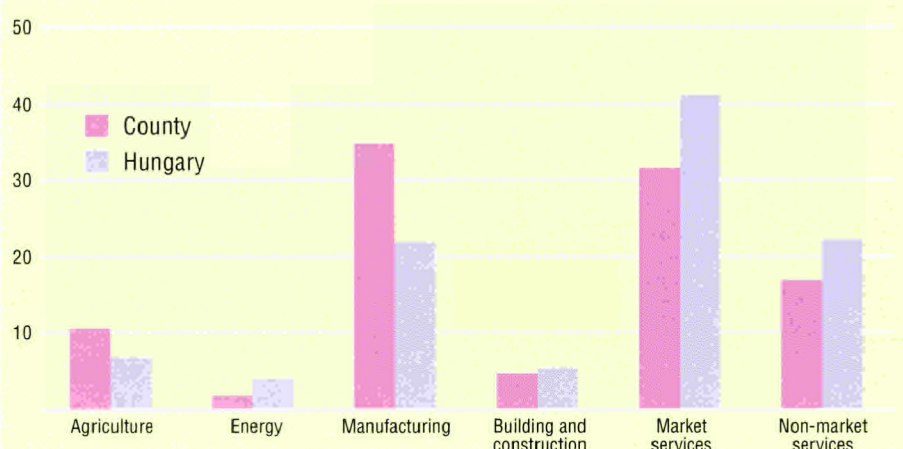
The gross average earnings of employees in 1994 were 15% below the national average, and were the fourth lowest among the counties. Earnings are differentiated along branch lines; the best paid are those in financial services where earnings are more than 1.7 times higher than the county average. Above-average earnings are also recorded in public administration, transport, post and telecommunications and education. Wages and salaries are on a par with the national level in industry and construction, but have for a long time been less than average in agriculture and forestry.

The county's white-collar workers earn 1.7 times more than manual workers. Female wages average 82% of male earnings, with a much bigger difference in the case of non-manual jobs. The major reasons

behind lower female remuneration are lower levels of education, lack of skills and a different employment structure. Over three quarters of men, but only 54% of women, are manual workers. Female white-collar workers tend to be in lower-status jobs than their male counterparts: fewer of them tend to be in management positions.

More than half of the gross incomes of the households of Western Transdanubia in 1993 came from full-time employment. A further one fifth of the incomes were from pensions and 6% from family allowances. Those on lower incomes attempt to supplement their incomes by selling domestically-produced products.

Gross value-added by sector — 1994 (%)



Main enterprises

Name	Activity
Opel Magyarországi Járműgyártó Kft	Motor vehicles
Sárvári Baromfiipari Rt	Poultry processing
Falco Rt	Chipboard production
Linde Gáz Magyarország Rt	Industrial gas production
Kromberg-Schubert Kft	Insulated wires and cables
Packard Electric Vas Kft	Vehicle electrical equipment
Vasi Húsipar Rt	Meat and fish processing
Styl Ruhagyár Rt	Textiles and clothing
Répcselaki Sajtgyár Rt	Dairy products

A county with economic variety

Both in terms of economic activity and ownership structure, the county demonstrates great variety. Agriculture and forestry have the longest traditions, on account of the relatively poor soils, agriculture is characterized by extensive fieldcrops. The proportion of arable land occupied by fodder crops is higher than the national average, and also large areas are used for the production of sugar-beet and sunflowers. The once very important beef cattle production has decreased in the 1990s, but poultry, and especially turkey, production has expanded. As a result of privatization, an increasingly large proportion of agricultural production is accounted for by the private sector.

Despite the relatively early establishment of industry, it never assumed a dominant role *vis-à-vis* agriculture, and was particularly neglected in the post-war period on account of the county's general isolation. The development that began in the 1960s resulted only in medium-level industrialization. In the 1990s though, investment took off dramatically; the rate of foreign capital inflow is outstanding among the counties, and a result has been the

extension and modernization of the county's productive capacity. Productivity and the volume of production jumped spectacularly. The improved composition and quality of production has increased the competitiveness of the county's industry, resulting in a high rate of growth in exports. There is also an upward trend in the development of the services sector, though not as pronounced as that of industry, and the proportion of employment in services is significantly lower than the provincial average. Tourists are attracted to the county by the possibilities for shopping and by the health resorts.

In 1990, there were 87 companies in the county with foreign capital but by 1994, this had increased to 600. A third of these firms are in the processing industry, accounting for 80% of the foreign capital. By 1994, there were 3 991 retail outlets and 1 239 catering units in the county, a dramatic increase in the wake of privatization.

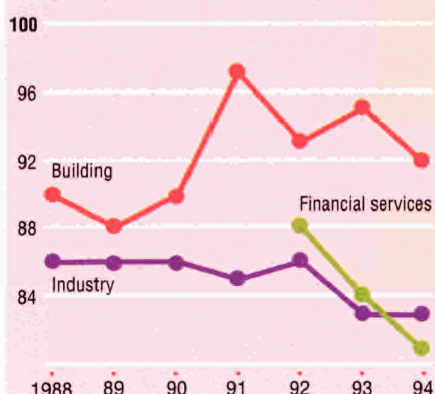
Agriculture — 1994

Number of holdings	1 194
Labour force	9 963
Agricultural area (ha)	195 100
Livestock (LU)	68 924
Gross per capita value of production (Hungary = 100)	112

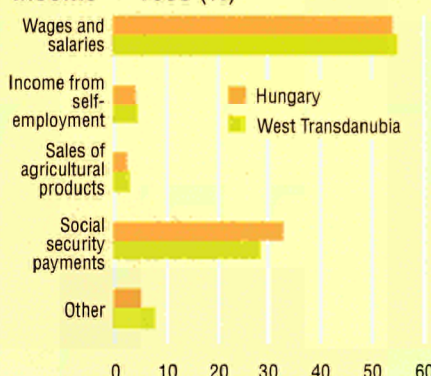
Main products by gross value of production:

Milk	13%
Pigs	12%
Poultry	12%

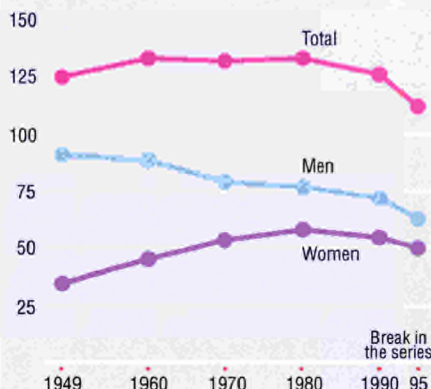
Wages (national level = 100)



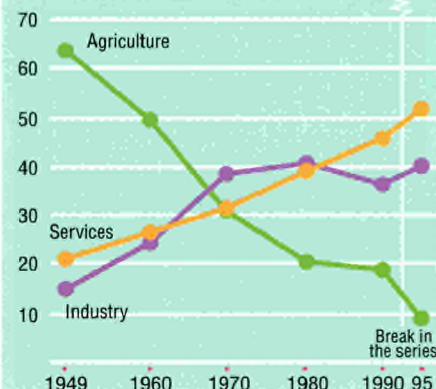
Gross per capita household income — 1993 (%)



Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	124.6
+ Non-residents having a job in the county	36.8
– Residents having a job outside the county	37.9
= Internal employment	123.5

Relatively well-educated labour force

Concurrent with the steady population losses since the early 1980s, there has been a fall in the population of working age. In the 1990s, this problem has been compounded by unemployment. Thus in 1994, there were 123 300 in employment in the county (45% of the population): 17% less than at the beginning of 1990. Nevertheless, the proportion of the employed is still higher than the national average, the unemployed rate is lower, and there are 25% fewer dependants per active earner than nationally. Of the employed, 56% are men, but the number of women exceeds that of men in the services sector.

The companies and other organizations having a staff of over 20 employed 78 800 people in 1994, 64% of the labour force.

Almost 40% of these are employed in industry. The proportion of those employed in agriculture and forestry has decreased somewhat, but is still relatively high in the county's traditional agricultural or more backward areas (Őrség, Hegyhát).

The labour force's average level of education is relatively high. At every level of school education for those above the age of seven, the proportions of those who completed their studies were above the provincial average, particularly for secondary education where the county indicator is 3% above the provincial average. The structure of qualifications, however, does not accord with the needs of the county. The education system has a lot of inertia, and tends in many ways to cling to the

requirements of the past. Consequently, further training and retraining have important roles to play. This is often the only way that those with secondary school qualifications who were not accepted into the tertiary institutions can obtain their first profession. Professionals, on the other hand, can increase their chances of finding employment by undertaking a course in computing or a foreign language, for example.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	12	82	6	79	2
Women	15	82	3	88	5
Total	13	82	5	83	4

World-class engineering

Manufacturing dominates the county's industry, whose most important branch, engineering, accounts for one fifth of the employment and about half of the value-added of the manufacturing sector. With engineering gaining ground, food processing and light industry have been losing some of their significance. In the 1990s, there has been a great increase in the number of more flexible small and medium-sized enterprises. Only 7% of companies have more than 300 employees, one third of these are in engineering.

With the building of the Opel factory, the county established an important motor vehicle industry and Philips has also invested in Vas. Most of the firms with foreign capital are in the textiles, clothing and leather products sector, but in terms of capital invested the machine industry is the most important. An industrial park in Szentgotthárd stretches across the border into Austria and is supported by the European Union.

An increasingly large proportion of the county's industrial production is exported: 52% in 1994. Imported machines and

basic materials are used in industrial production, and many foreign companies have products manufactured in the county to take advantage of the lower Hungarian labour costs. The annual Szombathely International Trade Fair plays an important role in extending business contacts.

Low unemployment

The structural change which was initiated by the transformations in the economic system also revealed some of the tensions in the labour market. At the time of the 1990 census, there were 1 550 registered unemployed in the county and 400 who were looking for their first full-time job. Together, these accounted for 1.5% of the labour force, one of the lowest provincial rates. Within this, male unemployment was 1.5% (and for females 1.7%) compared with the provincial male unemployment rate of 2.9%.

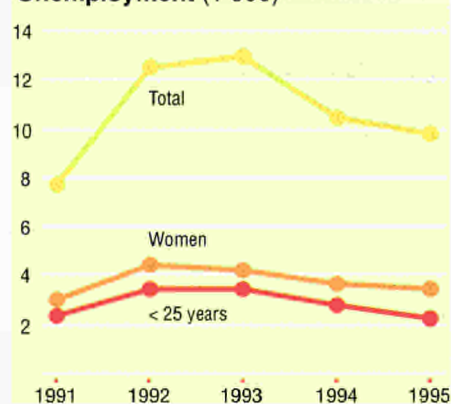
In the course of the 1990s, unemployment increased significantly in Vas, as elsewhere, primarily due to industry shedding labour, but the rate always remained well below the national level. Unemployment peaked in the summer of 1993. According to the June 1995 figures, there were 9 300 registered unemployed, not quite 7% of the labour force. This was 3% below the

national average, and the second lowest rate of all the counties. But there are also significant differences within the county in the incidence of unemployment: for example, it was below 6% in Szombathely and its district, but as high as 12% in Vasvár.

As in the rest of the country, the rate of male unemployment is higher than female. Similarly, the young are affected more and more both nationally and in the county. More than a quarter of the unemployed in 1995 were under 25 and one fifth above 45. There is a greater proportion of manual workers among the Vas unemployed than nationally, but within this group, the proportion of the unskilled is lower, and the rate of skilled and semi-skilled workers higher, than nationally. Those that are unemployed tend to be out of work for long periods; thus, more than a third of the unemployed in 1995 had been out of work for over six months.

Job opportunities over the border in Austria afford some relief to the unemployed. There is also growth in the ranks of those seeking their livelihood in countries further afield.

Unemployment (1 000)



Good medical services but no university

Throughout the 1990s, there has been a steady fall in pupil numbers in all primary schools due mainly to population decreases. Numbers in secondary schools are increasing, however, but in a few years' time decreases will also set in here. There is no university in the county, but at a tertiary level there is teacher training and, since the beginning of the 1990s, training in health-care and information technology.

Vas has one of the best provincial health-care services in the country. Basic medical care is based upon the family doctor system, which is backed up by specialist and hospital care. The county's largest hospital is also the teaching hospital of the University of Pécs, and it serves an area that extends beyond the county borders. The other hospitals in the county are in Celldömölk, Körmend, Sárvár, Szent-

gotthárd and Hegyfalú. There are 2 700 hospital beds in the county: 98 per 10 000 population but the shortage of funds makes the upkeep of the hospitals difficult.

Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	10.3	48.1
Primary	25.8	49.0
Vocational	5.8	41.5
Secondary (technical)	6.0	47.8
Secondary (general)	3.1	66.6
Higher education	2.9	:
Total	53.9	:

Festivals, dance competitions

The county's museum network reflects the region's history. As well as the Savaria Museum, there are numerous specialized and local-history oriented establishments. Szombathely's relics from the Roman era are kept in the Park of Ancient Ruins (Romkert) and Iseum Museums.

Vas does not have a permanent theatre company but guest theatre groups, the Szombathely Puppet Theatre and the Szombathely Symphony Orchestra go a long way to fill this gap. There has been a decrease in the number of cinema visits,

but these are still higher than the national average.

Among the county's more important cultural events are the Szombathely Spring Festival, the Pannon Autumn Festival, the programmes associated with the International Bartók Seminar and Festival, the Sárvár International Folklore Meeting, the Savaria International Dance Competition, the International Textile Biannual, and so on. There are also regional cultural programmes, especially in the Őrség and Kőszeghegység. Nation-

al and international exhibitions are held in the Szombathely Gallery.

A dense highway network but no motorways

There are 1 518 km of sealed road in the county, roughly one fifth of this length are major roads. The network is much more dense (455 m/km²) than either the national or the provincial average, primarily on account of the settlement structure. There is no motorway in the county, but the Austrian A2 is less than 50 km from both the Bucsú and the Rábafüzes international border crossings. Since the completion of the ring-road, traffic has decreased by 30% in the centre of Szombathely. The planned border crossing to Slovenia and the S100 tourist bicycle track along the border are also worth mentioning.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.7	0.6
Length in km per 1 000 population	8.3	5.2
Length in km per 1 000 passenger cars	37.5	24.7
Surface area in 1 000 m ² per km ²	3.8	3.2
Surface area in 1 000 m ² per 1 000 population	46.2	29.3
Proportion of national roads (%)	73.5	62.4
Proportion of local roads (%)	26.5	37.6

At the end of 1994, there were 71 000 motor vehicles in the county – 2.7% of the national total – with an average age of 11 years, which was somewhat higher than the national average. There were 2 193 passenger vehicles for every 10 000 population; this is higher than both the national and the provincial average, and puts Vas in fifth position among the counties in this respect.

There are 143 km of main railway line and 113 km of secondary line – providing a density greater than the national average – and 17% of the main lines are two-track. The north-south and the east-west lines intersect at Szombathely. There is a regular train service between Szombathely and Graz in Austria via Szentgotthárd. The county is pressing for the re-establishment of the former railway links to Austria.

The airport near Szombathely has not been used for civilian aviation purposes since the early 1960s. But with some investment the airport could be made operational, and satisfy the air transport needs of West Transdanubia and Burgenland across the border in Austria. Currently

it is being used only for amateur aviation purposes.

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	82	96	147	174
% connected to digital network	82	88	94	97

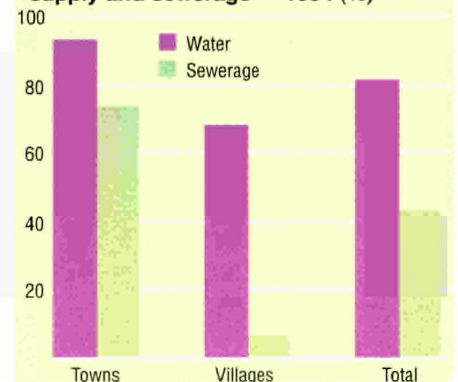
Fast-developing infrastructure

The infrastructure of Vas has reached a medium level of development, which is somewhat more favourable than the provincial average. Significant advances were made in this area in the 1980s due chiefly to the financial contributions of the residents and the local councils. In the 1980s, 41 settlements were linked into the piped natural gas network; by 1995, 43 enjoyed this service. Every city and village has piped water supply and 80% of dwellings have been connected. By the end of 1994, 18 settlements had covered public sewerage networks including all the cities. There are communal district heating services in a total of 15 000 dwellings in six of the county's cities.

Municipal waste collection is organized in one third of the county's settlements, covering 60% of all dwellings. In the 1990s, the county has been attempting to introduce a system of selective waste collection.

Szombathely was the first city in the country to receive a digital telephone exchange, and by 1994 there were 40 000 telephones in the county – a 1.8-fold increase on the 1990 figure, although a large proportion of them were concentrated in the cities. There were 14.7 telephones per 100 population, which is above the provincial average. The Celldömök region within the county remains relatively backward but the spread of the mobile-telephone network provides some relief in this respect.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Land conservation areas

The county has many treasured natural features. Thirteen per cent of the county's land area is protected, mostly in landscape protection areas and the county has 9% of the country's total protected land. The most important of these areas are the Órség and Kőszeg Nature Reserves which the county maintains with EU backing. The Órség Nature Reserve stretches into both Austria and Slovenia, while the Kőszeg Nature Reserve is shared with Austria. Of the county's protected arboreturns, the best known are the ones in Jel and Kámon. The county also contains 4% of the country's conservation areas of regional significance. The fact that forced industrialization did not take place in this area was very advantageous from the environmental point of view. The air and water are relatively clean, and there is little dangerous waste in the county. There are, however, sometimes problems with the air quality over Szombathely.

The county's most important environmental problem is the lack of an appro-

priate system of waste processing and disposal. The landfill sites of the largest cities do not conform to environmental requirements, but it is the illegal tips that pollute the most. There is no regular waste collection from 40% of households, and selective waste collection is still in its infancy.

A further source of concern is the fact that the extension of the public sewerage network has not kept pace with the extension of the piped drinking water network. Although the situation is a little better than the provincial average, in absolute terms the level of supply is poor, and the lack of sewerage systems adversely affects the quality of drinking water.

In 1994 half of all environmental investments were devoted to water conservation. In the space of a year the number of the settlements linked into the public sewerage network increased fourfold, while the length of the network increased

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	4.7	100.0
Proportion of environmental investments in total investment	5.8	4.6
Proportion of environmental expenditure on:		
Water protection	48.3	38.3
Air protection	2.4	11.1
Waste management	2.9	7.5

by 12%. Only 1% of investment spending on environmental protection was devoted to alleviating the pollution caused by inappropriate waste disposal. Dangerous wastes are collected separately in the county, but their long-term storage and processing remains inadequate.

A variety of research programmes with few resources

The county represents only 1% of the national research and development staff and spending, the third lowest of all the counties, but in some areas research results enjoy international recognition.

The most important programmes are conducted at the University Research Institute (astronomy), at the Szombathely Teachers' College (ecology, linguistics, librarianship, computer science, pedagogy), at the county work stations of a number of national research institutions (agriculture, forestry, plant and soil ecology, meteorology, regional development and sociology), at county-based insti-

tutions (archaeology, history, natural sciences, folklore and pedagogy), and in the county hospital (medical research). The Hungarian Academy of Sciences Regional Academic Committee also participates in county-related research.

On the border of the European Union

One of the strengths of the county is its geographical position. For a long time it has made use of this to promote at first cultural, and later scientific, political, and economic cooperation across the border. The significance of these connections has been greatly magnified with Austria entering the EU. In the 1990s large amounts of foreign capital have contributed to economic growth and increasing exports. The county's attractiveness is further enhanced by the low rates of unemployment, the relatively high qualification levels of its work force, the high level of foreign language proficiency, and the relatively well-developed infrastructure. Its medicinal

waters, monuments, natural features, its relatively clean environment and rich cultural life have made its tourist industry thrive.

The county's most significant weakness remains the lack of up-to-date waste collection, storage, treatment, and disposal, and the insufficiency of the public sewerage network. A significant problem remains the low level of public utilities provision in the small villages, the migration and ageing of their populations, and the low levels of fertility. Some regions are also fairly backward and have relatively high unemployment. The

county's attractiveness is further reduced by the lack of motorway access and of a university. The latter poses significant problems in attracting qualified personnel and keeping them in the county.

VESZPRÉM

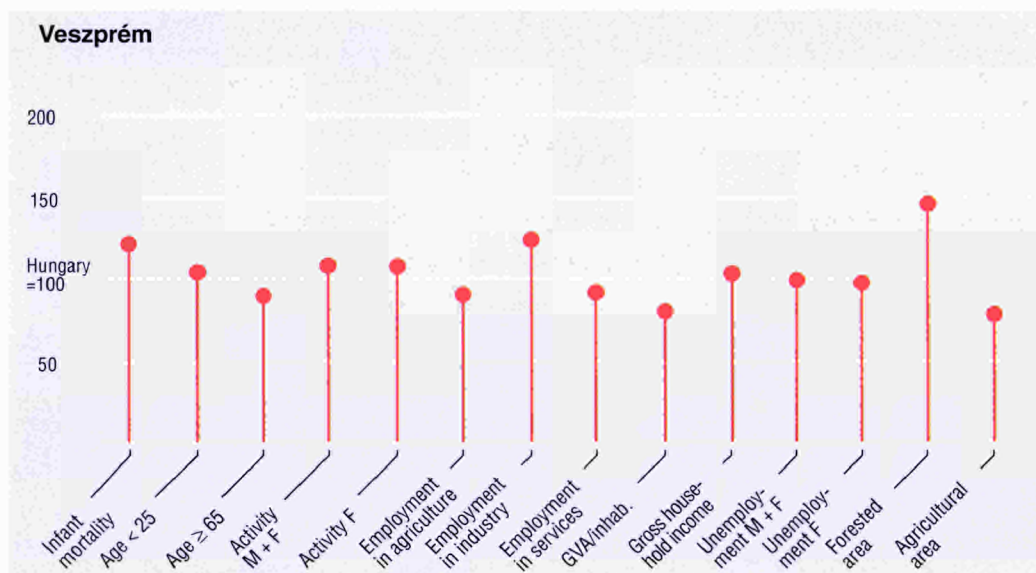
The City of Queens

The city of Veszprém, also the county capital, is probably the oldest centre of Hungarian history, and was the property and home of Queen Gizella, the wife of St Stephen, the first King of Hungary. The wives of the Hungarian kings often stayed for long periods in Veszprém Castle; hence the name the City of Queens. The city was the first Hungarian épiscopal seat, and for centuries the region's cultural and administrative centre. There is hardly a settlement in the county without some kind of historical heritage; there are more than 1 000 historical monuments as well as 61 protected natural sites of local and national significance.

Veszprém is located in central Transdanubia, and is bordered by Lake Balaton and the counties of Zala, Vas, Győr-Moson-Sopron, Komárom and Fejér. Its geographical position renders it an important tourist destination and transit route. The county capital is accessible from Budapest by a main road which continues on to Austria. The county's total land area is 4 639 km² and has a population density of 82 people per km² – significantly lower than the national average.



Lake Balaton and the Badacsony hills



A beautiful landscape

While most of the county is covered by the Bakony mountains, the southern region is covered by the Keszthely mountains and the Balaton highlands, with the Tapolca Basin occupying the centre. The climate lacks extremes but the region is poorly suited to agriculture. At the same time, however, the favourable climate and volcanic soils of the slopes of the Balaton highlands are well suited for grape-growing and wine.

Veszprém has nine cities and 214 villages. Almost half of the settlements are small villages with populations of a few hundred, while three quarters have fewer than 1 000 residents. The largest city is Veszprém which, due to its favourable location, has been able to maintain its central role. Of the county's medium-sized cities, Ajka, Várpalota, and Tapolca are centres of heavy industry; Pápa is the cultural and industrial centre of the county's north; and because of their geographical locations, Balatonalmádi and Balatonfüred are important tourist destinations.



Which EU regions are similar to Veszprém?

Age structure:

35% under 25
 Portugal
 Madrid (E)
 Lorraine (F)

Land use:

26% forest
 50-52% agriculture
 Piemonte (I)
 Burgenland (A)

Employment structure:

7% in agriculture
 Corse; Languedoc-Roussillon (F)
 Comunidad Valenciana (E)
 Piemonte; Toscana (I)

A county rich in mineral resources

Veszprém's rich mineral deposits make it the country's most important supplier of many basic raw materials; most importantly, bauxite. It is mined in sufficient quantities in the Bakony mountains to make Hungary one of Europe's largest bauxite producers. On account of environmental considerations and the exhaustion of deposits, bauxite production has decreased considerably in the 1990s. Among the other important mineral resources of the county are the oxidized and carbonated manganese ores which are not mined in commercial quantities

anywhere else in Hungary. The mining of brown coal and lignite is also important, as is that of basalt, tufa, limestone, dolomite and marl.

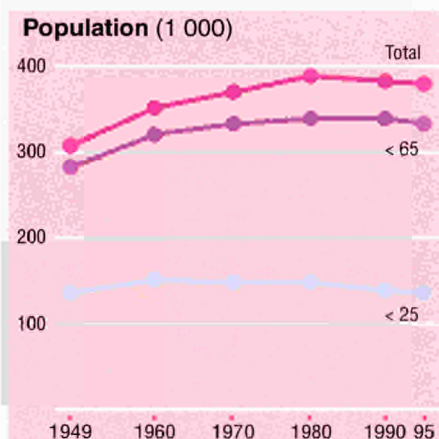
The limestone hills have few rivers and springs. The Marcal, Cuha, Gerence, Torna, and the Eger are supplied by the abundant waters of the karst springs. The water reserves of the karst rocks of the Bakony mountains are of particular importance, playing a large role in satisfying both the drinking and industrial water needs of the county. The county's

southern border is formed by Lake Balaton, Central Europe's largest inland body of water and Hungary's most frequently visited resort.

	Area		Population			Activity %	Unempl. %	Employment		
	km ²	1 000	Inhab./km ²	Change (%)				% Agricult.	% Industry	% Services
		1995	1995	1980-89	1990-94	1990	Dec.1994	1990	1990	1990
Ajkai	799	63	79	- 4.2	- 1.1	58.1	12.2	12.9	54.0	33.1
Balatonalmádi	129	12	97	15.2	0.5	56.3	11.2	6.0	42.7	51.3
Balatonfüredi	318	21	67	3.6	- 3.9	56.7	8.8	10.6	23.2	66.2
Pápai	1 001	65	65	- 5.5	- 0.6	53.4	9.8	23.8	37.9	38.3
Sümegi	251	15	59	- 5.8	- 0.5	54.8	14.1	28.9	34.0	37.1
Tapolcai	540	39	72	- 2.4	0.0	56.7	13.7	22.2	30.1	47.7
Várpalotai	270	37	138	- 4.7	- 0.6	60.8	14.5	6.4	62.3	31.3
Veszprémi	814	98	121	6.0	1.7	61.4	8.8	8.2	37.9	53.9
Zirci	516	28	54	- 5.0	0.4	55.4	13.5	27.5	37.8	34.8
Veszprém	4 639	379	82	- 1.0	- 0.1	57.8	11.2	14.9	41.5	43.6
Hungary	93 030	10 246	110	- 3.1	- 1.2	54.9	11.2	15.4	38.1	46.5
						1995	Dec. 1995	1995	1995	1995
Veszprém						51.7	11.6	7.2	40.2	52.6
Hungary						48.2	12.0	8.1	33.1	58.8

Better than average life expectancy figures

The evolution of the county's population structure in the last few decades has been influenced by a number of factors. Natural increase was the most important source of population growth in the 1950s, reaching a peak in 1955 with 25.1 births per 1 000 population. In the course of the 1960s and 1970s, migration into the county due to labour shortages in industry and the growing importance of Lake Balaton as a tourist destination contributed to the growth of the population. Since 1981, however, much as in the rest of the country, the population has been steadily falling, due chiefly to migration. Since 1989 a natural population decrease has also started and fewer and fewer births are recorded every year to the point that in 1994, with 11.1 births per 1 000 population, the birth rate was lower than the national average.



Falling real incomes

There was a decrease in real incomes between 1990 and 1995, though with a slight increase in 1994. The average gross wages and salaries of employees amount to 92% of the national average, and slightly exceed the provincial level. White-collar workers earn 1.6 times more than the manual workers, the latter making up two thirds of the labour force. However, when compared the national figures, white-collar workers lag behind, while manual workers receive higher than average wages. Male manual workers earn 40% more than females in exactly the same jobs, while in the white-collar category, the men earn two thirds more than their female colleagues.

The highest average incomes are earned in the financial sector, in mining, electricity, gas, heating and water supply. The lowest

The county's mortality trends are very similar to the national ones and in 1994, 12.9 people died out of every 1 000 which was 2.4 per 1 000 more than in 1970. Infant mortality is also rising and there is a decrease in the life expectancy at birth, but at a slower rate than nationally. Male life expectancy in 1993 was 65.6 years as opposed to 75.2 for females, putting Veszprém in a very favourable position nationally. The male majority of the 1970s, a consequence of the inward migration of labour, has since given way to a female majority on account of the higher male mortality rates. The population is also ageing, but at a slower rate than the national average. The proportion of the population above the age of 60 is 17.7%, making Veszprém one of the counties with a relatively young population.

Resident population of foreign nationality — 1994

		% of total population
Total	2 623	0.69
Romania	1 170	0.31
Former Soviet Union	472	0.12
Germany	365	0.10
Former Yugoslavia	181	0.05

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	73	19.2	20.0	18.0
15-24	62	16.3	17.3	15.5
25-39	80	21.1	22.2	20.1
40-54	78	20.5	21.1	20.1
55-64	40	10.5	9.7	11.3
≥ 65	47	12.4	9.7	14.9
Total	379	100.0	100.0	100.0

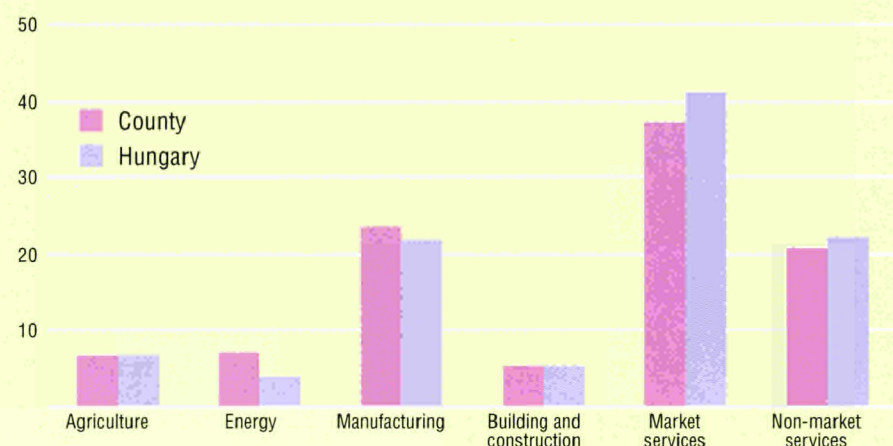
Demographic account — 1980-90 (1 000)

Population 1.1.1980	386
Births	52
Deaths	48
Net migration	- 8
Population 1.1.1990	382

are in agriculture, commerce, the clothing industry and in health care. The average monthly incomes in industry are below the provincial average, but in State administration, education, and health care they surpass it. Manual employees in the best paid branches earn 2.2 times more (2.4 times more for non-manual employees) than those in the worst paid branches.

The average per capita disposable income in North Transdanubia in 1993 was slightly above the national average, but below that of West Transdanubia. Half the income of households came from full-time employment but this proportion is falling as more and more of average household income comes from social security payments. The majority of incomes were spent on food (34%) and utility bills (15%), but a significant amount was also spent on transport.

Gross value-added by sector — 1994 (%)



An industrial county

In the first half of the 20th century Veszprém's economy did not play an important role in the national economy but great transformations took place in the immediate post-war period with the establishment of heavy industry. The large-scale mining of the county's mineral resources (especially that of bauxite) began, and the aluminium and chemical industry also settled here. Consequently, Veszprém became one of the country's more industrially developed counties. Industry is fairly concentrated in the county in the interdependent regions of Ajka, Várpalota, and Veszprém, while the county's northern and western parts lack industry. The low economic activity in the regions along the county's borders reflect the differences in the availability of infrastructure.

The region is not suited to agriculture; 60% of the county's land area is arable, but its productive capacity is below the national average. In addition to grain-growing in the northern parts of the county, the main agricultural activities are grape and wine-growing and livestock rearing. With a coverage of over 25%, the county boasts extensive forests.

Since 1989, many new businesses have sprung up, and many State enterprises have been transformed into companies and by the end of 1994, there were 40 000 registered businesses in the county. Of these, 34 000 were sole-traders while the rest were partnerships and small businesses. One third of the businesses were operating in commerce, while a half were carrying on manufacturing and processing activities. After a large drop in the productivity of the industrial sector, productivity rose again from 1993. On account of the concentration on industry, the weight of the services sector remains low.

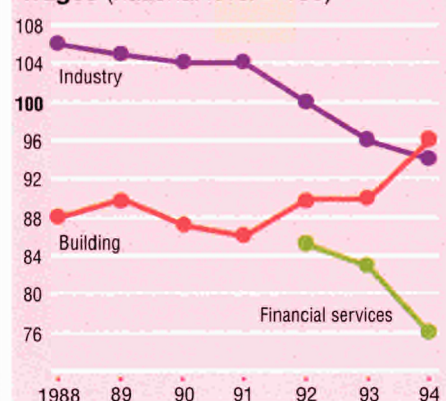
As a result of vigorous pre-privatization activity, 70% of the businesses in commerce and in the hotel and catering sector are privately owned. In 1993, there were 22 enterprises awaiting privatization, mostly in the processing industry. In the course of privatization significant sums of foreign capital have been invested in all areas of the county's economy, bringing with it the most up-to-date technologies and know-how and raising the competitiveness of Hungarian products. The most

Main enterprises

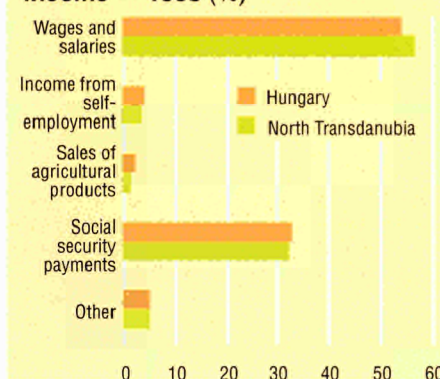
Name	Activity
Bakonyi Bauxitbánya Kft	Bauxite mining
Fűzfői Papír Rt	Cellulose, paper and cardboard
Nitrogénművek Rt	Fertilisers
Nitrokémia Vegyipari Rt.	Pesticides
Kristály Üvegipari Kft	Glass and glass products
Herendi Porcelánmanufaktúra Rt	Ceramics
Bramac Kft	Concrete, cement and plaster products
Elekthermax Rt	Electric household equipment
Bakony Művek Autóalkatrészgyártó Rt	Motor vehicle components

important sources of foreign investment are Germany, France, and Austria.

Wages (national level = 100)



Gross per capita household income — 1993 (%)



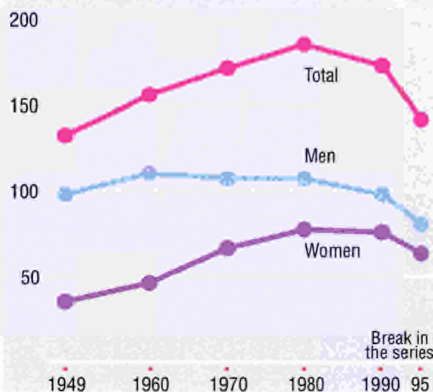
Agriculture — 1994

Number of holdings	999
Labour force	11 345
Agricultural area (ha)	235 400
Livestock (LU)	67 701
Gross per capita value of production (Hungary = 100)	96

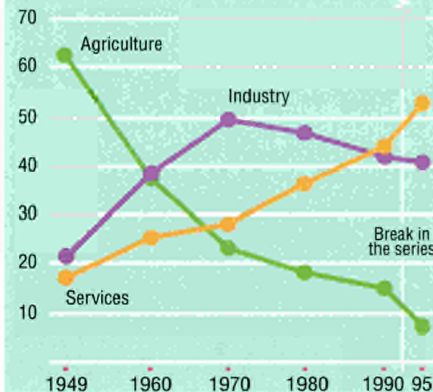
Main products by gross value of production:

Pigs	19%
Milk	12%
Potatoes	10%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	171.5
+ Non-residents having a job in the county	57.5
– Residents having a job outside the county	55.3
= Internal employment	173.7

A changing employment structure

With the ageing of the population there is also a decrease in the participation rate. In 1990 every second person was an active wage earner, in total 172 000. This figure is about the same as it was in the 1960s when the majority of women were not in paid employment. The employment structure had already begun to change in the 1980s affecting first and foremost, industry, construction and agriculture. There was a reduction of 14% in employment in industry and of one third in construction between 1980 and 1990. Seven thousand fewer people worked in agriculture at the end of the 1980s than at the beginning of the decade. The services sector expanded, however, with a 25% increase in employment particularly in health-care, culture and the financial sector.

There has been a gradual but significant reduction in employment since 1990, the greatest reductions taking place in the agricultural sector between 1991 and 1993. These losses were nowhere near compensated for by the labour requirements of the newly established private smallholder farms. Within industry, it was in mining, engineering and in the chemical industry that the largest number of people lost their jobs. At the same time, however, there was an increase in the numbers employed in the provision of various types of services (finance, education, State administration). There were further decreases in employment in 1994, but at a much slower pace.

The role of education and training is very

important in the economy. There is a significant difference between work-force education and training opportunities and employer requirements, which harms the chances of reducing unemployment. There are more and more participants in the retraining programmes which were first established in 1989. The majority of the young with secondary education seeking their first job use these programmes to obtain professional qualifications, while tertiary graduates use them to gain access to the better-paid jobs in the area of foreign trade and languages, for example.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	11	81	8	81	2
Women	13	84	4	89	8
Total	11	82	6	84	5

Enter the multinational corporations

Industry plays a pre-eminent role in the county's economy. Every industrial branch is represented including mining, aluminium smelting, engineering, the chemical industry, glass and ceramics and furniture-making. Almost 550 companies operate in industry, but only 25 of those employ a staff of more than 300. It is these big companies, however, that employ almost three quarters of the 37 000 – strong industrial work-force.

In the last few years the county's large State enterprises have been significantly transformed. Large multinational corporations (ITT, Unilever, Bramac, Zweifel, ATAG, and so on) are playing an increasingly important role in the development and expansion of the county's industry. The new market openings and the modernization of the product structure are signs of the general development of the county's economy. The most important

exporters are in the engineering, food processing and chemicals sectors. Industrial exports are becoming more and more important, and currently account for more than one third of total county exports. Twelve companies account for the bulk of the county's exports, the Herend porcelain and the Ajka crystal being important export items.

More and more young unemployed

In terms of employment, Veszprém has been more fortunate than other counties. Nevertheless, unemployment rose rapidly by 1.7% in 1990 to 11.2% by the end of 1994, but it has never exceeded the national average. The largest number of people lost their jobs in 1991, but the worst single month for job losses was in March 1993 when 26 000 were dismissed.

The unemployment rate is not uniform throughout the county; it is the highest in the districts of Ajka, Pápa, Tapolca and Várpalota. There, the decline in the large-scale coal and bauxite mining and the crisis in the textile industry are the major causes of unemployment. In the Sümeg and Zirc districts the transformations in the agricultural sector and the lack of job opportunities in other sectors are the most important factors. Unemployment rates are the lowest in the Lake Balaton region but there is great fluctuation in the demand for labour in this region on account of the

highly seasonal nature of tourism.

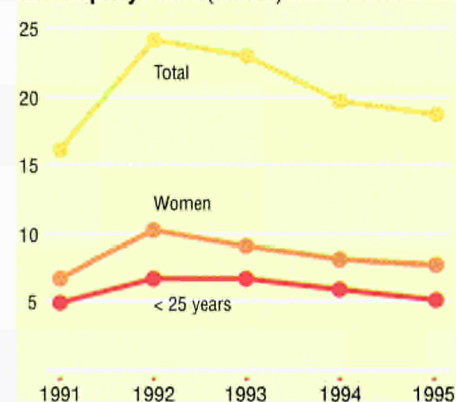
More than 10% of the unemployed are first-time job seekers, a proportion which doubled between 1991 and 1994. Initially, the unskilled made up the bulk of the young unemployed; currently, however, 90% of them have some kind of vocational or professional qualification. The lack of work experience and of the required skills makes it difficult for them to find suitable employment.

There are more male unemployed than female, primarily because job losses were the greatest in those activities (mining, engineering, etc.) where mostly men were employed. The majority of job seekers are unskilled manual workers.

Every second unemployed person is below 35 and between 1991 and 1994 the proportion of those under 21 increased markedly. There is a steady increase in the

numbers of the long-term unemployed; almost three quarters of those without a job in 1995 had been out of work for over six months, and there were 12 000 that had been unemployed for over a year. The chances of those over 50 and the long-term unemployed of finding employment are low.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	15.2	47.3
Primary	38.6	48.8
Vocational	8.2	39.0
Secondary (technical)	6.4	52.9
Secondary (general)	4.6	65.7
Higher education	3.9	:
Total	76.9	:

Veszprém - 'student city'

Because of its university and numerous colleges of advanced education, Veszprém is known as 'student city'. Its university was established in 1949 to teach chemical engineering. There are two faculties (engineering and teacher training), and students are able to choose from more than 20 disciplines. There is also a College of State Administration and a Roman Catholic College of Religion. About 4 000 tertiary students study in Veszprém.

The secondary schools (as opposed to the vocational schools) account for the lion's share in secondary education and, in particular, the secondary schools which teach in two languages are fast gaining in popularity. The county also has a large public library network, with almost 300 libraries and 2 million volumes at the disposal of readers.

There has been a significant increase in the standard of health-care in the last few years. In terms of the number of hospital beds, Veszprém is fourth in the county rankings. Except for Balatonalmádi, every city has a hospital and the Veszprém and the Ajka hospitals offer a full range of services. The Hospital of Heart Diseases in Balatonfüred has gained an international reputation in its field.

Forty-nine museums

Both the county and city of Veszprém were already important cultural centres in the Middle Ages. Today, over half a million visitors visit the county's 49 museums annually. The Zirc abbey and church, and the Museum of Natural Sciences together constitute a heritage of historical significance. Among the 60 000 volumes in the Abbey Memorial Library there are world-famous works, codices and historical documents.

In addition to the permanent cultural establishments, such as the Veszprém Petőfi Theatre, there are numerous performances organized mostly in the high tourist season of the summer months. The best-known of these are the Gizella Days in Veszprém (a science and arts festival), the organ concerts at Tihany Abbey, the Equestrian Games of Nagyvázsony, and the International Games Festival of Pápa.

International traffic but no motorway

In relation to the country as a whole, Veszprém has a dense road network. The length of the road network, at about 1 700 km, has hardly changed in the last few decades. The only development has been the sealing of road surfaces but because of the increases in tourist traffic and the westbound transit traffic, the county's road network needs to be upgraded significantly, both quantitatively and qualitatively. A mere 8 km of motorway touches the county's border, and the length of primary and secondary main roads constitutes just one fifth of the total length of the county's road network. The most important road

runs in an east-west direction and takes most of the international traffic in addition to the local traffic between Várpalota and Veszprém. The total length of inner city roads is 910 km, and their level of development is on a par with the national situation.

The county has 450 km of railways but there is no electrification and there are no double track lines. The electrification of the Veszprém section of the busy Budapest-Szombathely line is planned.

The standard of telecommunications services is above the national average. The further development of the service is advancing, especially since foreign interests have also appeared in the county competing for business. Despite this, however, there are large gaps in the availability of telecommunications services, especially in the small villages. There are a large number of banks and other financial institutions; indeed, every major bank and insurance company has a subsidiary in the county.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.6	0.6
Length in km per 1 000 population	7.5	5.2
Length in km per 1 000 passenger cars	34.4	24.7
Surface area in 1 000 m ² per km ²	3.5	3.2
Surface area in 1 000 m ² per 1 000 population	42.3	29.3
Proportion of national roads (%)	66.3	62.4
Proportion of local roads (%)	33.7	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	71	96	118	174
% connected to digital network	90	88	96	97

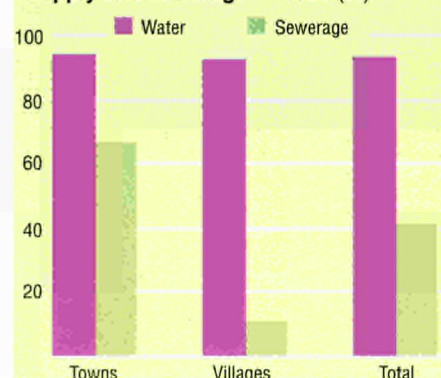
Developing infrastructure

Major progress has been made in the development of the county's infrastructure. The installation of piped gas in the cities began in 1968, but it was only in the early 1990s that a more intensive installation programme was launched, in the framework of the more economical use of energy. The residents in the various settlements also contributed towards realizing these projects. Thus, while in 1980 a total of 10 settlements in the county were linked to the piped gas network (and the total length of the gas-pipe network was a mere 105 km), by 1995, 40 settlements had piped gas facilities, enjoyed by 45 000 consumers, 43 000 of which were households.

Between 1980 and 1995, the length of the public water supply network almost doubled and since then there has been an increase in the number of houses linked into it. The difference between the level of public water supply and public sewerage is one of the county's biggest outstanding problems. There is more and more waste

water accumulated every year in settlements lacking public drainage, and the question of its disposal and treatment remains unaddressed. This situation puts the county's drinking water supply in danger of contamination, since a significant part of the county is situated on karst rocks.

Connection of dwellings to public water supply and sewerage — 1994 (%)



Problems of waste disposal

Veszprém has many industrial enterprises and interdependent industrial regions such as Ajka, Várpalota and Balatonfűzfő. Owing to the contraction of industry, there has been a decrease in air pollution in these regions, but in Ajka and Várpalota it still remains high, especially in the colder months when fossil fuels are used for heating.

Veszprém produces about 1.5 million tonnes of industrial waste annually, one sixth of which is environmentally hazardous. There are also more and more dangerous elements found in household waste as well. The county's only means of waste treatment is disposal in landfill sites and it is a great source of concern that, due to the county's geological structure, there are few areas suitable for depositing waste. The soils remain relatively clean, but the level of contamination around a number of tips has become significant. Lately, there has been an increase in nitrate concentrations in the karst water reserves.

The protection of the Lake Balaton district is of vital importance and the lake's water quality is an issue of national concern. Consequently the bulk of the county's spending on environmental protection has been directed to improving the state of Lake Balaton and its district. Since 1981, a figure equivalent to 7% of all investment has been spent on environmental protection. Despite this, success has so far been only partial and with the reduction in funding for environmental protection, many of the acute and newly emerging environmental problems have been left unattended.

Veszprém has an abundance of protected natural sites, with five landscape protection areas and 21 nature reserves. The landscape protection areas include Badacsony, the Tihany Peninsula and Mount Somló. In terms of the proportion of protected land area, Veszprém is fifth in the county rankings.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	4.4	100.0
Proportion of environmental investments in total investment	6.7	4.6
Proportion of environmental expenditure on:		
Water protection	34.4	38.3
Air protection	22.5	11.1
Waste management	6.2	7.5

Chemical industry research

Veszprém, and particularly its university, has been a regional centre of research and development over several decades. Chemical industry research was concentrated here with the University of Chemistry and other independent research institutions. The county's industrial enterprises were also major centres of applied research and technical development.

In the 1980s, 4% of the provincial research and development establishments and 6% of research staff were located in the county. In 1986, a staff of more than 2 400 were employed in the county's 31 research establishments but severe financial

constraints forced the closure of a number of independent research establishments in the early 1990s. The disbanding and transformation of the large State enterprises also had a negative effect on research and development and in 1995 there were only 550 people working in research in the county with a budget only seven tenths of the mid-1980s' figure.

Veszprém on the path to development

In 1992 a German research and development organization placed Veszprém very favourably in an analysis of 156 East European regions in terms of where investment may be profitable. Of the Hungarian regions, only Győr and Csongrád were placed above Veszprém.

The region is rich in mineral resources, and this has provided a sound foundation for heavy industry. The county's natural features and geographic position provide very favourable conditions for investment, attested as by the number of joint-venture companies that have been established. The fast-developing infrastructure and

well-qualified work-force also contribute significantly to economic development. From the point of view of tourism, the county is situated in one of Hungary's most interesting regions, and the wines produced from the vineyards of the Lake Balaton region are also a special feature.

A major shortcoming of the region is the high rate of unemployment, especially among the first-time job seekers and the middle-aged. There are delays in structural change, and there are many small businesses formed more out of necessity than because of favourable business opportunities. The relatively undeveloped

transport infrastructure remains a cause of concern, while the contraction of industry has not been accompanied by a significant reduction in industrial pollution, and spending on environmental protection is insufficient.

ZALA

A former handicap becoming an advantage

Zala is situated in the south-west corner of the country. Its borders have been redrawn many times in the past, most recently in January 1979.

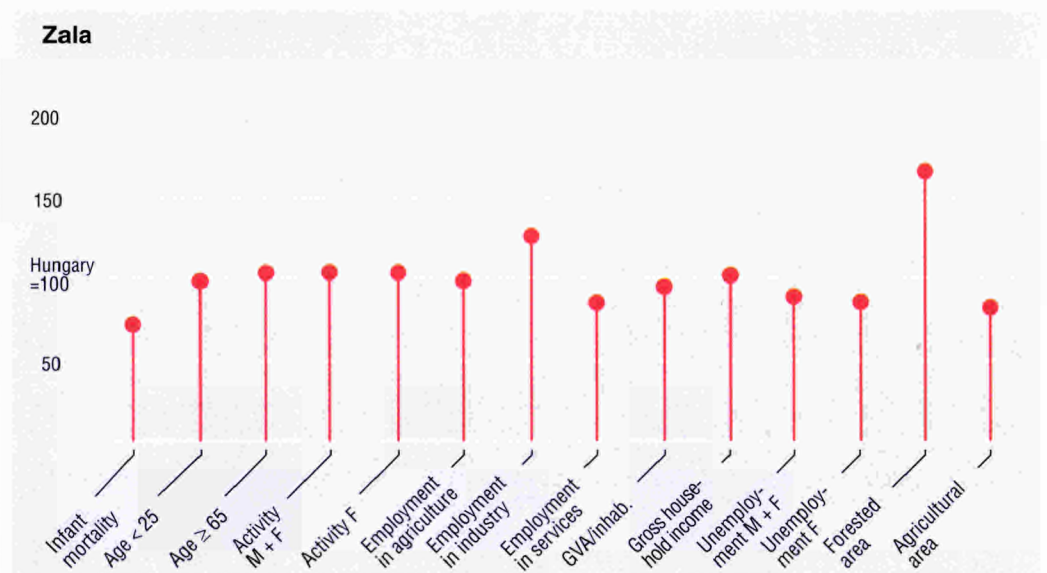
Owing to the different socio-political systems in the neighbouring countries, its close proximity to Austria and Slovenia was a great disadvantage in the past, resulting in many forgone development opportunities. The country's western border has, in the wake of the transformations of 1990, however, provided the population with new and wide-ranging opportunities for development.

The county has a total of 257 municipalities. It has seven towns which have maintained in many respects the transport and supply functions for the six sub-regions established in the earlier district-organization period. There are also built-up areas around Zalaegerszeg, Nagykanizsa and the group of settlements constituting the Balaton region around Keszthely.

Zala's geographical position is quite favourable and the European Union beyond its western border provides tourists and investment capital. The small but well-developed shore region of Lake Balaton also attracts many tourists, as does the natural beauty of Keszthely and the health spas of Hévíz and Zalakaros.



Lake Balaton at Keszthely



Gently sloping hills and forests

Zala's varied landscape of hills and valleys covers a land area of 3 784 km² representing 4.1 % of the country. The settlement density is one of the highest in Hungary; but the average size of the settlements is less than half the national average. The county lies at the nexus of different geographic regions, but nowhere does its territory change sharply; there is a gradual natural transition which characterizes the scenery. Most of the county lies in the Zala hills, but the northern fringe stretches across to the Vas tableland. The higher parts of the Keszthely region are part of the Bakony Mountains.

The region's climate is moderated by the fact that it is in the country's south-west and close to the Alps. Thus, winters are relatively mild and summers tend to be cooler than the norm for the Carpathian Basin. Owing to the climate and the great variety in the landscape, the vegetation cover is also diversified; the most significant element being the continuous forests covering the hillsides. Zala is rich in game and is the favourite hunting ground for many Hungarian and foreign hunters.

A falling population

In 1995, there were 302 000 people living in Zala, and the last few decades have seen a great deal of fluctuation in population numbers. The decades following the Second World War gradually transformed the county's economy, and with it the occupational structure and dwelling circumstances of the population. The collectivization of agriculture commencing in the 1950s resulted in very significant levels of migration out of the county: thus, in the 1960s more than 20 000 people left their homes. By the 1970s, as a result of the settlement of industry into the provinces, net inward migration was experienced. Since that time, however, renewed waves of outward migration together with low birth rates and high mortality rates have led to falls in the county's population.

One of the largest and most important demographic events in the post-war period was the very large numbers of births

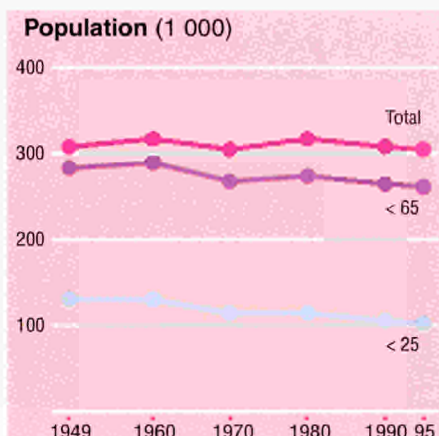
recorded in the mid-1950s. Following a gradual decrease, there was another, much more moderate, increase in the birth rate after 1973. This time, however, it was only through very generous social policy that it was possible to maintain the favourable trends. Since the mid-1980s, however, birth rates have plummeted to below the national average. Mortality rates have been rising, particularly since the second half of the 1970s, with the mortality rates of active-age males increasing to alarming levels.

The unfavourable migration trends and the imbalance between mortality and birth rates have led to the gradual ageing of the county's population. Today, the small villages are populated mostly by elderly people, the majority of whom are women. On account of the higher life expectancy, further differentiation in proportions between the sexes is expected.

There are small numbers of ethnic Croats living in the county and a few more Gypsies. The majority of the county's population is Roman Catholic.

Population by age — 1995

	M + F 1 000	M + F %	M %	F %
< 15	54	17.9	19.0	16.7
15-24	47	15.6	16.3	14.1
25-39	62	20.5	21.8	19.9
40-54	62	20.5	21.1	19.9
55-64	33	10.9	10.2	12.2
≥ 65	44	14.6	11.6	17.3
Total	302	100.0	100.0	100.0



Resident population of foreign nationality — 1994

		% of total population
Total	1 768	0.59
Romania	891	0.30
Germany	237	0.08
Former Yugoslavia	187	0.06
Former Soviet Union	186	0.06

Demographic account — 1980-90 (1 000)

Population 1.1.1980	317
Births	39
Deaths	44
Net migration	-6
Population 1.1.1990	306

Average total earnings but higher incomes

The average net incomes of wages and salary earners in Zala in 1994 were identical to the provincial average, although there were significant differences in the various sectors of the economy. In Zala, earnings in industry, commerce, hotel and catering as in much of the services sector (excluding, for example, the health sector) exceeded the provincial average, but they were lower in the building industry and agriculture. Within the county there are wide disparities between earnings at companies with otherwise similar profiles.

Average net earnings are highest in industry, transport and post and telecommunications, and lowest in agriculture and the building industry. These latter sectors fall 20% below the former. There is also a great differentiation in earnings within industry. For example, oil production and refinery workers earn

twice as much as those in clothing and textiles.

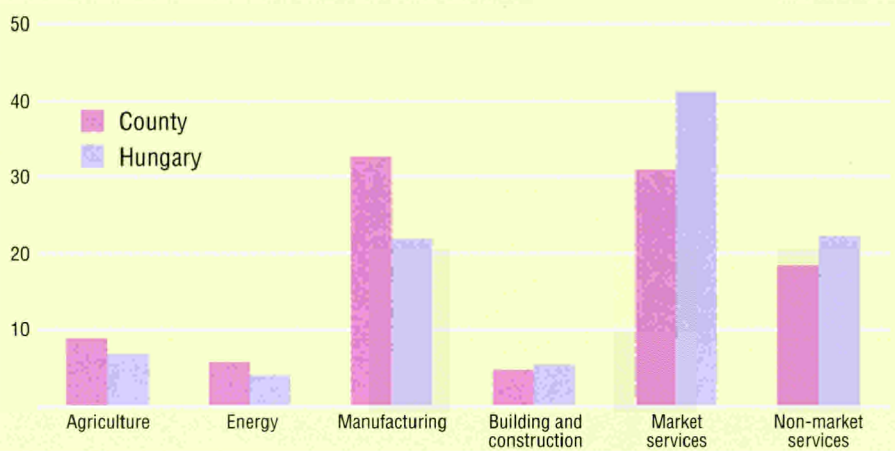
In the county's economy as a whole, the earnings of white-collar workers average one-and-a-half times those of manual workers. Of those with tertiary qualifications, the highest paid are top managers (especially in the larger private sector companies), while the lowest paid are those in subordinate public service positions (for example, teachers and doctors).

Approximately half of the average per capita household income in the county derives from wages and salaries, and a further one fifth from pensions. The remaining three tenths comes from private production and business activities. There are over 30% more sole-trader small businesses in the county than the provincial average, which is proof

that the county's residents are able to take advantage of the new opportunities as they present themselves. These small businesses exist largely to provide supplementary incomes to their owners.

Consequently, the incomes of Zala households are higher than the provincial average, but there are significant regional differences within the county. The better-off regions are the tourist destinations and health resorts; the disadvantaged regions, on the other hand, are mostly in the western part of the county in the isolated, infrastructure-poor small villages with ageing populations.

Gross value-added by sector — 1994 (%)



Commerce on the upswing

The importance of the hotel and catering in the county's economy is higher than the national average, largely due to tourism. Industry is slightly more important than average, while agriculture is less so. Thanks to the close proximity of the European Union, Slovenia, and Croatia, commerce is on the upswing. In the past these very same factors were barriers to the development of the county.

The loosening of the inherited and rigid structures is very much a gradual process; the slow economic transformation has to contend constantly with special interests, limiting the room for changes.

The topography of the county is not favourable for agriculture. The area under cultivation is relatively small and that devoted to grasslands and forest is relatively large. Much as in other parts of the country, there was a 10% reduction in the land area used for agricultural purposes between 1985 and 1995. The lower quality of the ploughland and the disintegration of the large State agricultural concerns have resulted in the slow contraction of agricultural production. A

significant proportion of the smallholders who have come into existence in the last few years are subsistence farmers. The numbers of cattle and pigs are falling, but there is a slight increase in the numbers of sheep.

Productivity has increased in almost all sectors of the economy since 1991, due more, however, to reduced personnel numbers than to better technology. However, quite a few products manufactured in the county with current technologies (light bulbs, floor tiles, oil industry equipment, and processed foods) still manage to demonstrate the capabilities of Zala's industry.

More foreign working capital enters the county than the average for Hungary, but there has not really been a significant increase in investment activity by the mostly small businesses. About the only visible manifestation of entrepreneurial initiative is the mushrooming of service stations and car repair workshops.

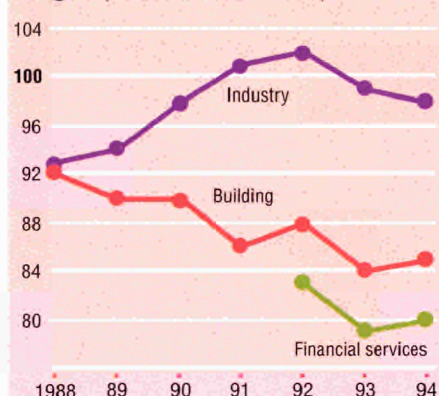
Privatization in the county was accompanied by a multiplication in the numbers of

Main enterprises

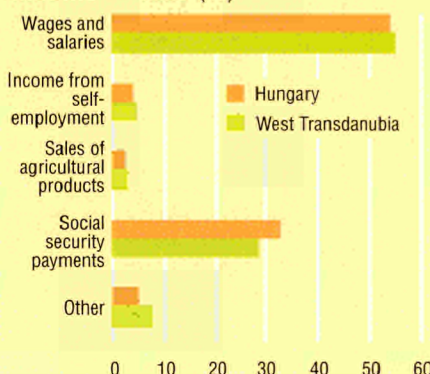
Name	Activity
Balatonfelvidéki Erdő és Fafeldolgozó Rt	Forestry
Zalaegerszegi Ruhagyár Rt	Textiles
Zalakerámia Rt	Ceramics
DKG-East Olaj- és Gázipari Berendezések Rt	Mining and building equipment
Zala Volán Rt	Road passenger transport
Zalai Erdészeti és Fafeldolgozó Rt	Forestry
Rotary Fűrészi Rt	Oil and gas production
Zalai Húsipari Rt	Meat processing
Középdunántúli Gázszolgáltató Rt	Gas production and distribution

economic actors, either through the transformation of the existing enterprises or by the establishment of new businesses. On the other hand, the State-conducted enterprise sales also contributed to this process, where there was a lack not only of know-how but especially of the necessary capital for the upgrading of the enterprises.

Wages (national level = 100)



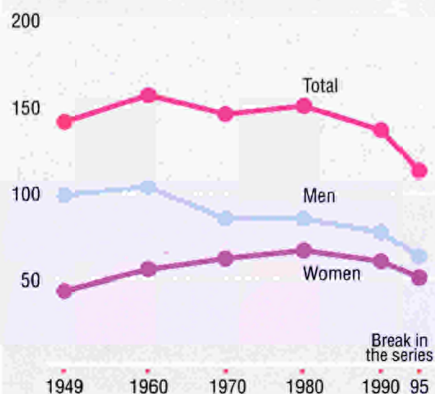
Gross per capita household income — 1993 (%)



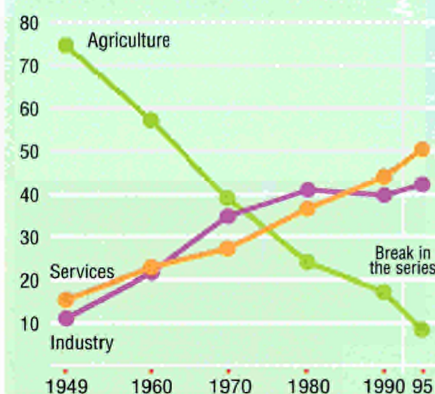
Agriculture — 1994

Number of holdings	1 226
Labour force	8 127
Agricultural area (ha)	207 900
Livestock (LU)	44 693
Gross per capita value of production (Hungary = 100)	99
Main products by gross value of production:	
Pigs	16%
Maize	13%
Milk	11%

Employment (1 000)



Employment structure (%)



Employment — 1990 (1 000)

Resident employment	135.7
+ Non-residents having a job in the county	43.9
– Residents having a job outside the county	42.9
= Internal employment	136.6

Employment crisis, but some successes

Zala, and especially its south-west, used to be an isolated region with a low productive capacity but the discovery of crude oil in the 1930s turned this situation around. The oil industry's work culture and the high earnings it offered helped the region reach the standard of living enjoyed by the rest of Transdanubia.

At the time of the 1990 census, the division of employment by branches was similar to that of the rest of the country. Since then, the economic crisis struck the producing sectors most while, at the same time, commerce, hotel and catering and various other services (related especially to business services) were employing more workers than before.

Zala is among the counties the least affected by the economic crisis, due partly to its economic structure, and partly to its geographical position. The weight of the declining industrial branches in the county is relatively small; while the importance of the newly emerging activities is above the national average. Thus, for example, commerce has been able to take off due to the opening of the international borders, while the upswing in the hotel and catering industry is related directly to increased tourism on Lake Balaton and the health spas of Hévíz and Zalakaros.

Thus, in 1995 less than one tenth of active earners were employed in agriculture and forestry; about 40% in industry and

construction and more than half in services.

Almost half the active work-force are women. The share of female labour in the various sectors of the economy varies greatly: it is lowest in agriculture at one third and highest in education and health services at almost four fifths.

Characteristics of resident employment — 1995 (%)

	< 25 years	25-54 years	≥ 55 years	Employees	Employees: part-time
Men	11	82	7	84	1
Women	14	82	4	92	6
Total	12	82	6	87	3

Oil production and vacuum technology

For a long time now, oil and gas production, vacuum technology, furniture manufacturing, and clothing and textiles have played a large role in the county's economy. Zala's meat industry is also extremely competitive on the domestic market. This structure has not been changed significantly by the accelerated pace of transformation in the 1990s.

Industrial production began to slow later than nationally, but began to take off again at the same time as in other parts of the country (1993). The explanation for this is that the stable western market position of

a number of engineering, ceramics, and clothing products helped the county ride some of the shocks of the economic transformation. Thus, the forced switch in markets, caused by the incapacity of the eastern trading partners to pay, did not cause a significant break. There has been an increase in imports with the advent of over 500 totally or partly foreign-owned companies. The more flexible business strategies of the small and medium-sized companies also contributed to alleviating the major economic problems which were closely associated with the slow changing of attitudes. There are a number of ways in

which these are being addressed in Zala, one of which is the staging of the increasingly successful Zalaegerszeg Industrial Fair twice a year.

Unemployment – a new phenomenon posing great difficulties

There was almost full employment up to the first half of the 1980s, following which the labour market began to shrink. At first it was the unskilled and the young, first-time job seekers who found it hardest to obtain employment, while in the 1990s unemployment climbed to over 10% as a result of the collapse of economic ties with the East European markets and the decrease in domestic consumption.

For a long time there have been stagnating regions in the county where there is large-scale commuting. The drawing capacity of the earlier employment centres (Zalaegerszeg, Nagykanizsa) has weakened, but the negative consequences have been ameliorated to a significant degree by the job opportunities (especially in the building industry) that have opened up in nearby Austria, and in Bavaria.

The close proximity of the Austrian and Italian frontiers have made the strength-

ening of the Western export orientation easier. The relatively high level of services offered to small businesses operating in this area, and the high skill-level of the Zalaegerszeg-trained financial experts and computer operators and programmers, have contributed significantly to the spread of small business in the county.

Close to 60% of the unemployed are male. Thirty per cent of the unemployed are below 26 years of age, while slightly more than 10% are over 50. Four fifths of job seekers are manual workers, as the recession has hit agriculture and industry the hardest.

Between a third and a half of young people leaving school do not find jobs. Those interested in retraining are able to choose from a variety of courses every autumn.

The difficulties associated with finding a job are demonstrated by the fact that two

thirds of the registered unemployed in 1995 had not been able to find suitable employment for over six months; a half had been looking for a job for over a year; and two fifths had been unemployed for over two years. There are no signs of an upturn in the labour market.

Deficiencies in the health-care system

The energetic development of the county's educational institution network in the course of the past decades, is now experiencing harder times. There are many well-known secondary schools in Zala offering a high standard of education. Ninety-seven per cent of primary school pupils go on to secondary education of some kind.

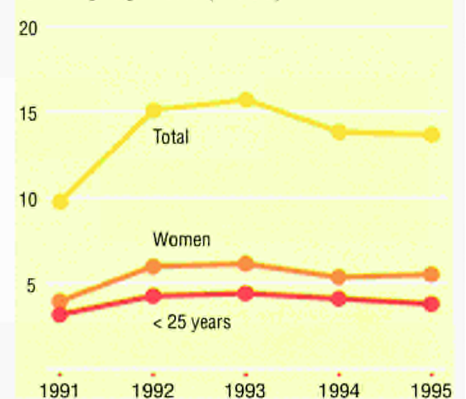
The county has a well-developed library network but, due to resource shortages, it is unable to expand its stocks of books at the same rate as it did in the past; therefore, it concentrates more on maintaining, rather than improving, the service it has been able to offer so far.

The Keszthely University of Agriculture enjoys a proud tradition in tertiary education. The Georgikon college has been the home of significant scientific research, and

of many scientists in the making. Besides this, other colleges of advanced education train professionals in health-care and financial services.

There has been a fundamental transformation in health services in the 1990s. There are three hospitals operated by local government and a special health spa hospital in Hévíz. Due primarily to financial pressures the number of hospital beds has decreased. The poor health of the population, especially those of active age and the elderly, indicates a need for better health-care.

Unemployment (1 000)



Number of pupils — 1994-95

	M + F 1 000	F %
Pre-school	11.0	47.9
Primary	29.6	48.7
Vocational	5.7	41.0
Secondary (technical)	7.0	51.4
Secondary (general)	3.3	64.7
Higher education	3.3	:
Total	59.9	:

A variety of cultural possibilities

The independent theatre company that was established in the early 1980s has greatly enriched the cultural life of Zala. Apart from performances in the county capital, the company also visits outlying areas, attempting in this way to offer the best possible service to as much of the public as possible. At the same time, however, the numbers of cinemas, previously found in virtually in every settlement, have shrunk to a minimum. The most important reasons for this are the popularity and wide availability of video and satellite technology.

Of the permanent exhibitions, the village museum and the oil industry museum display aspects of Zala's past. Outstanding also is the Keszthely Castle Museum which, over and above the exhibitions, is also a venue for musical programmes and international conferences.

Dense road network but no motorway

In terms of access to Budapest and the other counties, Zala has poor transport and communications networks. Only one major road and one main railway line connect the county with Budapest. Since the closing of the international railway line following the Second World War, there is no direct access either to the Mediterranean countries or to the Adriatic Sea.

The road network, integrated into the southern Transdanubia region, is denser than the national average. The region's settlement structure, its terrain, and local

industry have all played their part in shaping it. The road structure is unfavourable; with no motorway and the length of primary main roads not even reaching 50 km. There are barely more than 300 km of secondary main roads. A significant proportion of the roads are narrow and winding, and most of their surfaces are sub-standard.

Despite the closure of numerous lines, the railway network remains relatively dense, but backward. There are no double track lines, and it is unfortunate for the county capital that the Szombathely-Nagykanizsa line does not pass through it; thus communication with the capital city is more difficult.

The former Soviet airport at Sármellék is now in civilian hands and serves a few thousand passengers a year.

Until the 1990s Zala's telecommunications service was extremely backward but privatization and foreign capital have brought positive changes. There was very strong development in the banking sphere as well following the economic trans-

formation, with the extension of the network of both domestic and foreign commercial banks in the county.

Surfaced public roads

	County	Hungary
Length in km per km ²	0.6	0.6
Length in km per 1 000 population	8.4	5.2
Length in km per 1 000 passenger cars	39.6	24.7
Surface area in 1 000 m ² per km ²	3.6	3.2
Surface area in 1 000 m ² per 1 000 population	45.4	29.3
Proportion of national roads (%)	70.1	62.4
Proportion of local roads (%)	29.9	37.6

Telephone

	1990		1994	
	County	Hungary	County	Hungary
Lines per 1 000 population	61	96	136	174
% connected to digital network	70	88	99	97

Uneven provision of public utilities

In contrast to the level of infrastructure in the towns, which is acceptable, the standard of public utility services in the villages remains rather low. Piped drinking water has only recently been made available in every settlement. Thus, in 1994, 90% of dwellings had piped drinking water installed, and the proportion is higher in the towns and larger villages.

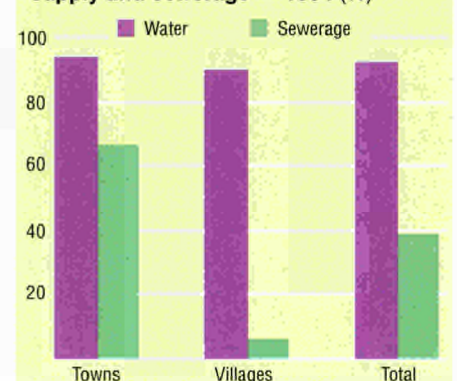
The public sewerage network remains relatively underdeveloped. Investments have been concentrated mostly in the cities, and those areas where the protection of the River Zala and Lake Balaton are a major priority. Waste water purification is also restricted to the same areas, and even then covers only a fraction of the needs.

There is organized refuse collection in every town, and in one fifth of all settlements. Approximately 60% of all households in the county have their waste regularly removed; this proportion is a little higher than the provincial average. All

waste is treated, but only at a few centres is this done with up-to-date technology.

Forty-nine municipalities had piped gas networks in 1994 as opposed to 27 in 1980. The number of household consumers doubled during this period.

Connection of dwellings to public water supply and sewerage — 1994 (%)



The upkeep of the environment requires more money

Anybody who knows Hungary will attest that Zala is among its most beautiful regions, with its varied landscape, green forests and wide expanses of grassland. In the last two decades, the county's cattle herds have shrunk to a third of their former levels; consequently, half of the grasslands and grazing areas are unused. The clear-cutting of trees has become predominant in its forests. The responsibility for the protection of the environment is a great burden for the county's ageing population.

The county's air and water resources have not been polluted by power generating or heavy industrial establishments. Most of the plants causing lower-level pollution are situated on the outskirts of settlements. Air pollution associated with road traffic is a source of concern mostly in the two largest cities, Zalaegerszeg and Nagykanizsa; in the tourist settlements on the shore of Lake Balaton, and in Keszthely and its district.

The county's most urgent task is halting the siltation of Lake Balaton's Keszthely Gulf. This is the aim of the Small-Balaton protection system, to be completed by 1999. The Small-Balaton will once again function as a natural silt filter, where the River Zala deposits its sediment. Thus, the siltation of the Keszthely Gulf will be eliminated, and the eutrophication of Lake Balaton prevented. Further, the planned reconstruction of the Keszthely and Zalaegerszeg waste water treatment plants should significantly improve the water quality of the River Zala.

There are 58 locally protected natural areas in Zala, with a total of 500 ha. Most of these are protected groups of trees. Three landscape protection areas enjoy national protection status and have a combined land area of 14 000 ha, while there are four nature reserves (a total of about 400 ha), one of which is Lake Hévíz – unique in Europe.

Environment (1991-94)

	County %	Hungary %
Proportion of total national environmental investment	4.1	100.0
Proportion of environmental investments in total investment	6.9	4.6
Proportion of environmental expenditure on:		
Water protection	37.3	38.3
Air protection	7.1	11.1
Waste management	2.7	7.5

More funds needed for research and development

It was in Zala where, more than two centuries ago, the Georgikon was established at Keszthely – Europe's first tertiary agricultural college. Currently the University of Agriculture is one of the national centres of agricultural and associated research and development, housing 4% of the country's 1 000-plus university research units. The main directions of research are in plant cultivation, horticulture, plant protection, the water quality of Lake Balaton, animal husbandry and animal biology.

On account of the lack of resources Zala businesses have been forced to halt their research and development activities,

despite the negative consequences for the future quality and development of their products. Thus, in the mid-1990s only about 100 people were working in the field of research and development in Zala – hardly 1% of the total provincial personnel working in this area.

Good geographical situation with infrastructural problems

The economic crisis did not hit Zala as hard as it did the rest of the country. Thus, it was able to set out on the path of economic modernization with significant advantages despite being the least developed region in the western part of the country. The connections with Burgenland are already paying dividends, with many Austrians investing significant amounts of money mostly into commercial and agricultural concerns. This is a very important source of support for the otherwise relatively weak agricultural sector. The commercial and trade relations established with neighbouring Croatia and Slovenia also bode well for the future.

The future of the oil industry in Zala will have a significant influence on the economy. The continuation of the testing of third generation oil production technologies in the county remains viable for the time being. Further possibilities for the strengthening of economic ties with the West lie in the good quality vacuum products and fine ceramics.

An important task for the tourist industry is further to develop the tourist potential of the thermal waters, the villages and Lake Balaton.

The ageing population and the small village settlement structure hinder development in the county.

Explanatory notes

Sources: Hungarian Central Statistical Office (all data relating to Hungary)
Eurostat database REGIO (all EU data)

Gross household income: Data are from the household budget survey and relate to the eight 'macro-regions', which are groups of counties as follows:

North Great Plain:	Hajdú-Bihar Jász-Nagykun-Szolnok Szabolcs-Szatmár-Bereg	North Transdanubia:	Fejér Komárom-Esztergom Veszprém
South Great Plain:	Bács-Kiskun Békés Csongrád	South Transdanubia:	Baranya Somogy Tolna
North Hungary:	Borsod-Abaúj-Zemplén Heves Nógrád	West Transdanubia:	Győr-Moson-Sopron Vas Zala
Pest (County)		Budapest	

Employment: The source of the data for 1949, 1960, 1970, 1980 and 1990 is the population census, whereas for 1995 it is the labour force survey.

Note that the employment data quoted in the body of the text is from a different source and only relates to employment at companies (and other organizations) with 20 or more employees.

For the structure of employment, agriculture includes forestry, hunting and fishing. Industry includes mining, manufacturing, energy and construction. Services includes all other branches.

Population: The source of the data for 1949, 1960, 1970, 1980 and 1990 is the population census, whereas for 1995 it is the annual current population estimate.

Notes on specific graphs and tables

Graph: Main indicators

Reference year: 1995 except for infant mortality and GVA per inhabitant (1994), and gross household income (1993).

Gross household income refers to monetary income only (i.e., it does not include income in kind). GVA is gross value-added at purchaser prices.

The activity rates are derived from the labour force survey and represent the proportion of active earners and unemployed in the population aged 15 to 74.

Table: The sub-regions

There were boundary changes in Győr-Moson-Sopron and Veszprém in 1993. The data in this table which refer to the period before 1993 have been recalculated on the basis of the present boundaries.

Table: Resident population of foreign nationality — 1994

Definition: foreign citizens with a permit to stay in Hungary for more than one year.

Table: Demographic account — 1980-1990 (1 000)

Source: population census

Graph: Gross value-added by sector — 1994 (%)

The gross value-added by sector is based on GVA at basic prices.

Graph: Wages (national level = 100)

The national average wage in each sector is set at 100.

Table: Agriculture — 1994

Livestock numbers are as at December 1995.

As agriculture is of relatively little economic importance in Budapest, data relating to the city of Budapest are included in the figures for the county of Pest.

The agricultural labour force figures represent the number of people having agriculture as their main occupation. Thus they are absolute numbers and not full-time equivalents. The source is the labour force survey.

Smallholdings are only included in the agricultural holdings figures where farming is the main occupation of the smallholder.

Graphs: Employment (1 000) and Employment structure (%)

A break in the series is shown as the 1995 data are not strictly comparable to the other years (see note on employment data above).

Graph: Unemployment (1 000)

The numbers of registered unemployed are used as the labour force survey is not sufficiently representative at county level. Note that the data in the graphs and tables relate to the level of unemployment in December of each year, but the 1995 data referred to in the body of the text relate to June 1995.

Table: Number of pupils — 1994-95

Vocational schools are those which train skilled workers and those which train students for non-manual work such as nursing, typing, etc. Courses at these schools are generally 2 or 3 years long and do not lead to secondary level qualifications.

Technical and general secondary schools both prepare pupils for examinations which enable access to higher education.

Pupil numbers for pre-school, primary and higher education are recorded according to the permanent place of residence of the pupils. For vocational and secondary schools, it is according to the location of the school.

Table: Surfaced public roads

Reference period: 1994 (national roads) and 1989 (local roads).

Table: Environment (1991-1994)

Investment is defined as all gross fixed capital formation in productive capacity and infrastructure of at least 1 million Hungarian Forints.

Note on comparability

The definitions and methods used by the Hungarian Central Statistical Office do not always coincide with those used by Member States of the European Union. Comparisons of Hungarian counties with regions in the EU should therefore be made with caution.

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









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Eurostat/Statistisches Bundesamt, 1995

Legend to maps

County	BARANYA	Educational centre	
County capital	<u>PÉCS</u>	Military airport	
Town of over 100 000 inhabitants	● SZÉKESFEHÉRVÁR	Heavy industry	
Town of over 50 000 inhabitants	○ DUNAÚJVÁROS	Thermal bath	
Town of over 20 000 inhabitants	● VÁRPALOTA	Civilian airport	
Town of over 5 000 inhabitants	● Szentlőrinc	Historic monument	
Other localities	● Pogány	Port	
Border crossing point (railway)	○	Nature park	
Border crossing point (road)	⊙	Tourist attraction	
Motorway	====	Car assembly	
National roads	====	Ski resort	
Main roads	————	Water sports	
Other roads	————	National Park	NP
Canal		
Waterway	————		
Main railway	————		
Other railway	————		

LEGEND

Counties of Hungary

Maps designed by András Trócsányi
 Janus Pannonius University, Faculty of
 Sciences, Department of General Human
 Geography and Urban Studies
 Pécs, Hungary – 1996

Symbols and abbreviations

≥	Greater than or equal	GVA	Gross value-added
<	Less than	LU	Livestock unit
:	Not available	inhab.	Inhabitant
0	Less than half of the unit used	M	Male
		F	Female
		ha	Hectare
		km	Kilometre
		m	Metre

European Commission

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