Foreigners in Budapest

Mária L. Rédei
Associate Professor
Eötvös Loránd University
E-mail: maryredei@ludens.elte.hu

This theme is of interest to the public community, to the economic stakeholders, and also, beyond the strategic issues of science, in general, to the resident community. The main purpose of this article is to highlight the spatial distribution of international migration at settlement level. It draws the attention of readers to the challenges of inward migration into big cities, and also underlines the importance of establishing rules and preferences at the local level. The findings show several international regularities and the nature of their existence in a local environment. The article provides a statistics based review and forecast on the demographic characteristics of foreigners living in Budapest. Finally, it recommends how to orient international migration.

KEYWORDS:
Foreigners.
Capital.

It is a global trend that new arrivals prefer to settle down in urban areas. This article verifies these regularities with regard to Hungary and its capital. As far as population forecast is concerned, it is important to map the current tendencies and their impact on the autochthon population structure. The present paper is based on inter alia 2001 Census data and expresses the need for a local migration strategy.

1. Geographical location

Hungary, as a result of its geopolitical situation, plays an intermediary role in world-wide migration. Since it is a destination mainly for the population of the Carpathian Basin, it can be mainly characterized by short-distance international movements. Owing to the country's 2007 accession to the Schengen area (to the territory of free movement of individuals), the process of migration has a new system of conditions (*Van Geenhuizen–Ratti* [2001]). However, it would be too early to sum up the expected consequences and trends of this new state of affairs (*Gellérné Lukács* [2008]).

As it was already mentioned, the neighbouring countries account for an outstanding proportion of incoming migrants, which is associated with cross border linguistic and cultural relations. Since the regime change, cross border mobility, through its rejuvenating and other effects and by increasing human capital, has played a major role in shaping the size and composition of the population of Hungary (*Hansen* [1977]). We also experience that foreigners tend to choose to live near one another, which can be interpreted as an advantage of human resources on the one hand and as a disadvantage of spatial concentration on the other. As a result, the effects that are generated by international migration are brought to another territorial level. This more detailed process traceable with soft indicators makes it possible to reach other conclusions (*Egedy et al*. [2009]).

Incoming migrants show two regularities by what destination they choose from the global options: *1*. an enhanced interest in metropolitan spaces, *2*. settling down at the border of a neighbouring country which is their country of origin. The first reflects that the urban space provides more employment opportunities and sometimes, especially in the case of diasporas, there is a relational network created by earlier migrants (*Papademetriou* [2006], *Massey–Taylor* [2004]). It is also true for Hungary where Budapest and its agglomeration account for 60–70 percent of incoming mi-

grants and the mass location of foreign residents shifted towards the capital city (*Rédei–Kincses* [2008]). As for the second regularity, the rest of migrants (about 30–40 percent) resettled near the border area of their sending country.

It was observed in many countries that cities with a multicultural background enjoy a greater global economic and social independence. As a result of the decline of industry and its transformation into service, management and decision-making activities, mostly highly qualified people (with international experience) are needed by cities considered as strategic sites to make decisions and to operate institutes. Consequently, there is a decreasing resistance against marginal groups, and the cities, through highly qualified people, have an opportunity to make a better international image. Therefore, in order to develop a more desirable future, a key issue for them is to facilitate the successful integration of migrants, and city governments need additional funding to handle any multicultural tensions deriving from possible mismanagement. http://www.migrationinformation.org/Feature/display.cfm?ID=167

With an increase in the number of highly qualified people, new horizons open up as a result of their relational capital. Nowadays, most cities of the world are dealing with international migration as a most accessible "outsourcing", in a way of neither offensive nor restrictive, but rather keen to create a *hosting social and economic environment*. In most cases, one can talk about not a reactive but a so-called proactive political practice with sometimes a recruiting nature. It is of no question at all, a proactive policy is better than a reactive one.

Immigrants need everything; therefore they generate an *increase in consumption,* affect the real estate market and stimulate the given neighbourhood. The streetscape, the traffic, the shops and their goods on sale are all being adjusted to the demand of the locals, and beyond a point, instead of social exclusion, homogenisation occurs. It may be connected to *cultural economic recovery*, which is a new asset to enhance the attraction of urban spaces. http://www.migrationinformation.org/Feature/display.cfm?ID=57

While men are required in the so-called 3D (dirty, demanding and dangerous) jobs, in cities there is always a greater need for female labour force (for nurses, babysitters, household helps, etc.) to be employed in family natured jobs (demanding less language competence from foreign women). Activities like the mentioned ones are mainly connected to the shadow economy, and it is even more characteristic in the case of foreigners. The members of this group usually less consciously choose a new place to live, often migration networks (former migrants) help them to find the ways to settle down. All this represents not only a single effect of feminization, but also an indirect influence on the increase of fertility. However, among the foreigners in Budapest, we still recorded a male surplus; though it seems that this could reverse within a short time.

International migrants decide on their own, based on the relevant pull and push factors, where to settle down as a resident (*Rédei* [2005]). In this way, they play an active

role in changing the demographic and economic structure of the given geographical space. Migration is a visible form of several socioeconomic fields. That is to say, in many cases, it may be connected to the potential differences existing in the spatial structure. It is a paradox situation that *cities with their aging population are the strategic poles of the economic space*; thus, they increasingly need foreigners as an external resource. As presumed, migrants are motivated to settle down in cities, where there is a more free and favourable environment and more opportunities to find work, to start a business, or to establish relations with earlier migrants. According to surveys on the hundred largest cities of the US, the number of international migrants increased by 54.8 percent in the last decade. Out of this, suburban areas accounted for 63.7, city centres for 21.7 percent and city peripheries for the rest. In the one third of the analysed hundred cities, inner areas showed no population growth as a result of migration. (http://www.migrationinformation.org/Feature/display.cfm?ID=567)

Table 1

Foreign citizens staying in Hungary, 1995–2009

Year (1 January)	Hungary	Budapest	Share of the capital (percent)
1995	138 101	46 712	33.8
1996	139 954	48 719	34.8
1997	142 506	55 422	38.9
1998	148 263	60 432	40.8
1999	150 245	62 362	41.5
2000	153 125	64 865	42.4
2001*	110 028	39 200	35.6
2002	116 429	43 857	37.7
2003	115 888	43 216	37.3
2004	130 109	48 682	37.4
2005	142 153	54 251	38.2
2006	154 430	66 025	42.8
2007	166 030	69 918	42.1
2008	174 697	74 344	42.6
2009	184 358	79 994	43.4

* Methodology has changed.
Source: HCSO database.

In Europe, the proportion of foreign-born people is over 25 percent in the population of four cities (London, Amsterdam, Brussels and Frankfurt). Here, migrants

usually settle down in the central areas, except for those cases, where a ruling family or international organizations preserved the historical milieu and no slumming occurred, and thus, real estate prices in city centres remained high. In the 1980s, it became typical that migrants took the place of residents who had moved to suburban areas. Foreigners moved to the outskirts only if the deteriorating housing conditions provided a place for them to live there.

Foreign nationals show an interest to live also in Hungary, especially in Budapest. The capital attracts nearly half of the foreigners. (See Table 1.)

In sum, studying international experience, we can come to the conclusion that international migration may generate benefits especially in the case of purposeful and proactive local management aligned with geographical space based assets. National regulation aims at the reinforcement of controlling principles and the settlement is that place where migrants live and the former efforts are realized successfully/not successfully. For this reason, it is essential for a hosting city/region to support or hinder migration through its regional objectives. Developments launched and taxes paid by foreigners are of importance to the locals. For example in Hungary, the majority of foreign direct investment is made in Budapest and its surroundings (*Fazekas* [2005]). At county level, Budapest accounts for the highest share of taxes paid by foreigners. From all (750 thousand) tax-payers 32 thousand are foreigners (4.5 percent) (*Rédei–Kincses* [2008], *Kincses* [2008]).

2. Subsidiarity of migration

In the practice of strategy, it is expedient to make decisions on migration issues where they take effects, implementing a kind of subsidiarity in this way. Most of the major host countries orient the spatial choice of migration by establishing an interactive relationship with the potential migrants and by disseminating information to them on the goals set out by the regional development plans. In this way, they are able *to break down*, through regional preferences and resources, *centrally supported integration and skills by the need of certain places and families*. Realizing this fact, the host countries are trying to manage the process of migration to gain benefits and to enrich the economy with new intellectual and biological resources (*Rédei* [2005]).

National laws regulate the integration of migrants. Yet, the success of migration only partly derives from the act of crossing the border. Entering into a country is only an opportunity to achieve desires to be pursued by this movement. The real integration process takes place in a given geographical place, where the migrant's skills and adaptation capability are tested and he/she starts to discover the local op-

portunities. At the levels of regions and urban settlements, receptiveness is of crucial importance in whether the migration will result in a surplus or a loss. It may have such aspects that call forth a successful position for both the migrant and the given region. Instead of the earlier zero-amount migration, a shift is being observed in the field of immigration into the direction of a so-called win-win situation. http://www.imiscoe.org/research/clusters/c9.html

What does it all mean? This orientation is forcing the hosting area, for example a city, to map up the demands in an ongoing and characteristic way and to disseminate the relevant information to migrants, as well as to contribute, through consultation, to the identification of interests of both parties and to the reduction of tensions.

By migration not only the migrants' capabilities, skills, but also their culture and values are being transmitted. From this point of view, it is noticeable how countries of origin distribute migrants. For example in Budapest, the proportion of those who arrived from the Asian, African and the American continents grew, which affirms the increasing share of distant cultures.

It is important to select migrants by age not only for demographic reasons, but because migrants in younger age

– are characterized by rapid innovative adaptability;
– pay taxes and contributions in the destination country and thus, generate revenues for the given country;
– especially the highly qualified ones mean human capital imports;
– increase not only the number of population but also that of other events (marriages, births, etc.).

Nevertheless, those migrants who are in a less favourable situation than the inhabitants of the given country may account for a significant social burden and may disturb the locals and in this way may have a damaging effect on the "climate" of integration.

Besides migration of the youth, the increase of elderly migration is also experienced owing to which the services provided – as new aspects for the real estate market – in the given area play a major role during the process of selection (*Illés* [2006], *Illés–Kincses* [2008]).

All this implies the fact that a one-sided approach to migration does not facilitate but actually hinders the success of the process.

The challenges of a multi-cultural society can be felt especially in a big city. Partly the neighbourhoods, partly the changes, like the appearance of Chinese, Arabic, Latin, Turkish or Jewish quarters in the cityscape shape its daily life and activity. As we see in the world, the metropolises were the first and steadiest proponents to establish a local regulation. But what do they regulate? How many people should be let in as a proportion of the local population? What kind of professions is supposed

to be hosted? What measures should be introduced to facilitate settling down and integration? What is the local population's attitude towards foreigners and vica versa? How do they accept each other?

Of course, there are not only positive but also negative examples in history, when ethnical colourfulness triggered conflicts and crisis. It is a fact that multiculturalism became an essential urban asset, and for the municipal government one of the challenges is to determine how to integrate newcomers and enhance development. Most of the countries are being dependent on foreigners and use them as an external resource. In certain cases this led to new urban, regional "rules" in street and neighbourhood life, in shopping malls or even in football pitches that are different from the national regulations.

A new trend is the increase in moving to study. Since the majority of foreign students prefer to live in an urban environment, the process of "*studentification*" is became an essential force in shaping the urban structure and milieu as well as in creating relational capital. University campuses play a major role in the process of strategic development. All of these have impact on the local economy, the real estate market and on the expansion of services and workplaces. In Budapest two typical trends can be observed: *1*. university facilities become new centres in the outskirts; or *2*. they do not constitute integrated parts of the surrounding urban area. Students' customs and lifestyle differ from those of the locals, which could be a constructive process but could also result in ghettoization. In many cases former military facilities were transformed in line with their new functions to meet the demands of mass education. These complexes were built in the urban outskirts, but as a result of the ongoing urban expansion, nowadays they frequently hamper the organic development (*Rédei* [2009]).

3. National overview

In Hungary, the number of the resident population has been decreasing since the 1970s. Therefore, only international migration may mitigate the population loss in the foreseeable future (*Hablicsek* [2003]). International migration has a direct impact on the size of the population as a whole and an indirect effect on the number of the youth.

Since the regime change, the country has had a surplus in international migration, that is, more foreigners arrive in Hungary than those who leave it. There is a positive migration balance of 10–20 thousand people annually, along with a natural loss of 30–40 thousand persons. On 1 January 2009, 184 358 foreign citizens were on an extended stay in the country, accounting for 1.84 percent of the resident population.

(See Table 2.) That is to say, out of one hundred people who live in Hungary today, nearly two are foreigners. Compared with other countries, this is a low value, but it is a "novel" process for the Hungarians. In the eight-year period after the turn of the millennium, the proportion of foreigners increased by 70 percent nationally.

Table 2

Foreign citizens in Hungary, 2001–2009

Year (1 January)	Resident population	Foreign citizens staying in Budapest	
	person		as a percentage of total population
2001	10 200 298	110 028	1.08
2002	10 174 853	116 429	1.14
2003	10 142 362	115 888	1.14
2004	10 116 742	130 109	1.29
2005	10 097 549	142 153	1.41
2006	10 076 581	154 430	1.53
2007	10 066 158	166 030	1.65
2008	10 045 401	174 697	1.74
2009	10 030 975	184 358	1.84

Source: HCSO database.

As we see, *foreigners replace an increasing proportion of the domestic population,* and they tend to cluster around certain areas where they create distinctive spaces reflecting their customs and demography. At present, this process has relation to the increase in the number of foreign citizens, but the decreasing trend in the number of resident population calls forth an accelerated change of their proportion. This also results in a strengthening of the socioeconomic and demographic impacts of migration. In Hungary, stronger influence may be forecasted since migrants from distant countries are expected.

As it was mentioned previously, the countries of the Carpathian Basin (Austria, Slovakia, the Ukraine, Romania, Serbia-Montenegro, Croatia and Slovenia) play a determining role in the ongoing growth of the population. However, *the number of those arriving from other countries is also increasing rapidly*. Most of the people come from Romania, the Ukraine and from Serbia-Montenegro. In addition to these groups, a significant number of EU15 citizens (mainly Austrians and Germans) live in Hungary. (See Table 3.) However, the national impacts are significantly surpassed by the regional ones, especially in the case of micro-regions and settlements.

Table 3

Foreign citizens staying in Hungary by citizenship (1 January)

Country	2001	2002	2003	2004	2005	2006	2007	2008
Austria	694	785	750	780	544	1 494	2 225	2 571
France	511	601	711	765	330	1 316	1 506	1 481
Netherlands	324	346	373	415	236	666	1 096	1 201
United Kingdom	624	700	872	963	440	1 451	1 911	2 107
Germany	7 493	7 676	7 100	7 393	6 908	10 504	15 037	14 436
Italy	542	563	545	551	404	777	1 020	1 207
EU15	11 723	12 181	11 629	12 143	9 714	18 357	25 394	25 490
Croatia	917	931	800	902	837	778	813	852
Romania	41 561	44 977	47 281	55 676	67 529	66 183	66 951	65 836
Serbia	12 664	11 975	11 693	12 367	13 643	12 111	12 638	17 186
Slovakia	1 576	2 213	1 536	2 472	1 225	3 597	4 276	4 944
Slovenia	82	88	65	81	34	79	115	133
Ukraine	8 947	9 835	9 853	13 096	13 933	15 337	15 866	17 289
*Neighbouring countries**	*66 441*	*70 804*	*71 978*	*85 374*	*97 745*	*99 579*	*102 884*	*108 811*
Russia	1 893	2 048	1 794	2 244	2 642	2 759	2 760	2 787
Poland	2 279	2 227	1 945	2 196	2 178	2 364	2 681	2 645
Turkey	455	544	469	557	615	756	886	1 120
Other European countries	11 100	10 621	11 165	9 181	9 911	8 214	8 447	7 863
Europe	93 197	97 640	98 230	110 915	122 261	130 535	140 827	146 145
Asia	12 603	14 401	13 480	14 715	15 121	18 543	19 733	22 356
America	2 488	2 557	2 434	2 535	2 667	2 989	3 075	3 557
Africa	1 233	1 318	1 281	1 455	1 556	1 800	1 783	1 913
Other and unknown	507	513	463	489	548	563	612	726
Total	*110 028*	*116 429*	*115 888*	*130 109*	*142 153*	*154 430*	*166 030*	*174 697*

* Including Austria.
Source: HCSO database.

4. Regional overview

In 2001, Budapest accounted for 17 percent of the resident population, cities with county authority for 20, other towns for 27 percent and villages for 36 percent. By

2008, the proportion of those living in towns increased to 31 percent, while that of village population decreased to 32 percent. The first two categories showed no significant changes. It is an interesting question whether the foreigners follow this pattern in their distribution or not. (See Tables 4 and 5.)

Table 4

Foreign citizens staying in Hungary by territorial distribution, 1 January 2001
(percent)

Country	Budapest	City with county authority	Other town	Village	*Total*
Austria	31.56	17.87	18.30	32.28	*100.0*
EU15	36.07	19.37	19.96	24.60	*100.0*
Romania	30.91	18.02	21.86	29.21	*100.0*
Serbia	16.54	45.34	18.53	19.59	*100.0*
Croatia	16.58	21.81	38.71	22.90	*100.0*
Slovenia	34.15	31.71	17.07	17.07	*100.0*
Slovakia	28.93	35.41	22.34	13.32	*100.0*
Ukraine	19.06	22.89	29.29	28.76	*100.0*
Europe	29.71	22.91	22.05	25.32	*100.0*
Asia	73.96	15.12	6.69	4.23	*100.0*
America	52.33	25.48	11.33	10.85	*100.0*
Africa	51.99	27.90	11.44	8.68	*100.0*
Total	35.63	22.12	19.89	22.36	*100.0*

Source: HCSO database.

In the case of foreigners, Budapest was strongly overrepresented in line with international trends, that is, capital cities are primary target areas for migration. It is especially true for those arriving from outside the European Continent (77 percent of Asians live in the capital city and a further 13 percent of them in cities with county authority). When all towns are taken into account, the proportion of working-age people is even larger while in villages the share of pensioners is significant.

In the past seven years, as a result of the fact that Hungary became a member of the Schengen area, Budapest attracted more and more foreigners, while their proportion decreased in cities with county authority and in villages. *In the case of smaller towns only the percentages by citizenship have changed*. The number of persons from the EU15 and from non-European countries increased.

Table 5

Foreign citizens staying in Hungary by territorial distribution, 1 January 2008
(percent)

Country	Budapest	City with county authority	Other town	Village	*Total*
Austria	17.19	14.62	21.00	47.18	*100.0*
EU15	31.35	14.15	20.48	34.01	*100.0*
Romania	40.61	12.04	22.95	24.40	*100.0*
Serbia	22.67	38.29	21.49	17.55	*100.0*
Croatia	19.95	19.60	41.90	18.54	*100.0*
Slovakia	34.95	19.36	23.93	21.76	*100.0*
Ukraine	36.11	17.80	22.30	23.79	*100.0*
Europe	36.71	16.92	22.21	24.15	*100.0*
Asia	77.43	13.41	6.45	2.71	*100.0*
America	55.74	17.91	11.05	15.30	*100.0*
Africa	57.90	24.58	11.40	6.12	*100.0*
Total	42.56	16.54	19.82	21.09	*100.0*

Source: HCSO database.

According to the territorial analysis, *six areas show above-average values*: *the surroundings of Lake Balaton, Budapest, Pest County and the micro-regions along the Ukrainian, Romanian and Serbian-Montenegrin borders* (*Kincses* [2009]). If the spatial distribution of foreigners is analyzed at the level of micro-regions, concentration can be observed. As it was mentioned, *Budapest and, to a growing extent, the surrounding micro-regions are the main central areas for the foreign population*. In 2001, these areas accounted for 52 percent of foreigners against 62 percent in 2008. (See Figure 1.)

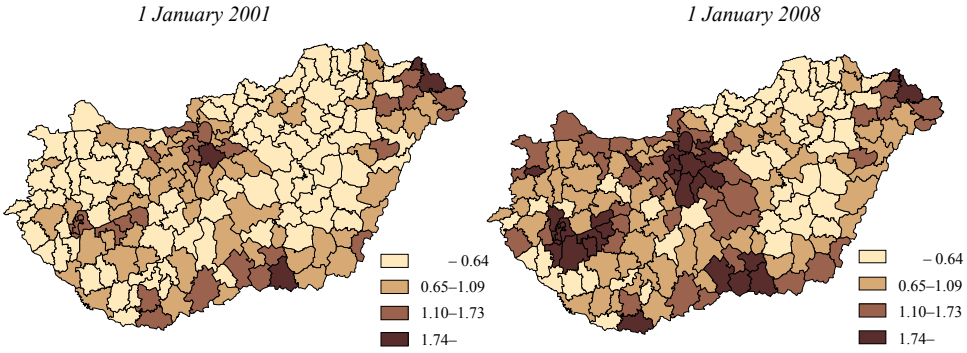
Those arriving from the EU15 prefer the western part of the country, mainly Győr-Moson-Sopron and Somogy counties in addition to Budapest and its agglomeration. Romanian citizens mainly choose three areas where they live in significant numbers, namely the area along the Romanian border, the capital and Western Hungary. Serbians and Montenegrins live in a wedge-like cluster area stretching from Budapest to the common border. Slovaks are concentrated in the region of Northern Hungary and around Budapest, while Ukrainians prefer, besides the capital, the micro-regions near their country of origin.

In sum, the place of settlement of EU15 citizens is determined by the reason of their arrival. Urban areas are mostly popular with working-age foreigners, while eld-

erly migrants (coming for example from Germany) usually choose places near thermal baths or at Lake Balaton. The Dutch prefer rural locations, African and Asian people urban areas and the Irish normally reside in the capital.

Figure 1. The proportion of foreigners per hundred residents

(percent)



For those who arrived from a neighbouring country, Budapest and Pest County are the most attractive destinations in addition to those micro-regions, which are located near their country of origin. Micro-regions along the Romanian, Ukrainian and the Serbian borders play an outstanding role in this respect.

Here should be mentioned the foreign nationals born in Hungary. On a yearly basis, around 2 000 non-Hungarian children are born in the country according to HCSO statistics.

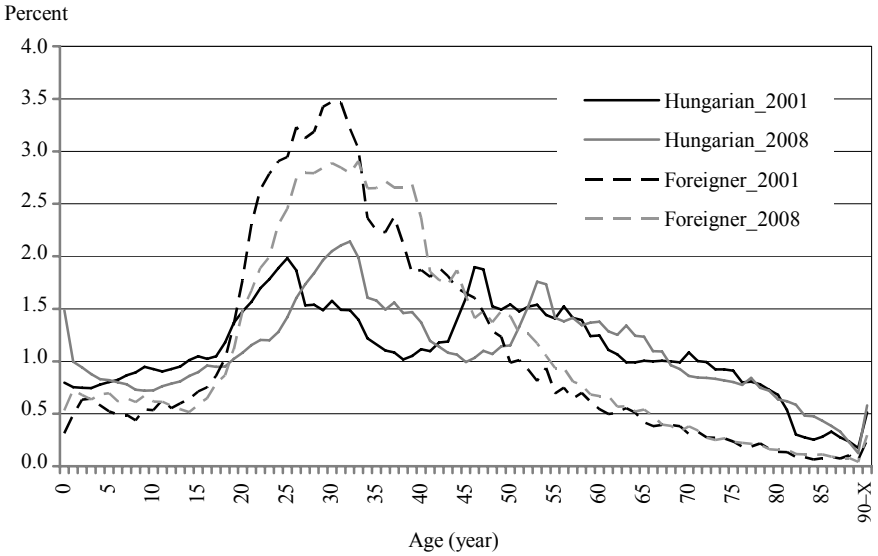
5. The analysis of foreigners by age

In terms of age, foreigners who live in Hungary significantly differ from the Hungarian citizens, which results in a considerable increase in the ratio of younger age groups as well as an easier adaptation. The major part of foreigners is in the age group of 15–64 years. (See Figure 2.) In 2008, the *average age of non-citizens*, in spite of their rapid aging, *was 6.2 years less than that of the resident population*. However, foreign and "non-foreign" people show different ageing rates.

In Budapest, the average age of the resident population increased from 41.9 to 42.6 years between 1 January 2001 and 1 January 2008, while the foreigners showed a sharper change (from 35.2 to 36.4 years) over this period. This fact may relate to increasing elderly migration (*Illés* [2002]). However, the faster rise in the average

age of the migrant population exerts much smaller influence on Budapest where younger, working-age people continue to arrive.

Figure 2. The distribution of Hungarian and foreign citizens living in Budapest by age, 1 January 2001–2008



In Hungary, a decrease in fertility and an increase in life expectancy account for a decline in expenses of child rearing and for growth in that of the care of elderly people. In the case of the resident population, the dependency ratio of children decreased from 0.24 of 1 January 2001 to 0.22 of 1 January 2008, while that of old people increased from 0.22 to 0.23. (This also shows the aging of the domestic population.) The total dependency ratio lessened from 0.46 to 0.45: one hundred people aged 15–64 years supported 22 children aged 0–14 years and 23 old people aged 65–X years in 2008.

In the case of foreigners, the national and micro-regional data significantly differ from those of the resident population. For them, the national dependency ratio of children decreased from 0.11 to 0.10 over the analyzed seven years, while that of old people increased from 0.08 to 0.11. Thus, hundred active foreigners supported ten children aged 0–14 years and eleven elderly people aged 65 or older, which are, in an economic sense, much better data than those of the domestic population. Out of the foreigners, Austrians account for the highest dependency ratio (0.38) as a result of a large proportion of elderly people in this group. The percentage of people from the EU15 is similar (0.32), and that of the dwellers arrived from the American continent is 0.25 owing also to the high share of the older generation. Slovaks (0.08), Slovenes (0.11), Romanians (0.18) and Ukrainians (0.19) had the lowest dependency rates. It is important to note that very good ratios are shown also by Africans (0.11) and

Asians (0.20). In all micro-regions, the foreigners account for a lower child dependency ratio than that of the total population. The foreigners exert the strongest negative influence on the former ratio in the wedge-shaped area situated from Budapest to the Serbian border and in the surroundings of Lake Balaton, which depends, on the one hand, on age distribution and, on the other hand, on volume effects.

In terms of the total dependency ratio, the area that stretches from Budapest to the Serbian border and the territory along the eastern border (just those regions where most migrants live) show a significant improvement due to foreign migrants, while aliens made it worse in the area of Lake Balaton (in consequence of the high proportion of the elderly).

In sum, the following statements can be made:

Owing partly to the population loss of Hungary and partly to the increase in the number of migrants, foreigners and within this, foreign nationals from the neighbouring countries have an ever-increasing influence. So, over seven years (2001–2008), the proportion of non-Hungarian nationals increased from 1.08 to 1.74 percent, showing a 60 percent growth.

In terms of territorial distribution, Budapest and its agglomeration account for a major part of foreigners, while the micro-regions along the borders and the surroundings of Lake Balaton for a smaller proportion. Budapest, where the majority of non-European citizens live, plays a central role and is able to recruit highly qualified workforce from greater distances. The vicinity of Lake Balaton is a destination more characteristic for the citizens of the EU15 countries; while the micro-regions along the borders are only local destinations.

Against many other so-called large host countries (for example the US, the United Kingdom, Italy, Spain, Australia, etc.), those foreign citizens choose to live in Hungary, whose education level is similar to or better than the average level of the Hungarian population (human capital accrual) and who belong mainly to the Hungarian minority, so their integration is easier. The proportion of active-age people and taxpayers is also higher among foreign citizens.

Foreigners, as a result of their increasing number and demographic characteristics differing from those of the resident population, generate not only human but also economic added value and have a significantly positive influence on the regional socioeconomic processes in the areas preferred by them.

6. Budapest at district level

On 1 January 2009, 79 994 foreigners lived in Budapest. In another approach, the role that the capital plays as a migration destination is underlined by the fact that in

the beginning of 2009, 4.67 foreigners lived per hundred inhabitants there (the same indicator was 1.84 at national level). Naturally, this ratio is not evenly distributed in the city as shown by Figures 3 and 4. The 2nd, 12th, 5th, 6th, 7th, 8th, 10th 13th, 14th and the 11th districts are the most preferred ones. Naturally, the foreign nationals, according to their nationality, show different patterns in where they live.

Figure 3. The number of foreigners in Budapest by district, 1 January 2008

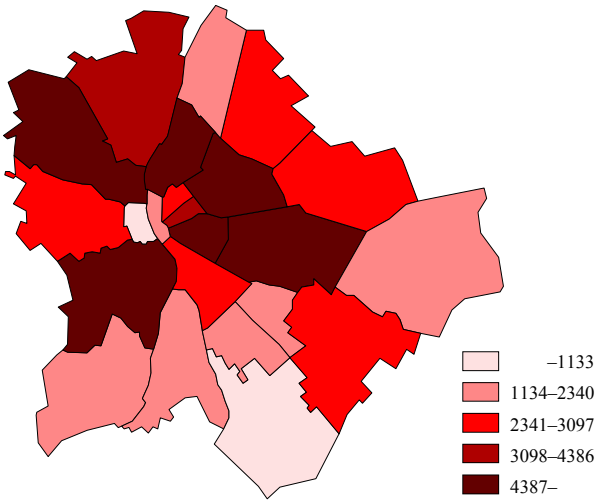
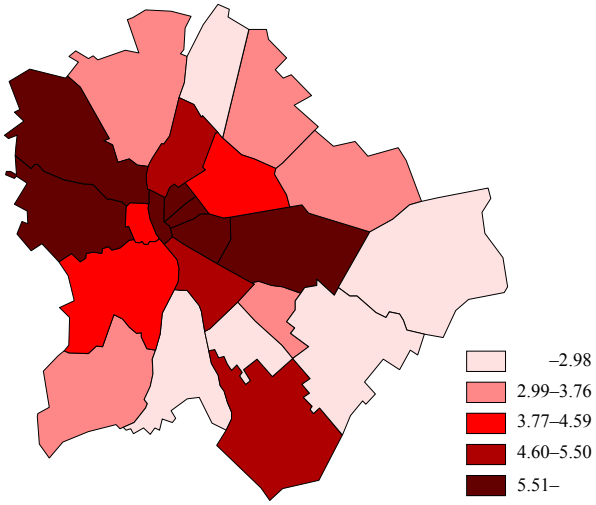


Figure 4. The proportion of foreigners per hundred residents in Budapest by district, 1 January 2008
(percent)



In 2008, in the 2nd district, EU15 citizens (32 percent of foreigners living in this part of the capital) and Asians (23%) predominated, and many Americans lived there too (6%). Romanians accounted for only 16 percent, which was less than half of their Budapest-wide average of 41 percent. The 12th and 5th districts showed similar ratios, in the former district the proportion of people from the EU15 was 34, from Asia 14, from America 9, from Romania 18 and from the Ukraine 5 percent, in the latter district the respective figures were 28, 18, 5, 16 and 12 percent. In the 6th district, the share of foreigners from the EU15 (19%) and from the American continent (4%) was still relatively high, but Asians (21%), Romanians (25%), Serbians and Montenegrins, as well as Ukrainians (7 and 7 percent) accounted for a larger proportion. There was an even greater shift in the 7th district (10 percent for EU15 citizens, 19 percent for Asians, 35 percent for Romanians and 8 percent for Serbian-Montenegrins or Ukrainians). In the 8th district, the Asians gave 36, the Romanians 38, the Ukrainians 7 percent, while the respective figures of the 10th district was 53 percent (!) for Asians, 27 percent for Romanians and 7 percent for Ukrainians. The latter was the only district in the capital where Asians accounted for a majority of foreigners due to the market operating there, which influenced them in choosing a place to live.

The ratios of 2001 were highly similar to the distribution of 2008. It is noticeable that the proportion of Asians in the 8th district decreased from 43 to 36 percent during the examined period but there were, besides, no significant changes in the citizenship structure of the districts. It is especially interesting because a rehabilitation programme was carried out in the slum area of the 8th district, which may be associated with the experienced change.

On the whole, foreigners living in Budapest show a varied picture by citizenship, much different than in other parts of the country. Citizens of 158 countries live there. This city accounts for 58 percent of Africans, 77 percent of Asians, 56 percent of Americans residing in Hungary. The more distant the country of origin is, the more probable that the capital will be the primary destination. 36 percent of those arriving from the neighbouring countries (41 percent of the incoming Romanians, 36 percent of the Ukrainians, 23 percent of the Serbian-Montenegrins, 35 percent of Slovaks, 47 percent of Slovenes, 20 percent of Croats and 17 percent of Austrians) live in Budapest. The capital has a remarkable number of dwellers originating from the EU15, Slovakia, Turkey, China, Vietnam, Serbia and Montenegro, the Ukraine, Italy and Syria. However, nominally, Romania has the highest proportion (with 37 thousand people). In terms of the intra-Budapest international migration balance, foreigners show a volume increase in all districts as shown by Table 6.

This analysis confirms that those districts have the highest rates of increase where there were many foreigners in the previous period. It justifies the network characteristics of migration: foreigners move to that place where they have better options to be

integrated and the home prices are lower. Several research projects on migration came to the conclusion that the migrational relationships are determining and the established migration patterns have overriding importance.

Table 6

The growth rate of the number of foreign residents in Budapest by district
(previous year=100 percent)

District	2002	2003	2004	2005	2006	2007	2008	2002–2008
I.	110.94	103.95	96.93	109.34	138.29	106.37	106.09	190.74
II.	110.78	106.21	105.47	92.99	145.78	112.73	108.35	205.46
III.	108.84	95.91	143.63	87.16	107.05	104.21	100.76	146.89
IV.	121.46	97.27	117.65	115.76	101.08	107.55	100.73	176.20
V.	109.92	93.69	90.36	127.85	153.60	104.59	108.47	207.32
VI.	107.99	98.20	94.56	120.24	139.08	109.99	106.78	196.94
VII.	115.19	94.49	87.97	135.10	127.72	110.28	108.11	196.98
VIII.	119.47	93.59	102.66	125.80	128.29	105.61	105.75	206.88
IX.	103.50	98.62	99.81	128.07	126.04	106.43	107.78	188.65
X.	121.59	99.07	105.21	130.76	120.55	103.75	108.87	225.66
XI.	102.31	97.71	172.00	67.44	126.85	106.90	104.75	164.73
XII.	106.37	98.98	93.03	108.43	140.14	111.40	106.32	176.27
XIII.	114.93	100.75	93.12	141.43	122.63	96.76	109.39	197.93
XIV.	110.33	96.10	144.33	87.03	115.51	107.05	110.00	181.15
XV.	114.87	97.89	97.43	139.62	109.99	105.44	105.01	186.27
XVI.	117.16	100.92	101.36	136.38	110.22	103.79	105.16	196.63
XVII.	111.10	99.30	106.91	137.73	112.60	101.79	102.07	190.06
XVIII.	103.03	99.47	99.19	138.02	110.74	103.90	103.45	166.99
XIX.	118.05	99.63	100.45	130.42	112.12	103.75	103.03	184.66
XX.	105.52	101.31	118.34	121.81	105.18	107.36	106.91	186.01
XXI.	114.29	100.63	99.82	137.33	109.72	109.28	106.30	200.93
XXII.	108.61	102.21	100.81	127.28	115.81	104.00	105.08	180.28
XXIII.	206.20	102.26	149.63	122.36	160.44	110.14	115.68	789.15

Source: HCSO database.

In Hungary, the significant domestic migration deficit decreased continuously, most dynamically in the last 4–5 years with the consequence that in 2007, Budapest, as a whole, showed a surplus! However, domestic migration towards the capital does not increase considerably. It confirms the significant role of international migration

in substituting domestic migration, which is also underpinned by the results of population forecasts required to formulate development plans.

The open and crossable borders enhance international migration. The population forecast that was prepared at the end of the last year – as part of the Budapest transport plan, breaking down data by the territorial units of the master plan – indicates the likelihood of a smaller increase in the number of immigrants until 2036 as a probable scenario, within which Budapest will have a 70 percent share. As a result, in the next 30 years, 240 thousand foreign nationals are needed to *offset the natural loss resulting from the aging of the population of Budapest and from suburbanization*. The envisaged size of the population is 1.7 million heads for 2036 including a foreign population accounting for 17 percent. Major factors in the change of the number of foreign nationals are that who will try to get citizenship and what the legal frameworks of implementing this endeavour will be like.

There is no decrease in international migration and in its diversity, which makes it necessary for the city management to perform strategic functions in the formerly mentioned areas with the purpose of generating added value in the capital city.

References

ARTNER, A. ET AL. [2006]: *Globalizáció, tőkekoncentráció, térszerkezet*. Harsányi János Főiskola–Világgazdasági Kutatóintézet. Budapest.

EGEDY, T. ET AL. [2009]: *Budapest in the Eyes of Creative Foreigners – The Transnational Migrants*. ACRE Report. No. 7.4. Amsterdam. http//:acre.socsci.uva.nl

FAZEKAS, K. [2005]: A hazai és a külföldi tulajdonú vállalkozások területi koncentrációjának hatása a foglalkoztatás és a munkanélküliség területi különbségeire. In: *Faluvégi, A. et al.*: *A hely és a fej – Munkapiac és regionalitás Magyarországon*. MTA Közgazdaságtudományi Kutató Intézet. Budapest. pp. 47–74.

GELLÉRNÉ LUKÁCS, É. [2008]: *Személyek szabad áramlása az Európai Unióban*. PhD thesis. Budapest.

HABLICSEK, L. 2003. A nemzetközi vándorlás a demográfiai jövőképben: Hatásvizsgálatok és modellszámítások. A study for the Prime Minister's Office. Budapest.

HANSEN, N. [1977]: Border Regions: A Critique of Spatial Theory and a European Case Study. *Annals of Regional Science*. Vol. 11. No. 1. pp. 1–14.

ILLÉS, S. [2002]: Külföldiek Magyarországon az Európai Unióból. In: *Illés, S. – Lukács, É.* (eds.): *Migráció és statisztika*. KSH. Budapest. pp. 95–126.

Illés, S. [2006]: Többes állampolgárság három perspektívából. In: *Kiss, A. – Mezősi, G. – Sümeghy, Z.* (eds.): *Táj, környezet és társadalom*. SZTE. Szeged. pp. 315–323.

ILLÉS, S. [2008]: Indirect Estimation on the Types of International Elderly Migration in Hungary. *Romanian Review on Political Geography*. Vol. 8. No 1. pp. 55–63.

ILLÉS, S. – GELLÉRNÉ LUKÁCS, É. [2002]: A személyek szabad áramlásának statisztikai szempontú vizsgálata. In: *Illés, S. – Gellérné Lukács, É.*(eds.): *Migráció és statisztika*. KSH NKI. Budapest. pp. 13–51.

ILLÉS, S. – KINCSES, Á. [2008]: Foreign Retired Migrants in Hungary. *Hungarian Statistical Review*. Vol. 86. Special No. 12. pp. 88–111.

KINCSES, Á. [2008]: Romanian Citizens in Hungary. *Geographical Phorum – Geographical Studies and Environment Protection*. Vol. 7. No. 7. pp. 136–144.

KINCSES, Á. [2009]: Magyarországon élő külföldiek területi elhelyezkedése. *Tér és Társadalom*. Vol. 23. No. 1. pp. 119–132.

MASSEY, D. S. – TAYLOR, J. E. [2004]: *International Migration: Prospects and Policies in a Global Market*. Oxford University Press. Oxford.

PAPADEMETRIOU, D. G. [2006]: *New Migration Thinking for a New Century*. Migration Policy Institute. Washington D.C.

RÉDEI, M. [1989]: *A migráció értelmezésének és modellezésének lehetőségei*. Demográfiai módszertani füzet. 4. KSH Népességtudományi Kutató Intézet. Budapest.

RÉDEI, M. [1998]: A tőke, az áru és a munkaerő áramlása. In: *Migráció II. Tanulmánygyűjtemény*. KSH. Budapest. pp. 71–83.

RÉDEI, M. [2002]: Nemzetközi migráció. In.: *Bernek, Á.* (ed.): *A globális világ politikai földrajza*. Nemzeti Tankönyvkiadó. Budapest. pp. 330–354.

RÉDEI, M. [2005]: A nemzetközi migráció folyamatának irányítása. *Statisztikai Szemle*. Vol. 83. No. 7. pp. 662–680.

RÉDEI, M. [2007]: *Mozgásban a világ – a nemzetközi migráció földrajza*. Eötvös Kiadó. Budapest.

RÉDEI, M. [2009]: A budapesti közlekedési szövetség területén várható demográfiai kihivások. *Közép Európai Közlemények*. Vol. 2. No. 4–5. pp. 183–191.

RÉDEI, M. – KINCSES, Á. [2008]: A szomszédból érkező migránsok hatása a hazai gazdasági és társadalmi különbségekre. *Közép Európai Közlemények, Geográfusok, regionalisták és történészek tudományos szemléje*. Vol. 1. No. 1. pp. 3–17.

VAN GEENHUIZEN, M. – RATTI, R. [2001]: *Gaining Advantage from Open Borders: An Active Space Approach for Regional Development*. Ashgate. Aldershot.