

Budapest: Free and diverse

Political and policy analysis of the Hungarian capital

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Foreword:

Budapest is unique. Although every capital city is unique, this is especially true for the Hungarian capital. Budapest is important not only because it is the capital of Hungary, but also because it is the country's only truly great city. The countries of the Central European region are characterised, like us, by an unquestionable capital, unquestionable in terms of population, economic power or cultural influence, but there is one important difference. Hungary is the only country in the region where the capital has no counterpoint. A municipality which, although not the largest in the country, is of sufficient size to prevent the country from gravitating towards the capital. This concept, the concept of bearing cities, has been a theme in spatial planning since the second half of the 20th century. In some countries, the size of the country means that there are several such counterweights to the capital (Germany), in others there is only one (Slovakia), but in Hungary, despite the efforts made, Debrecen has not yet been developed into an alternative capital. After Prague - Brno, Bratislava - Košice, Warsaw - Cracow, Budapest - Debrecen does not fit into the list. Budapest is therefore unique not only because of its beauty and its appeal to Hungarians and foreigners alike, but also because it has no equal in the country.

This literal loneliness has a number of implications, perhaps one of the most important being the extent to which Budapest stands out from the rest of the country economically, politically and in terms of the nature of its problems. It is no coincidence that Hungary has such a strong rural-capital duality, as two parallel societies have essentially been created: Budapest (and its agglomeration) and rural Hungary. And this contrast is often sharpened by politicians under the pretext of political gain.

But Budapest is really different in many ways, and that is why it is important to look at it in isolation. It is important to understand what is happening in this city, which, although it only accounts for around 16% of the country's population, produces around 37% of the country's GDP. Where the opposition defeated Fides by 17:1 in 2022, while in the countryside the governing party won only 2 out of 88 seats. What do people think are the problems in a municipality that the governing parties keep squeezing and stripping of its powers, while in the long term it is destined to be the site of an Olympic Games.

Budapest is of course not only interesting from a Hungarian perspective, but also from a European one. Big cities around the world are more liberal than the country as a whole. The same can be seen in attitudes towards European values such as diversity, inclusion, freedom and tolerance. This does not mean, of course, that people in small towns or villages and hamlets reject them, but simply that there is a long tradition of them in a multicultural city. So the battle between the highly anti-EU government and the Budapest party leadership, regardless of colour, can be understood as a battle of pro-European and Eurosceptic ideas.

The aim of this paper is to bring us closer to understanding Budapest by presenting analysis and research. A city which, at first glance, may seem to be a liberal island in a sea of right-wing extremism, but closer inspection reveals that Budapest is diverse. The theme of this book of studies is, like Budapest, diverse. We deal with the Budapest election campaign, the results of the local elections, housing estates and transport.

Budapest political overview

Parties and candidates in the capital prior to the municipal elections

ANALYSIS BY THE REPUBLIKON INSTITUTE



SUMMARY

- In the latest survey of the Republikon Institute, we examined the support of the parties in Budapest, what mandate distribution they can expect in the Budapest City Assembly if they run separately, how the fight for the mayor-candidacy may develop, and how voters view LMP, which could challenge Gergely Karácsony by supporting Dávid Vitézy as a candidate.
- Although party strength in the capital is in many cases the same as in the country, Fidesz has a much smaller lead over the opposition parties. As being a far-right party, Mi Hazánk is unsurprisingly, significantly weaker in Budapest than outside of it, while the situation for Párbeszéd is the reverse: compared to its national results, it may do better in the capital.
- According to the survey, although Fidesz-KDNP could send the most members to the Municipal Assembly, even with the Mi Hazánk Movement it would not have a majority; on the other hand, the opposition would have problems with the cooperation with the Two-Tailed Dog Party (MKKP), which it would need, since the MKKP could have the third largest faction in the Assembly.
- Although the accuracy of the poll may be heavily distorted by the fact that we do not yet know who will be the governing parties' candidate for mayor, nor by the fact that we do not yet know who will be the governing parties' candidate for mayor, nor by the fact whether Dávid Vitézy will run for mayor in the capital, either as a candidate of LMP or of another party. It can be said that Gergely Karácsony is confidently leading in Budapest. Vitézy would do considerably worse if a Fidesz candidate were running than if he were not, suggesting that a significant proportion of Vitézy's potential voters would be among the

government party supporters even if he were on the ballot as an LMP candidate.

- At the moment, the people of Budapest feel that LMP is closer to the government than to the opposition, partly because of the fact that Vitézy, who has Fidesz ties, would run for mayor, and also because the party has repeatedly criticised its former allies in recent months.

INTRODUCTION

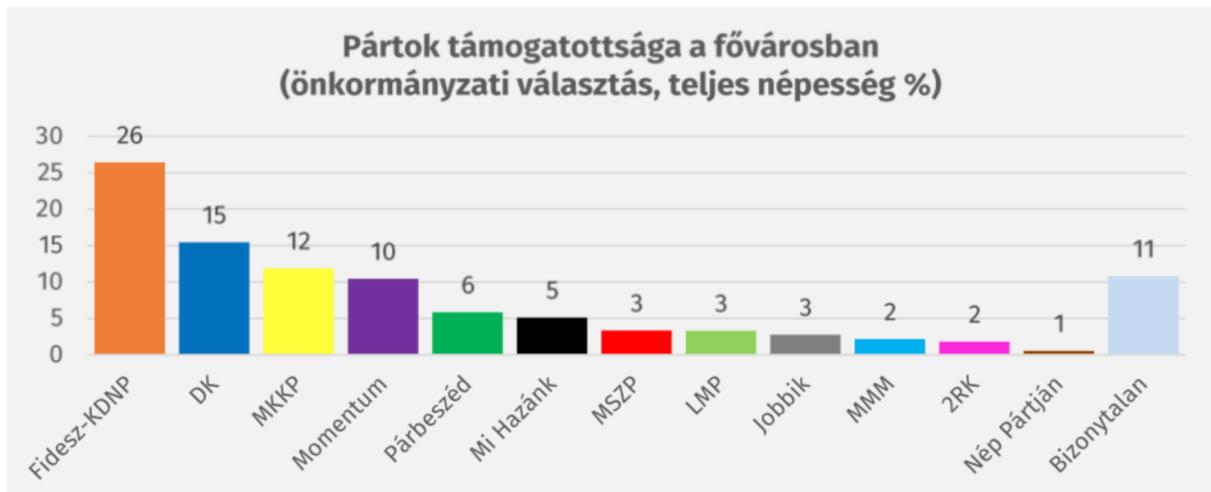
After the National Assembly voted in December 2023 for the amendment of the electoral law initiated by Mi Hazánk - but in many respects also in favour of Fidesz - restoring the list-based electoral system in Budapest, the political attention suddenly focused on the situation and possible cooperation strategies of opposition parties (primarily the Democratic Coalition, Momentum, MSZP and Párbeszéd) in the capital.

In light of this, we thought it worthwhile to examine what support the parties currently have in Budapest, and what seat shares they could expect in the Budapest City Assembly if they were to stand for the election separately. We paid special attention to the LMP, as Péter Ungár's party has strongly opposed its 2022 allies in recent months, and there is a strong chance that it will field its own challenger in Dávid Vitézy against Gergely Karácsony.

In our research, we also assessed the current state of the race between the announced and potential mayoral candidates, with a particular focus on how the contest would be affected by the emergence of a pro-government candidate. It is of course a certainty that Fidesz-KDNP will stand in Budapest, but it is interesting to consider which candidates are most likely to be voted away by a governing party candidate for mayor.

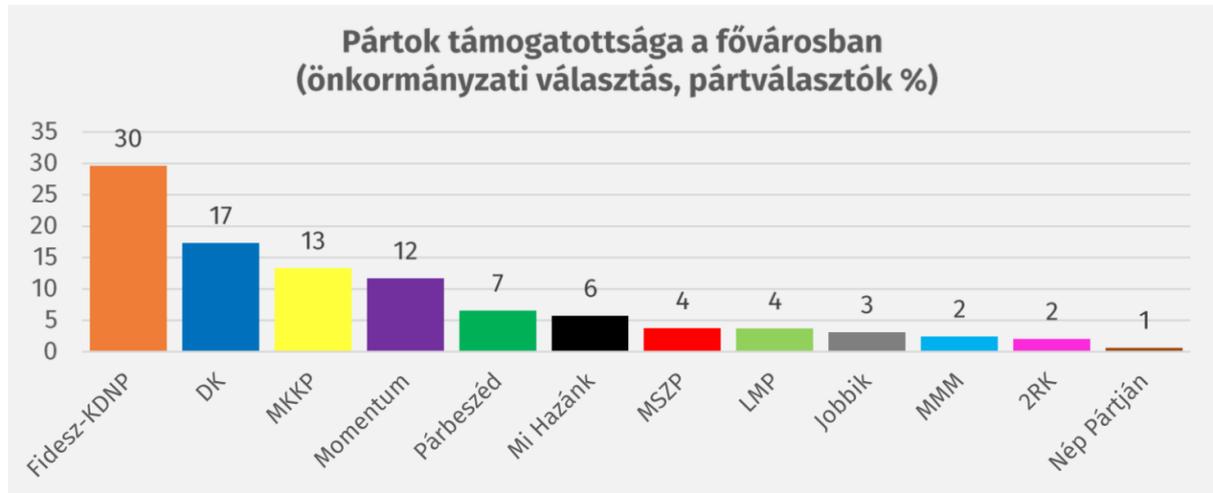
RESULTS

Knowing the results of similar surveys conducted in Budapest, it is not surprising that the share of undecideds in the capital is well below the national average, at only 11%. Budapest residents are much more politically active and committed, but this does not mean that the ranking of parties in the capital seems to be fundamentally different from the national-level surveys. In Budapest, Fidesz-KDNP is still the party with the highest support, with 26% of the total population and 30% of party voters, followed by the Democratic Coalition with 15 and 17% respectively. However, in a striking difference to the national polls, that the MKKP is in third place (with 12 and 13% of the total population and party voters respectively), while the far-right formation is only sixth with 5 and 6%. The MKKP is closely followed by Momentum with 10 and 12% respectively, and apart from them, only Párbeszéd reaches the threshold of entry with 6% of the total population and 7 among party voters.



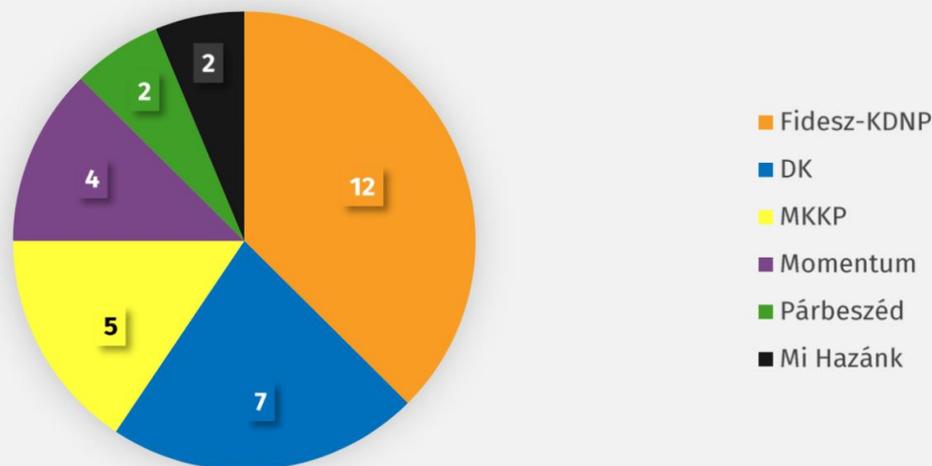
The support for MSZP and LMP is almost identical: 3-3% and 4-4% respectively would vote for the lists of the two parties in the capital if they were to stand independently. The two parties are balancing on the border of the 5% threshold, but in the case of the Socialists it is worth noting that they may have larger reserves than LMP at the national level, so their overall position looks better. Although they are still within the margin of error compared to the threshold for entry, Jobbik (3-3%), the Mindenki Magyarországa Néppárt (2-2%) and the Második Reformkor (2-2%) currently seem very far away from the capital's assembly, while the Nép Pártján (1-1%) would need a miracle to get a representative in the assembly. The last three parties are unlikely to be able to put up a list in the capital either, as they would

need to put up either one candidate for mayor or three candidates for district mayor, and there is no chance of that at present.



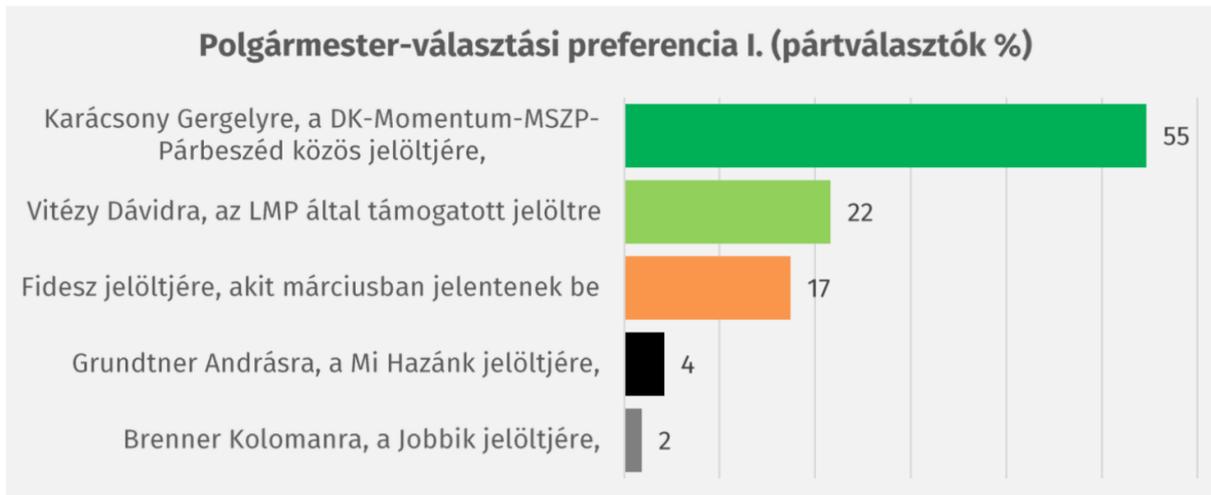
Within the opposition, the biggest difference compared to the national polls is in the results of MI Hazánk and Párbeszéd, which shows that MI Hazánk is one of the "most rural" opposition parties (next to Fidesz-KDNP, whose results in Budapest are significantly lower than those of the national polls), and Párbeszéd is one of the "most Budapest-ian" opposition parties. The fact that the far right underperforms in Budapest, which is multicultural, urban and generally better off than most of the countryside, is in line with historical trends and can hardly be called unexpected. The situation for Párbeszéd is more interesting: the party did more than twice as well in the capital as in the Republikon Institute's national party preference survey in February, which - apart from its general opposition bias in the capital - can be explained in two ways. On the one hand, the best-known face of Párbeszéd is Gergely Karácsony, the mayor of Budapest, who has been the most popular opposition politician for years, and is therefore able to significantly increase his party's popularity in the capital. On the other hand, the relatively high level of support generated by Karácsony is also self-reinforcing: as Párbeszéd has a good chance of winning a seat in the assembly even on its own, voters are less likely to think that they would be wasting their vote if they voted for the party.

Mandátumok eloszlása a Fővárosi Közgyűlésben

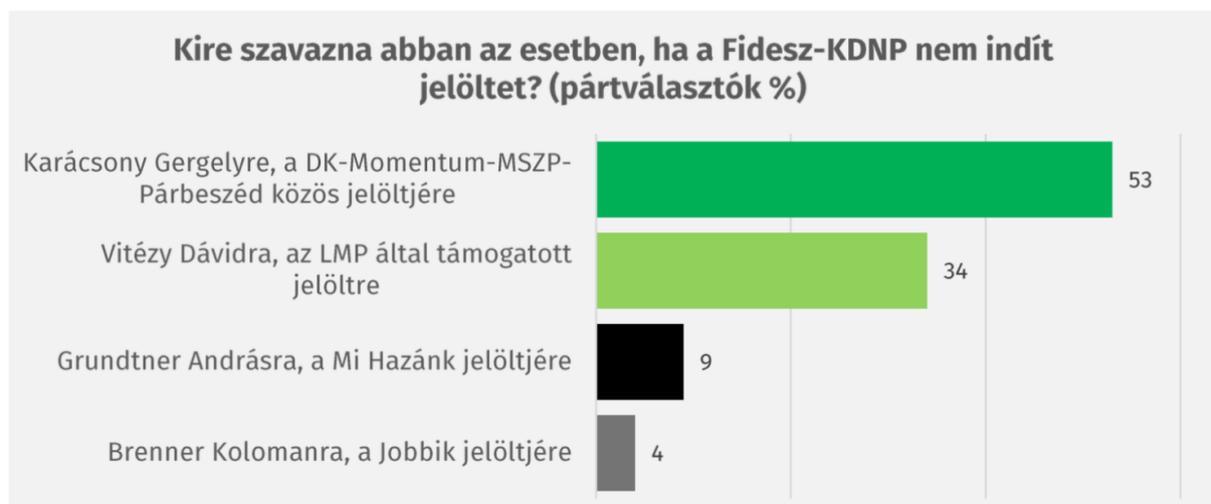


According to the results of the research, if the local elections were held this Sunday, and each party were to run separate lists, six parties could form a faction in the Budapest City Assembly: the Fidesz-KDNP, DK, MKKP, Momentum, the aforementioned Párbeszéd and Mi Hazánk. Although the governing parties would delegate the most MPs, they would be far from gaining a majority in Budapest, and perhaps more importantly: In the above situation, it is the MKKP that would be more of a problem for the three parties of the 2022 opposition coalition that would be allowed to enter: the Dog Party would have the third largest parliamentary group in the capital, and would therefore need the votes of their representatives in many cases. However, the MKKP is not part of the "traditional" opposition in the capital, lacks common experience, and the unpredictability of the MKKP could make it very difficult to involve them in decision-making.

The good news for the opposition is that the data show that Gergely Karácsony is leading very confidently in Budapest and that they do not have to worry about either the Fidesz candidate or Dávid Vitézy - although the poll results are somewhat deceptive on this point, which should be factored into our conclusions. Since Fidesz-KDNP has still not announced who it will run for the mayor's post, we asked the government candidate's support in our survey without his name, which is likely to give him a worse result than if we had examined the position of a known, officially announced, flesh- and-blood candidate.



In the case of Dávid Vitézy, the situation is -interestingly- reversed, as he himself is known, but it is not yet certain that he will run in the election, and we do not know who he will run for if he does - although the most likely scenario at the moment seems to be that he will be the LMP candidate for Mayor. Circumstances may of course also underweight Vitézy, as he seems less of a real challenger to Karácsony until someone refers to him as a candidate, until he appears at capitulation events, until he makes it clear that he has ambitions to be mayor. All that said, Karácsony's lead is substantial.



Comparing the data in the two graphs above, we can draw some interesting conclusions as to which party candidates' voters overlap to some extent. In the absence of a governing party candidate, Gergely Karácsony would get 53% of the votes in the capital, Dávid Vitézy 34%, András Grundtner 9 % and Koloman Brenner 4%. If, however, Fidesz- KDNP nominates a candidate in Budapest (as it will certainly do shortly), Karácsony would get 55%, Vitézy 22%, Grundtner 4% and Brenner 2% against 17% for the Fidesz candidate. So while the

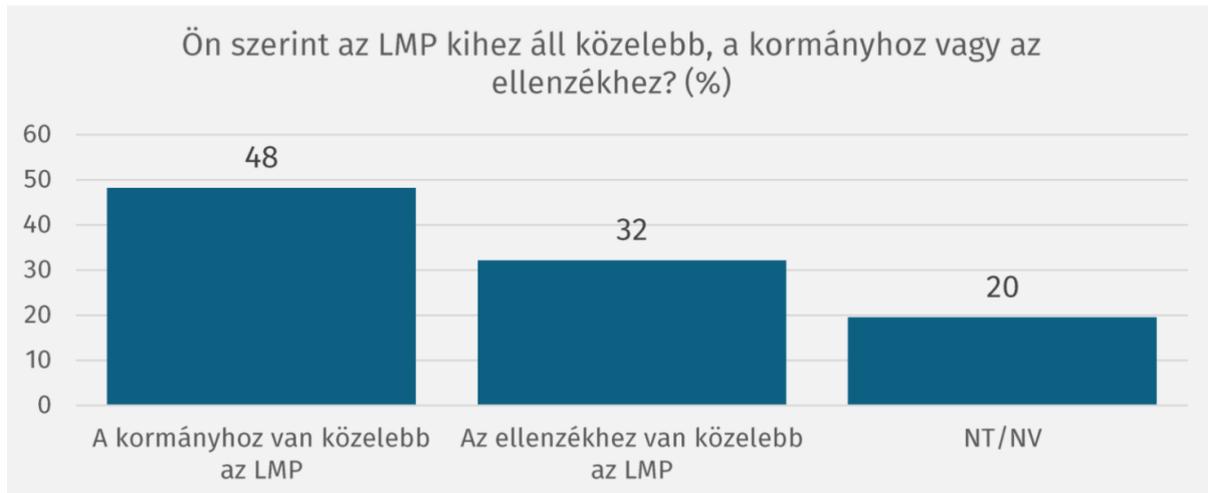
incumbent mayor may do minimally even better if there is a pro-government candidate, as some opposition voters are more easily mobilised against Fidesz, all other mayoral aspirants may lose votes in the same situation.

Some of Koloman Brenner's voters may well back Karácsony against the government party candidate, although two years have passed since the parliamentary elections, and there are certainly Jobbik voters who have not forgotten that not so long ago they supported a party alliance that almost made Christmas the prime ministerial candidate; supporting Karácsony against the Fidesz-KDNP candidate does not seem unthinkable to them.

Up to half of András Grundtner's potential voters could switch to a pro-government candidate: the gap between Fidesz and Mi Hazánk is far from insurmountable, and the Fidesz voices that have been attacking Karácsony for years often criticise the mayor on the very issue of the public conditions in Budapest, which resonate very well with the pro-establishment voters of Mi Hazánk.

It is particularly noteworthy that Dávid Vitézy could expect a 12 percentage point lower result if he had a rival from the governing party than if he did not. The conclusion is that Vitézy would be a "B-option" for a large number of Fidesz voters in case the governing parties did not field a candidate, and they would still be willing to support the former transport minister and BKK leader if he was on the ballot as an opposition party candidate.

After LMP has distanced itself spectacularly from its former opposition allies in recent months, we also asked whether Péter Ungár's party is closer to the government or the opposition according to the voters of Budapest.



The results show a significant 16 percentage point majority of those who think that the gap between LMP and the government is currently smaller than between LMP and the other parties of the opposition. Whether the main reason behind this perception is that LMP is preparing to run Dávid Vitézy, who is closely linked to Fidesz, in Budapest against Gergely Karácsony, who is jointly supported by the four opposition parties, or that the party has recently been highly critical of its former allies, is not clear from the survey, but it is most likely that the two factors are simultaneously and mutually reinforcing the voters' perception of the party.

Political situation in the opposition-led districts of Budapest

ANALYSIS BY THE REPUBLIKON INSTITUTE



SUMMARY

- Because of the old-new Budapest electoral system, the district mayoral elections will not have a direct impact on the
- Assembly, but for the opposition parties it is vital to make the best possible showing in Budapest.
- Of the districts won by the opposition in 2019, retaining the 1st district will be the most difficult.
- Of the mayors who won in 2019, only Tibor Déri from Újpest is not a candidate for sure, as he announced earlier that he does not intend to run.
- The opposition lost Zugló once before in 2002, when the incumbent mayor was nominated by the allied party, and in the absence of an agreement, this could happen again.
- In Ferencváros, the opposition has become chaotic, with the nomination of Krisztina Baranyi dividing even the newly formed DK-MSZP-Parbeszéd alliance.
- Most incumbent mayors can be confident of a reshuffle.

INTRODUCTION

In October 2019, the opposition achieved unprecedented success in the municipal elections. Gergely Karácsony became the Mayor of Budapest and 14 districts became opposition mayors, making the Budapest Assembly an opposition-majority body. The opposition parties also did well in the 2022 parliamentary elections in Budapest, with opposition victories in 17 of the 18 single-member constituencies in the capital. While a victory in Budapest is essential for the opposition in the light of the election results of recent years, the results of the district by-elections after the 2022 general election show that the election cannot be considered a foregone conclusion even in the capital. In the following analysis, we examine the political changes that have taken place and are currently taking place in the districts currently led by the opposition, which could have a major impact on the outcome of the June municipal elections. Although the reversion of the electoral system in the capital will mean that the members of the Municipal Assembly will again be elected by a list system, so that the district mayoral elections will not directly affect the composition of the Assembly, it is politically very important for the opposition parties to be able to retain the positions they gained in 2019.

POLITICAL SITUATION IN THE OPPOSITION DISTRICTS OF BUDAPEST

District I

In 2019, Márta Naszályi V. of Párbeszéd surprisingly defeated Tamás Nagy Gábor Tamás, the Fidesz mayor of the Budavár district for 21 years. The opposition parties also gained a majority in the district council, but with the departure of two former right-wing members, the majority has dwindled to a minimum. In 2022, the Momentum deputy mayor of the district, Ferenc Gelencsér, became a member of parliament (and president of Momentum), but in the by-election for his seat, Fidesz candidate Csilla Fazekas won, thus ending the opposition majority in the district. The right-wing, which won the majority, dismissed the mayor in a disciplinary procedure, and her salary was reduced. Given that Márta Naszályi V. won the traditionally right-wing district by less than one percent in 2019, Budavár is one of the most difficult districts for the opposition to hold on to.

District II

In 2019, Gergely Órsi of the MSZP confidently defeated Zsolt Láng of Fidesz, who has led the II. district since 2006, with a 5.3 percent lead. Órsi has a good chance of re-election in 2024, which is also indicated by the fact that Fidesz is not running a well-known politician, possibly the former mayor, in the June elections in District II, but Olympic champion kayaker Rudolf Dombi. The political balance of power in the district is characterised by the fact that the opposition candidate, Eszter Nagy of DK, won the by-election in District II, even though the Fidesz candidate won in most of the districts.

District III

For the first time since 1990, a left-wing mayoral candidate won in Budapest's 3rd district in 2019. László Kiss, then a socialist, defeated Balázs Bús, the Fidesz mayor who had governed the district since 2006, by a minimal 0.8% margin. Shortly after the municipal elections, László Kiss announced his decision to join DK. As the joint candidate of the opposition, Kiss was able to win even though Balázs Bús received more than 3,000 votes more than in the 2014 election.

It is obviously important for the governing parties to regain the leadership of Óbuda-Békásmegyer, as Fidesz is again running Balázs Bús in 2024. For the opposition, the fact that

Tímea Szabó defeated Balázs Bús, who was Fidesz's parliamentary candidate in the III. district, by a confident margin in the 2022 parliamentary election, gives reason for optimism.

District IV

In Újpest, the mayor who won in 2019 will certainly not run again in 2024, as Tibor Déri, who won as a momentum candidate, announced unusually early, in September 2022, that he would not run for mayor again. In 2019, Tibor Déri defeated Zsolt Wintermantel, a Fidesz candidate who had governed the district for two terms. After his announcement, Déri left Momentum and, although he did not join the party, he joined the DK's parliamentary group in the capital. In June 2024, the opposition will run the current deputy mayor of the district, Norbert Trippon, who stood as a MSZP candidate in Újpest in 2010 and 2014, both times unsuccessfully. Given that DK and Momentum have agreed on his candidacy, Norbert Trippon - now as a DK candidate - has a better chance of winning this time than ever before.

District VI

With the exit of Újpest mayor Tibor Déri, Terézváros remained the most important base of Momentum in Budapest. In 2019, Tamás Soproni defeated Zsófia Hassay, who had governed the VI. district since 2010, by a large margin of almost 15%. Tamás Soproni has no serious challenger on the opposition side, with former Socialist MP György Bálint having announced his candidacy as a civil candidate, so the current mayor has good chances of standing in the June elections.

District VII

As a result of the agreement between DK and Momentum, Péter Niedermüller, the DK mayor of Erzsébetváros, may run as a joint opposition candidate in the local elections. The former DK MEP defeated the Fidesz mayor Zsolt Vattamány, who has led the 7th district since 2010, in 2019 by including György Hunvald, the former Socialist mayor of Erzsébetváros, and László Moldován, a former LMP politician, among the candidates. Péter Niedermüller has a good chance of retaining his position as mayor after the 2024 elections.

District VIII

The opposition defeated Fidesz in Józsefváros in 2019, to some surprise. András Pikó, a former journalist who ran as a civilian but with the support of Momentum, defeated the Fidesz candidate Botondo Sára, who took over the district from Máté Kocsis, who left the

parliament in 2018, by about 1.2 percent. András Pikó announced his candidacy early, in 2022, with the support of DK, Momentum, LMP and Párbeszéd, but MSZP is not among Pikó's supporters and Jobbik is running its own candidate. According to press reports, Pikó's Fidesz challenger could be Demeter Szilágyi, the former campaign manager of former Fidesz mayor Botond Sára.

District IX

The opposition situation in Ferencváros has become chaotic in the recent weeks, and with less than two months to go before the election, it is not clear which organisations are behind Krisztina Baranyi. Baranyi, an independent, won the opposition mayoral candidacy in a 2019 primary election, then defeated János Bácskai, the Fidesz leader of the district since 2010, by 18%. The mayor has already announced her intention to run again in 2022, but she does not have the full backing of the opposition. This time, Baranyi is standing as a member of a dedicated association that is also fielding candidates in single-member constituencies. She is backed by Momentum, LMP and the Two-Tailed Dog Party, and has also received support from Mayor Gergely Karácsony and Párbeszéd. DK, MSZP and local councillors who have left or been excluded from Momentum would, however, back former Free Democrat mayor Ferenc Gegesy in the June elections.

District XI

In 2019, DK's Imre László defeated Fidesz mayor Tamás Hoffmann by a confident 7.3 percent. The former director-general of the Honvédkórház and later the Szent Imre Hospital announced in 2022 that he would run for mayor again and with the support of the opposition parties behind him, he has a good chance of continuing.

District XIII

József Tóth, a socialist, has led the XIII district of Budapest for nearly 30 years. In the last municipal elections, he received 63.8 percent more votes than Gábor Bagdy, the former deputy mayor of the Fidesz party, who stood as a candidate of the governing parties. József Tóth can also look forward to the 9 June election with confidence, despite the fact that LMP is running an independent candidate for mayor in the district, Máté Kanász-Nagy.

District XIV

Csaba Horváth, the Socialist mayor of Zugló, took over the leadership of the XIV district from Gergely Karácsony, who was elected mayor in 2019. He received 13.3% more votes than his Fidesz opponent, Zoltán Rozgonyi. Momentum, however, would run former deputy mayor András Rózsa in Zugló with the support of Ákos Hadházy, Member of Parliament, and the Civil Zugló Association of László Várnai. Momentum wanted to hold a primary election to decide on the candidate for mayor, but MSZP believes that a primary election is needed where the incumbent Fidesz mayor is being challenged. Although Momentum and the Szikra Movement, which nominated Orsolya Sudár, had previously agreed to hold the primary without the mayor, Szikra eventually backed the Momentum candidate. Although Zugló is considered an opposition stronghold, it is not unprecedented in the XIV district for allies to lose the district by running against each other: in 2002, the MSZP ran a candidate against Zsuzsanna Kardos Kutalik, a free democrat who had been in office for three terms, and the mayor was Gábor Rátonyi, a Fidesz candidate.

District XV

In 2018, Angéla Cserdiné Németh became mayor of the 15th district as a civilian, with opposition support in by-elections, and then retained her position in 2019 as a DK candidate. She received 15.6% more votes than her Fidesz challenger. Angéla Cserdiné Németh is expected to stand again as a joint candidate in 2024, giving her a good chance to continue as mayor.

XVIII district

In Pestszentlőrinc-Pestszentimre, Sándor Szaniszló defeated Attila Ughy, the Fidesz candidate who had governed the district since 2010, as a candidate of the MSZP, but shortly after the election he joined DK. If Sándor Szaniszló is the joint candidate of the opposition parties in 2024, he will have a good chance of winning again, but it is a warning sign for the opposition that in the 2022 parliamentary election, MSZP co-chair Ágnes Kunhalmi Kunhalmi managed to retain her seat with a margin of only 1.3%.

XIX district

Péter Gajda, a socialist, has been the leader of Kispest since 2006, and in the last election he received 21.4% more votes than his Fidesz challenger Gabriella Dódy. If he runs as a joint opposition candidate in 2024, he has a good chance of retaining his mayoral position. However, Gajda has regularly clashed with the local Momentum party during the current term, which could make it difficult for the MSZP to run a joint candidacy for mayor.

CONCLUSION

In the majority of the current opposition-led districts, opposition parties can be successful in the 2024 municipal elections, but this requires the widest possible cooperation between the parties. Cooperation is made more difficult by the fact that MSZP and Momentum are in conflict in several districts, but the agreement between DK and Momentum puts an end to the nomination disputes in several districts. The district results will also be influenced by whether Fidesz runs known, established candidates in the districts it lost in 2010 or external candidates from the party's own ranks whose defeat would not cause a significant loss of prestige for the governing party. Among the hard-won districts for the opposition in 2019, the leadership of District I is the most difficult to hold, where the incumbent mayor has already lost his majority in the body. Zugló could see a repeat of the 2002 fiasco, where the alliance of parties running against each other resulted in a Fidesz victory, but a similar situation could arise in Ferencváros, where part of the opposition would run an independent candidate against the incumbent mayor.

This city loves cyclists

Parties and candidates in the capital prior to the municipal elections

ANALYSIS BY THE REPUBLIKON INSTITUTE



INTRODUCTION

Budapest has experienced a small cycling revolution in recent years, in which the development of cycling infrastructure has played an essential role. In addition to cycle paths and cyclist-friendly developments, the MOL Bubi bike-sharing system, which will be renewed in 2021, has been an important part of this process, providing an accessible and cheap alternative, mainly to replace car or public transport in the city centre. In early April, Mayor Gergely Karácsony announced the next phase of the system, Bubi 3.0, to be launched in 2026, a necessary step to keep Bubi competitive and up-to-date among the increasingly widespread micro-mobility devices.

Of course, several municipalities in the country have their own bike-sharing systems, such as MV Bike in Esztergom or Unibike in Debrecen, but Bubi is clearly the most significant of these, not only in terms of the number of bikes or users, but also in terms of the diversity of the travelling community, as it is equally easy to use for people from Budapest, domestic or foreign tourists. It is therefore worth evaluating Bubi in an international context and comparing it with bike-sharing systems in major foreign cities. These show that, although there are some gaps and ideas that can be integrated, Bubi is well on the way to becoming an exemplary micromobility service in Central Europe.

AUSTRIA IS FAR AWAY, BUT WE'VE ALREADY MISSED VIENNA

The clear forerunner of the system is WienMobil in Vienna, which is operated by Nextbike, which is also involved in the Budapest system. In fact, WienMobil can also be seen as the Vienna Bubi, because the two systems are more or less identical, both in terms of operating principle, size and infrastructure. However, this was not the case a few years ago, when the popularity of the Bubi, which was expensive and difficult to access, was overshadowed by the then Citybike Wien, which was already extremely cheap. But the revitalisation of Bubi in 2021 reversed the trend, and while last year 730,000 public bikes were hired in Vienna, Bubi was used for 3.4 million longer and shorter journeys. Of course, the Austrian example was not the only one to learn from, with the Bubi improvements promised for 2026 also seeing the influence of the Czech Rekola with the integration of micromobility points into Bubi stations.

Anyone who has been abroad and paid attention to this can easily notice that in most cities there is not one bike-sharing system, but several services based on different models operating in parallel in a given municipality. Some are run by the local municipality and some are run by a private company. This gives the user the freedom to choose between the city's own bikes and bikes from Lime, Tier and other companies. This is not the case in Budapest, where Bubi has established a monopoly on bike-sharing, and only electric scooters can compete with bicycles as a means of micromobility. The last competitor to leave Budapest last year was Donkey Republic.

The reason for the lack of a competing bike-sharing provider is presumably that Bubi's biggest competitive advantage (especially over market providers) is its deliberately low price, which makes it accessible to the masses.

Even though the bikes are heavier and not as good as they were with Donkey Republic, for example, anyone can still use Bubi for 1,000 HUF per month with almost unlimited use. Bubi's pricing is not only favourable in Hungary, but also very low internationally. The annual fee for the Antwerp Velo is 58 euros (approximately 23,000 forints), while the aforementioned Rekola costs 249 crowns per month (approximately 3,900 forints). In comparison, the Bubi currently costs 1,000 forints per month, or 8,500 forints per year for an annual rental.

COPENHAGEN OF THE CARPATHIANS

The urban expansion of public cycling is a particularly infrastructure-intensive undertaking. It is not enough to cover Budapest with Bubi stops and paint bike lanes, but the design of the system must also be based on the idea that cycling is a competitive option compared to car use. This is not to say that cycling alone can replace car use, but when used in combination with public transport, cycling can offer a real alternative. This has been the spirit behind the development of cycling infrastructure in recent years.

On the one hand, Bubi stations are reaching more and more transport hubs (and their surroundings), which significantly helps those who want to reach the inner parts of the city by bike. A particular feature of bike-sharing systems is that they are not used for the whole journey, but only for part of it. BKK also claims that the average user uses less than half of the 30-minute free travel time. Most people therefore use the Bubi primarily for internal urban transport, typically between points that are not directly connected by public transport. On the other hand, B+R car parks, modelled on P+R car parks, have started to appear (scattered for the time being, but), offering a parking service for cyclists on their own bicycles, who can then take the metro or tram to their destination. The same can be done in the city centre with micromobility points, where you will mostly see e-scooters, but which are designed to allow anyone to park their own bike.

According to BKK data, the improvement in the quality of the bike-sharing service correlates spectacularly with the increase in the number of users. In the year before the introduction of Bubi 2.0, the system served 340,000 rentals, while last year between May and October, more people used the green bikes every month. This growth is not limited to Bubi, as data from the measuring points deployed by BKK show that since 2019 (at least at the measuring points), the number of cyclists has increased significantly (last year was an exception, but this year the data for the first four months show an increase again).

Designated cycle paths will also help to encourage more people to see cycling as a vehicle and not just a sport. The cycle lanes on the Great Boulevard, Váci or Üllői roads have all helped cyclists to reach their destinations quickly via the main roads, rather than having to ride at a slow pace through small, winding side streets, signposted with cycle lanes, and constantly looking over cars parked on the side of the road to see if an SUV is coming across their path at the next crossing.

Bike lanes marked out with bollards will also give less confident cyclists and parents cycling with their children a greater sense of security. Meanwhile, the opening of the Chain Bridge (Lánchíd) for cycling has created an important link between the cycle paths on the inner Buda and Pest sides, so that the sections between the Margaret and Petőfi bridges are no longer just a place to cross on foot or slalom between cars.

ALL BIKEPATHS LEAD TO THE CITY CENTRE

Of course, just because the city centre is well covered in terms of cycle lanes (although a future pedestrian-friendly Pest quay would certainly benefit from another cycle lane), it does not mean that there is nothing to improve. Bollards may give cyclists a sense of security, but in the longer term it may be worth considering a more distinctive separation between car and cycle lanes. This would not only allow cars and bicycles to use the space more safely, but could also curb the growing phenomenon of motorcyclists trying to cut in front of cars in the bike lanes at peak times, endangering cyclists. Separating cyclists would not only protect their safety, but in many cases also that of pedestrians, since in many places cycle lanes can turn into cycle lanes and lead onto pavements full of pedestrians, which can be extremely dangerous in narrow (but busy) sections. A good example of this is the upper Buda embankment between the Szabadság and Erzsébet bridges, where the limited space means that neither cyclists can enjoy the momentum of the sloping terrain nor pedestrians the panoramic view of the Pest side, as both groups need to keep a sharp eye on each other to avoid accidents.

Suburbs should not be forgotten when planning the road network. Cycle paths and cycle lanes along the main roads are becoming more and more popular in the capital, but it is also important to make further improvements to high-traffic roads such as Szentendrei út or the outer parts of Üllői and Váci roads, thus contributing to fast and safe cycling for cyclists in the outer and peripheral areas.

However, infrastructure investment outside the city centre should not only focus on creating connections between neighbourhoods. A basic principle of post-modern urban planning is that the outlying districts of large cities should not be mere dormitory settlements, but should have their own urban core and functions serving local residents. This implies creating transport links between these points, with bus routes, pavements and, of course, cycle paths.

A very positive change in recent years is that more and more bicycles can be transported in BKK vehicles, which is not only useful in case of a more unfortunate puncture, but also in case of a sudden downpour or even just tiredness, which can force people who do not want to leave their bikes behind to use BKK. And although for the time being only older, non-low-floor trams can carry bicycles, the Centre for Public Transport tested the feasibility of this on the new CAF vehicles at the end of last year. The real breakthrough in this area, however, would be to make it possible to take bicycles on metro trains. It may sound far-fetched at first, but this is already common practice in many European cities, with people routinely taking their bikes underground. For example, on the Amsterdam metro, bicycles are not allowed during rush hour (between 7am and 9am and 4pm and 6.30pm on weekdays), but this is the only restriction. Prague has taken a different approach, allowing bicycles to be carried all day, but in order not to cause undue inconvenience to passengers, this is limited to the first and last carriages of the train.

BUBI THREEPOINTZERO

The recently announced Bubi 3.0 promises a lot of timely innovations, and while there are some important improvements that have not been mentioned yet, the direction is welcome. In BKK's defence, since the new system will only be operational from 2026, there is still time to work out the less 'spectacular' points, but it would be good to know sooner rather than later whether the electric bikes that are to be introduced will only be subject to higher pass prices or whether the per-minute charges for over-use will also increase. Another important question is to what extent the prices for "normal" bicycles will change. In addition to the electric bicycle mentioned above, other types of bicycles have also been discussed by Bubi operators, such as the Bubi equipped with a child seat and the cargo bicycle.

Another important development will be the increase in the number of stations, and this will be done in two different ways. On the one hand, the inclusion of micromobility points is timely, as since the 2021 revitalisation, docks are no longer needed to unload bikes, and the newest stations no longer have them, so the only difference between the new Bubipoints and the micromobility points is the presence of a sign indicating the station.

On the other hand, the system is promised to be extended to the terminus of metro lines 2 and 3, reaching even more potential users in the most frequented areas of the capital. This brings both opportunities and risks. Potentially, the suburban Bubi stations are

expected to increase cycling traffic towards the city centre, which in turn will be a driver for further suburban cycling infrastructure development. Thus, if all goes well, we can expect further expansion of the cycle path network, with new B+R parking. The abundance of new stations, however, also poses challenges. Anyone who regularly commutes to Bubi has probably come across empty stations, possibly with bikes that just couldn't be picked up. Although 3.0 will also bring a significant increase in the number of bicycles, the large number of stations can still be a major logistical challenge for BKK to ensure that there is always a station within a few minutes' walk of a person in the city centre with at least 2-3 bikes available for use.

However, what was not mentioned at any level, but already in the case of the BudapestGO app, which is still available under its maiden name, Futár, it was incomprehensible why Bubi access is not integrated into BKK's own application. The topic is also interesting because BKK usually stresses that Bubi and public transport should be understood holistically, as part of one system, the two not only fit together but also complement each other. This is further reinforced by the fact that in the BudapestGO application, when planning a journey, you can not only plan a bus-tram-metro route, but also plan cycling routes and even Bubi + public transport routes, which take into account the fastest or safest cycling routes. Meanwhile, the dedicated MOL Bubi app has no such option, only to buy tickets/passes and pick up bikes. It may not be worth maintaining a separate app for these, these functions could be incorporated into BudapestGO, which includes all other BKK services. The optimal long term extension of this would be to allow the use of Bubi Budapest with a season ticket.

WE ROLL FORWARD, NOT BACKWARDS

But that probably won't stop anyone from using the Bubi, and especially not from cycling in the capital. It is fair to say that, although cycling habits and thinking about the function of cycling have not yet reached the level of countries that are considered to be world models (the Netherlands, Denmark), thanks to the thoughtful development of cycling infrastructure in recent years, we have a European-level cycling network, one of the key elements of which is the good quality bike-sharing network provided by Bubi (as well as a number of other developments not mentioned due to the limitations of the content of this article, such as free urban service and pump points and the outdoor bike storage units that have appeared in housing estates in recent months). As I said, the system is far from flawless, but it works well not only in Hungary but also in Europe. And the intention of BKK

and the capital city is to improve the system and the infrastructure around it even further, making it more accessible and convenient to use. If we were only as far behind the Western European model countries in everything as we are in metropolitan cycling, we would probably not be at the bottom of the EU league tables.

Race for Budapest

The campaigns of the Lord Mayor candidates and the possible composition of the Municipal Assembly

Analysis of the Republikon Institute



SUMMARY

- Of the three candidates for lord mayor, Gergely Karácsony had the best chance of being re-elected, but Alexandra Szentkirályi's withdrawal turned it into an uncertain situation.
- However, the withdrawal of Szentkirályi might not help to replace Karácsony.
- The new electoral system could make the General Assembly of Budapest even more diverse, with at least four and up to seven lists of candidates.
- Whoever wins the mayoral election, the winner will face a serious challenge to build a stable coalition in the Assembly.
- Given the coalition constraints, the cooperation of Karácsony and Vitézy, who have similar political ideas, can be expected
- Peter Magyar's declared aim is to make the TISZA Party the tip of the balance, without them no one can create an Assembly majority
- In the 2024-2029 cycle, the decision-making processes will be longer, and their resolution will only be possible through compromises

INTRODUCTION

The 2024 municipal elections in Budapest were already surrounded by a number of conflicts at the beginning of the year. Opposition parties running together in 2019 have split into several factions, sparking heated political debates in several districts over candidate selection and cooperation. With changes in the electoral system over the past six months, a shift in the political climate and the emergence of new actors, we are facing the most difficult election to predict in decades. This is particularly true in the capital, where even in recent weeks there have been substantial developments with the entry of the Tisza Party to the competition by participating in the elections to the General Assembly of Budapest. The two most important questions for the governability of the capital are who will win the election of the Lord Mayor and how the General Assembly of Budapest will be structured. Our analysis looks at these two issues, i.e. the candidates for mayor, their political character and campaign, and the possible composition of the General Assembly.

THE CANDIDATE FOR LORD MAYOR

Although there were four candidates for mayor, our analysis only looks at the two whose support has been the highest in recent months and still running. On the one hand, because András Grundtner, the candidate of Mi Hazánk, is not even considered by his own party to be a likely winner, his candidacy is rather demonstrative, and on the other hand, because his support among the capital's residents is by all measures rather low, and his gap is significant compared to any of the members of the Karácsony-Vitézy duo. Moreover, the visibility of his campaign was minimal, and his presence was more to show that Mi Hazánk could run a candidate for mayor even in the capital, which they considered to be 'left-liberal', and that this would allow them to run their own list for the General Assembly of Budapest.

With the withdrawal of Alexandra Szentkirályi on the 7th of June, only two days before the elections, created a completely new situation. The fact that he called on his supporters to vote for Dávid Vitézy could have a major impact on the final result. However, as Szentkirályi herself is not running, she will not be discussed in depth in this analysis. That is why we will analyse the two candidates considered as the front-runners: Gergely Karácsony and Dávid Vitézy.

Gergely Karácsony

As in the 2019 election campaign, Karácsony emphasises his commitment to green policy and social issues. As the incumbent, he talks about the achievements of the city government over the past five years and the future goals that will be pursued in the same spirit. In his speeches, he has highlighted the difficulties of a term that is coming to an end - the COVID-19 epidemic that broke out a few months after he took office, the energy crisis in the wake of Russia's war in Ukraine and the significant government cuts - and the fact that the capital has managed to remain functional and to make significant investments in a challenging period, such as the renovation of the Chain Bridge and the completion and full accessibility of the M3 metro line. In his programme, Plus 5 Years for Budapest, focuses on reducing housing (and related) costs, improving public transport and the city's natural environment, and aims to increase the average life expectancy of Budapest residents by 5 years.

Beyond building his own political character, it may be important to examine his relationship with Vitézy. It is worth doing this primarily because there was almost no substantive interaction between Alexandra Szentkirályi and Dávid Vitézy besides Szentkirályi's withdrawal in favour of Vitézy.

His relationship with Dávid Vitézy is really complex and ambivalent. Dávid Vitézy was State Secretary for Transport in the fifth Orbán government, and previously CEO of BKK during István Tarlós' first term as Lord Mayor. Gergely Karácsony said at the beginning of the campaign that he considered Vitézy as Fidesz's candidate, and he predicted that either Alexandra Szentkirályi or Dávid Vitézy would withdraw at the end of the campaign. With the events of June the 7th Karácsony's prediction came true. In addition to his government party affiliations, Karácsony also attacks Vitézy for his professional past, pointing out that BKK, which at the time operated under the Fidesz city government, opted for a renovation by a Russian manufacturer instead of a complete replacement of the M3 metro trains, and blames Vitézy for the billions spent unnecessarily on the failed e-ticketing system. Meanwhile, Dávid Vitézy is calling the current Lord Mayor to account for not keeping some of his promises and for what he sees as Gergely Karácsony's use of the mayor's position as a stepping stone to becoming prime minister. According to Vitézy, Karácsony is still in debt for the realisation of developments that cannot be explained by the government's withdrawal of resources.

The relationship between Vitézy and Karácsony is adversarial at the level of communication panels, but both were open about their potential cooperation under certain conditions. This was also because, although there are differences in the political vision of the two candidates, elements such as improving public transport, greening the city and alleviating the housing crisis are at the forefront of both their programmes. The policy similarities can therefore lead to inevitable alliances. However, Szentkirályi's and the Fidesz's support in favour of Vitézy may mix this situation up. As according to Karácsony, Vitézy is now considered as a candidate of the right-wing governing party, it may complicate the possibility of cooperation. Previously Karácsony and Vitézy both spoke about working together with the other. However, after the withdrawal Vitézy said that as Lord Mayor he will not have a deputy mayor from Fidesz or the Left-wing coalition (including Karácsony). It is likely that, while a few weeks ago Karácsony openly discussed that in certain circumstances he would ask Vitézy to be his deputy, now Karácsony will refuse to cooperate with Vitézy.

Dávid Vitézy

Dávid Vitézy presents himself as the third way choice, apolitical, technocratic candidate who is passionate about the capital (and especially about transport), but who takes on a political role in order to contribute to the development of Budapest. His campaign slogan, "Real urban development instead of a party-political battlefield!", also emphasises the reinforcement of the expert image he has previously developed. This image is further reinforced by his 101-point programme and the fact that his association's candidates are typically urbanists, cultural figures or businessmen. However, the fact that Vitézy is a candidate for LMP as well as his own NGO weakens the image of being completely independent of politics, as well as the backing of Fidesz. After Szentkirályi's withdrawal it will not be easy for Vitézy to maintain the third way image of himself, but still tries to do that. However, the fact that the Orbán-government's propaganda media and the Fidesz funded influencers started to openly support Vitézy, the image of the political outsider might shatter.

Five years ago, LMP backed Karácsony as a candidate for mayor and in 2021 for prime minister, but the party has since had a strained relationship with the former politician. Gergely Karácsony and LMP president Péter Ungár have openly attacked each other during the campaign, Ungár often being much more critical of Karácsony than Vitézy, but these attacks are more political than urbanistic-urban management based.

Dávid Vitézy's programme focuses on similar themes to Gergely Karácsony's, and their policy ideas on the city are similar. He tries to differentiate himself from the mayor with the aforementioned expert role and by implying that he wants to represent "Budapest beyond the boulevard", and a key element of this communication panel is his opposition to the redevelopment of Clark Ádám Square, which he would rather use the funds to develop suburban hubs.

Withdrawal

The idea that Vitézy or Szentkirályi would step down in favour of the other was first raised by Karácsony, and for a long time, it seemed to be a campaign tool to nominate himself as the only non-Fidesz candidate. But as Szentkirályi withdrew from candidacy, it created a new, complex situation.

The resignation of Szentkirályi means a serious loss of prestige for Fidesz. Not only because the Budapest organization of Fidesz has been completely reorganised under Szentkirályi, but also because the party last ran its own candidate for mayor in 1998, János Latorcai, and

since then both Pál Schmitt and István Tarlós have run as Fidesz-backed but outsider candidates, neither of them being Fidesz members at the time of the elections (Schmitt later joined, Tarlós did not). Szentkirályi was Fidesz's first own Budapest candidate in 26 years, so with her step aside in favour of Vitézy, who is not an independent but a candidate of another party, it may do considerable damage to Fidesz's standing. Not least for practical reasons, it might be a counterproductive move, as it means that Vitézy would become Fidesz's candidate (at least a candidate that is backed by Fidesz), which could discourage Vitézy's voters who want to distance themselves from both Fidesz and the left-wing coalition. Moreover, it can be counterproductive, because Karácsony would probably find it even easier to mobilise his own voters by claiming that he was right on the issue of Vitézy being a Fidesz candidate.

LISTS COMPETING FOR SEATS IN THE GENERAL ASSEMBLY

For effective governance of the city, it is not enough for one candidate to win the title of Lord Mayor, but he or she must also secure a majority in the assembly, as only one of the 33 representatives is the Lord Mayor. Under the electoral rules, that were amended last year, the remaining 32 seats will be decided by a list vote. Since list voting is proportional and, unlike in the case of parliamentary elections, the threshold is 5 percent even in the case of joint candidacies of several nominating organisations, there is a good chance of a more diverse Budapest Assembly than at present. Of course, it is still unlikely that all parties and organisations will get in, but based on the social support measured in recent months, the following lists have a realistic chance of doing so:

- DK-MSZP-Parbeszéd
- Fidesz-KDNP
- Mi hazánk
- MKKP
- Momentum
- TISZA Party
- With Dávid Vitézy for Budapest - LMP

2024 is a turbulent year in Hungarian politics, and this is especially true for the capital. New alliances have been formed, while at the same time, some previous cooperation has so broken down that the parties are running against each other. Meanwhile, several new, highly popular players have entered the scene, while support for other parties has waxed and waned. It is therefore difficult to estimate exactly how the 32 seats will be distributed among the candidates, and it is also possible that one or more of the parties that are close to 5% in national polls (Our Home, MKKP, Momentum) will fall below the threshold and will not be able to delegate any members to the Assembly. It is almost certain that no scenario can be expected in which any of the lists alone could win a majority of seats. For this reason, coalition pressure can be expected, whoever wins the mayoralty. It is therefore worth taking a look at which candidates can count on the support of which parties in the capital's government.

Alexandra Szentkirályi may not be a candidate anymore, but she is still the leader of the biggest party's list. The Fidesz list has a good chance of winning the most votes in the general election, given the division of opposition parties. However, it is unlikely that the governing party candidates alone will win more than half of the list votes, as Fidesz tends to perform less well in Budapest than nationally. The same is true for Mi Hazánk, the only party that, based on our current knowledge, could be a potential cooperation partner for Fidesz. Nevertheless, the two right-wing parties together are unlikely to create a majority in the Assembly, as Mi Hazánk's national support has been declining in recent months and could easily slip below the 5% threshold in the traditionally less right-wing capital. Even Fidesz was to win the list voting, the governing parties would probably not be able to create a stable majority behind her in the capital, but at most they could cooperate with other parties on issues, but this could force Fidesz to make compromises that would affect the image of the party as a potential governing force.

Gergely Karácsony could count on their support as a candidate on the DK-MSZP-Párbeszéd list, and on that of Momentum, which has a separate list but is declared to support Karácsony as a mayoral candidate. Momentum's recent weakening means that they can also be left out of the Assembly (but unlike the radical right-wing party, the liberal Momentum is stronger in Budapest than nationally). Even if they succeed in staying in, with them it is still unlikely to have a majority for the left-wing coalition, and this is uncertain even if they manage to win the support of MKKP, which is closer to them in terms of worldview but has deliberately stayed away from opposition cooperation (their national support has also suffered in the last few months).

The joint list of Vitézy Dáviddal Budapestért Association and LMP could face a similar problem as Karácsony, even if the former BKK CEO wins the mayoral election. Although Vitézy deliberately built himself up as a candidate acceptable to MKKP during the campaign (he publicly supported MKKP president Gergely Kovács in the XII district primaries, he was the only candidate to attend the debate organised by MKKP's candidate for mayor of Újpest), it is unlikely that the two lists together will be able to win a majority, and this would probably not change substantially if Momentum, which has been trying to keep a greater distance from left-wing parties since 2022, joined them. But the Momentum-Vitézy rapprochement may also be hampered by Szentkirályi's move. It is also worth saying, as was mentioned at the beginning of the analysis, that Karácsony and Vitézy could probably cooperate more easily with each other on the basis of their similar urban and political visions than with Fidesz and the TISZA Party. Therefore, if MKKP and Momentum also get into the Assembly, and the DK-MSZP-P and Vitézy list is strong, they might even win a slim majority, which would mean a very fragile cooperation, so the role of compromise would be huge. This would mean slow and sometimes seemingly cumbersome governance, but in many cases, the inclusion of new aspects could be beneficial to the citizens of the city in the long run. It could set an example of how politics should be about cooperation between social groups and often compromise as a result, rather than the majority opinion imposed on minorities. In such a situation, Gergely Karácsony would be similar with the situation, since he has already had to govern the capital together with several parties and independent candidates during the current term, and Dávid Vitézy would be ready to work with him, judging by his statements so far (at least that was what he said until Szentkirályi's withdrawal).

However, the four parties may not even reach a majority in the Assembly together. The reason for this is that the TISZA Party has announced that it will set up a list, but its elected representatives will be willing to cooperate with any of the blocs only and exclusively on issues. Based on national measurements, Péter Magyar's party is likely to make a strong appearance in the assembly elections, but in the case of TISZA, it is not even possible to predict whether the party's support in Budapest is higher or lower than the national average. Thus, if they do well enough, it is quite possible that none of the mayoral candidates will be able to create a majority behind them without the support of Péter Magyar. The leader of the TISZA Party has said that his aim is to force Fidesz and the DK-MSZP-P list to cooperate, supporting his claim that the two political blocs are colluding behind the scenes. However, deliberately staying out of the decision-making process could be counterproductive for the party, so it is most likely that they will work with the different

factions in their own interests. Potential allies could include the MKKP, as Péter Magyar has previously made positive comments about the candidacy of the party's president for mayor, and Dávid Vitézy. However, when Magyar was asked earlier about the former state secretary, he replied that Dávid Vitézy was a Fidesz candidate (Vitézy, however, repeatedly stressed during his campaign that he would be happy to work with Péter Magyar).

It can therefore be said that each of the candidates for mayor and the four grand lists can count on allies, but no one is likely to be able to build a stable majority in the Budapest Assembly. While this will create difficulties for some of the players (as they will have to do the political work to build support for each decision), it may also have positive effects and in the long term, it may help to spread democratic thinking and strengthen a culture of compromise. This process has already begun in recent years and could be significantly strengthened by the likelihood that parties that are not clearly allied with each other will have to work together. This in turn will lead to a slowing down of decision-making, depending on the current level of contestation, so that whoever wins the mayoralty is likely to be attacked on his or her ability to govern.

CONCLUSION

Gergely Karácsony is being in a tough situation from Alexnadra Szentkirályi's withdrawal, he might have a chance to retain the position of Lord Mayor. Dávid Vitézy primarily questions the professionalism of the mayor's work. Karácsony's best chance of winning is to present himself as the only candidate with no Fidesz ties. Fidesz's support of Vitézy after Szentkirályi's withdrawal strengthens this narrative. It may further reinforce this image and could better mobilise voters who want to vote against Fidesz. The current Mayor of Budapest is not in such an easy position in the case of the Municipal Assembly. Due to the reformed electoral system, at least four lists will be included in the body, but if the smaller parties reach the lower threshold, up to seven parties could be represented. Because of the split, it is expected that whoever wins the mayoral election, all candidates will have to form coalitions behind them. Fidesz has the worst chance of building a majority, but the parties in opposition nationally could also face difficulties. Whether Karácsony or Vitézy becomes Budapest's leader, they will need to win the support of each other to have a stable government, as well as Péter Magyar, whose party is seeking a balancing role in the Assembly.

Strengthening Mayors, Weakening Opposition

Evaluation of the Budapest Elections

ANALYSIS BY REPUBLIKON INSTITUTE



SUMMARY

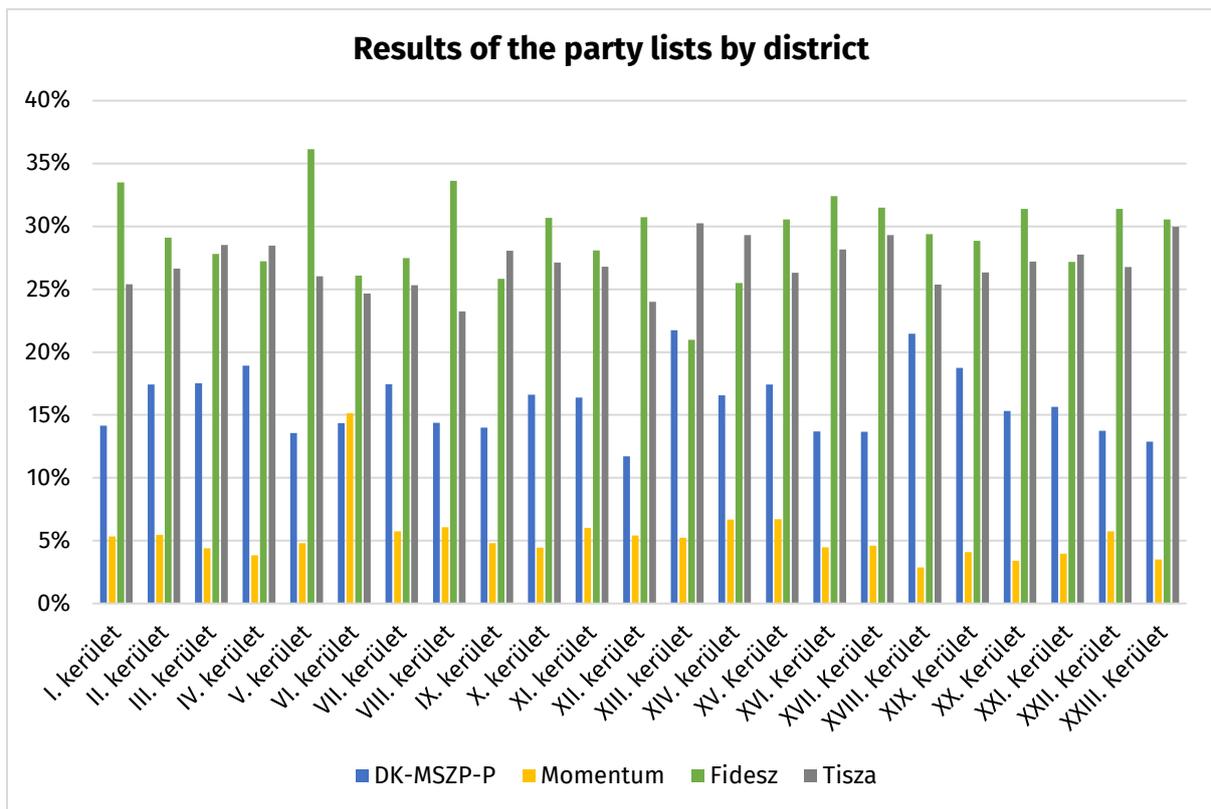
- The Budapest City Assembly will be completely transformed, no party will be able to govern Budapest without compromises, the new leadership will have to work together with either Tisza or Fidesz on specific issues
- The Tisza Party has defeated Fidesz in several districts, and both parties can delegate 10-10 members to the Assembly. However, they are unwilling to cooperate with each other or with the other parties on a lasting basis, which will further slow down decision-making and give the two parties considerable potential for blackmail
- In total, four mayors have changed, but in two places this has not meant a change of sides in the party political sense
- In almost all cases, the incumbent mayors' relative advantage over their strongest challenger has increased, so the incumbency effect has been strong, but the weaker mayors face the challenge of a possible Tisza Party in five years' time

BUDAPEST CITY ASSEMBLY

After the recount, Gergely Karácsony still won the election for Mayor, but he will have a much tougher job in the next five years. Even though there will be the same number of opposition and Fidesz district mayors in the new term starting in the autumn, the amendment to the electoral law means that Budapest City Assembly will once again be composed of members who have won seats in the list vote. Nevertheless, this is the right thing to do: the self-government of Budapest is better served by an assembly that functions independently of the districts than by an unjustified confusion between the metropolitan and district levels.

On the opposition side, however, there has been a major reshuffle: the Tisza Party has won as many seats in the Budapest Assembly as Fidesz, the DK-MSZP-Párbeszéd alliance has lost seats, and Momentum has not been elected to the Assembly this time.

The ruling party's list generally received more votes in districts where the Fidesz mayoral candidate performed well, and the same correlation is true for the left-wing parties and Momentum lists concerning opposition mayoral candidates. The distribution of the Tisza Party's results, however, is much more interesting. The party achieved an average of 27 percent in the districts, with only a 7 percentage point difference between its best and worst results in Budapest, resulting in a very low standard deviation of 1.8 percentage points from the average result.



The equal number of seats for Tisza and Fidesz means that the city government will not have a permanent majority in the next five years (the two parties have a total of 20 seats out of 33), and will have to cooperate on issues with the Tisza Party or Dávid Vitézy. If Péter Magyar's party proves to be constructive, this is not necessarily a bad thing, since - however naive it may seem - forward-looking professional debates help decision-making and transparency. It is important, however, that we do not have a situation like the one in Esztergom between 2010 and 2014, when the Fidesz majority in the city council practically paralysed the city's operations by refusing to cooperate even minimally with the opposition mayor Éva Tétényi.

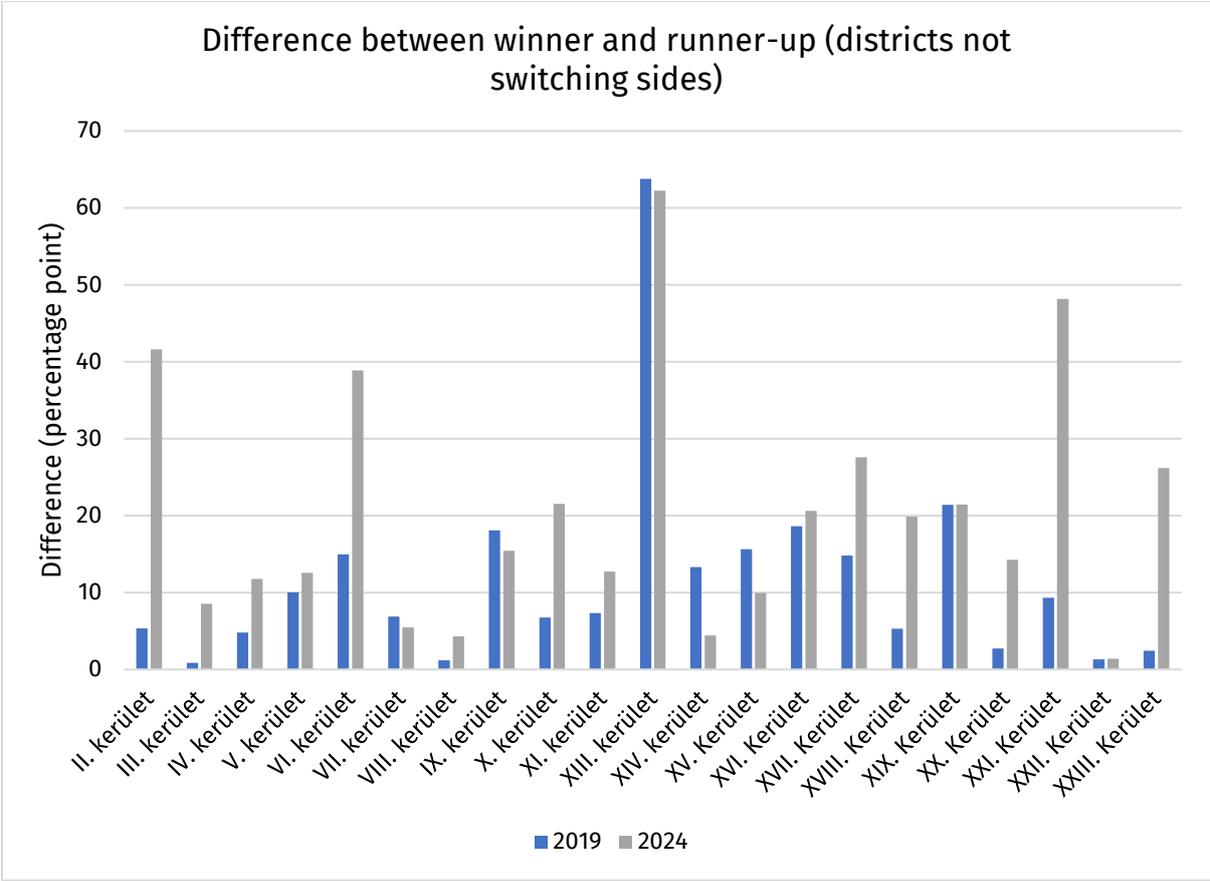
THE DISTRICT RESULTS

In the districts as a whole, the balance of power has not changed significantly. Fidesz retook the lead in district I, while the opposition won in district XII. In district V. Márta Naszályi's mayoralty was already overshadowed in 2022 when the Fidesz candidate won the by-election for the Momentum deputy mayor's seat, who had left for Parliament, resulting in the mayor losing her majority in the council.

In Hegyvidék, the results of the previous parliamentary elections had already shown that after the retirement of Zoltán Pokorni, who had led the district since 2006, the opposition had something to gain in the XII district (Miklós Hajnal won the single-member constituency with 48.42% in the 2022 parliamentary election), and this expectation was confirmed by the victory of Gergely Kovács of the Kétfarkú Kutya Party. Winning the mayoral seat of Hegyvidék is the first major victory for the organisation, which started out as a joke party, since its formation.

The strength of the opposition in Budapest is shown by the fact that several opposition politicians stood (or became) mayors against the Fidesz candidate. This is how Péter Niedermüller remained mayor in VII, András Pikó in VIII and Krisztina Baranyi in IX. In Zugló, another opposition victory was achieved when Csaba Horváth, former MSZP mayor, was replaced by András Rózsa, a Momentum candidate.

The incumbency effect of the incumbent mayor running with a lead was felt in almost all districts. In 16 of the 21 districts where there was no party-political change of side (in districts IV and XIV the mayor changed, but the districts remained opposition), the incumbent mayor was able to increase his lead in 16 districts compared to five years ago.



In 5 districts where this did not happen, there are 3 where this drop only happened because there were more candidates than in the previous election. In the IX, XIII and XIV districts, if we add up the results of the opposition parties' candidates, their relative advantage already exceeds that of 2019. There were two districts where the mayor achieved a worse result than before compared to his strongest challenger, despite the fact that none of the parties of the former coalition ran their own separate candidate. Not only did Angéla Cserdiné Németh lose her percentage point lead, she also received fewer votes than five years ago. In contrast, Fidesz fielded a new candidate who won more votes than the 2019 candidate. In addition, the district saw relatively strong results for a civil candidate and Mi Hazánk (8 percent and 7 percent).

Péter Niedermüller was the mayor with the lowest percentage of votes to retain his seat. In his case, there were not only Fidesz, but also Kétfarkú Kutya Party and two civilian challengers, all of whom achieved relatively confident results. In the end, the fragmentation of the vote resulted in a victory for the DK candidate.

The interesting thing about the district mayoral elections is that the previously successful pro-government mayors were unable to regain their positions anywhere. Although the candidacies of the former Fidesz mayors gave us an idea of which districts Fidesz sees a chance to win back and which districts it considers important to win back, Balázs Bús of district III, Zsolt Wintermantel of district IV, Botond Sára of district VIII and Attila Ughy, the former Fidesz leader of district XVIII, did not become mayor again. All four candidates trailed the incumbent mayors by a larger margin than in 2019, when they lost their seats.

However, the now victorious Budapest mayors cannot rest easy in the long term. The list-based election of the Budapest City Assembly clearly shows that the Tisza Party must be taken seriously in the capital as well. Péter Magyar's party, which grew stronger at a tremendous speed after the pardon scandal, has become inescapable in a matter of months, which means that the time factor is the only reason why Tisza has not been able to compete in either the mayoral or district elections. And this is probably the last time that has happened.

CONCLUSION

The existence of an incumbency effect was key to the results in the capital. Almost all incumbent mayors have won bigger victories than in 2019. However, 9 June was also a success for newcomers, with the Tisza Party finishing second in the Budapest City Assembly list election, just behind Fidesz. This will leave a very divided and difficult to govern Assembly in the coming autumn. This means that Budapest will be governed only at the cost of serious compromises. At the district level, the I and XII districts have changed sides, with the biggest shift since 2019. The incumbent mayors were largely able to strengthen their positions, which they will need if the Tisza Party is to mount a meaningful challenge to them in 2029.

Karácsony vs. Vitézy

Evaluation of election of the Lord Mayor

ANALYSIS BY REPUBLIKON INSTITUTE



SUMMARY

- Alexandra Szentkirályi's last-minute withdrawal intensified the mayoral election, which had seemed decided, but following the recount, Gergely Karácsony still managed to win by 41 votes
- Although Szentkirályi's withdrawal almost helped Dávid Vitézy to win, it was a huge loss of prestige for Fidesz that they had to withdraw their first internal candidate in 26 years
- Dávid Vitézy was backed by Fidesz voters, but many opposition voters also chose him, while Karácsony was less able to reach his own potential camp
- Vitézy was stronger in the suburbs, and in districts with a higher number of cars per thousand inhabitants, thus Fidesz successfully built the "car chaser" topos against Karácsony

The campaign

A few months before the municipal elections linked to the European Parliament elections, we could hardly have imagined that the latter would cause more surprises in Budapest. On Monday, the Budapest Election Committee announced the results of the mayoral election, and on Friday the votes were recounted. According to the results, incumbent mayor Gergely Karácsony won by only 41 votes against LMP candidate Dávid Vitézy, who was even unseated at the last minute by Alexandra Szentkirályi, thus enjoying the support of the governing parties.

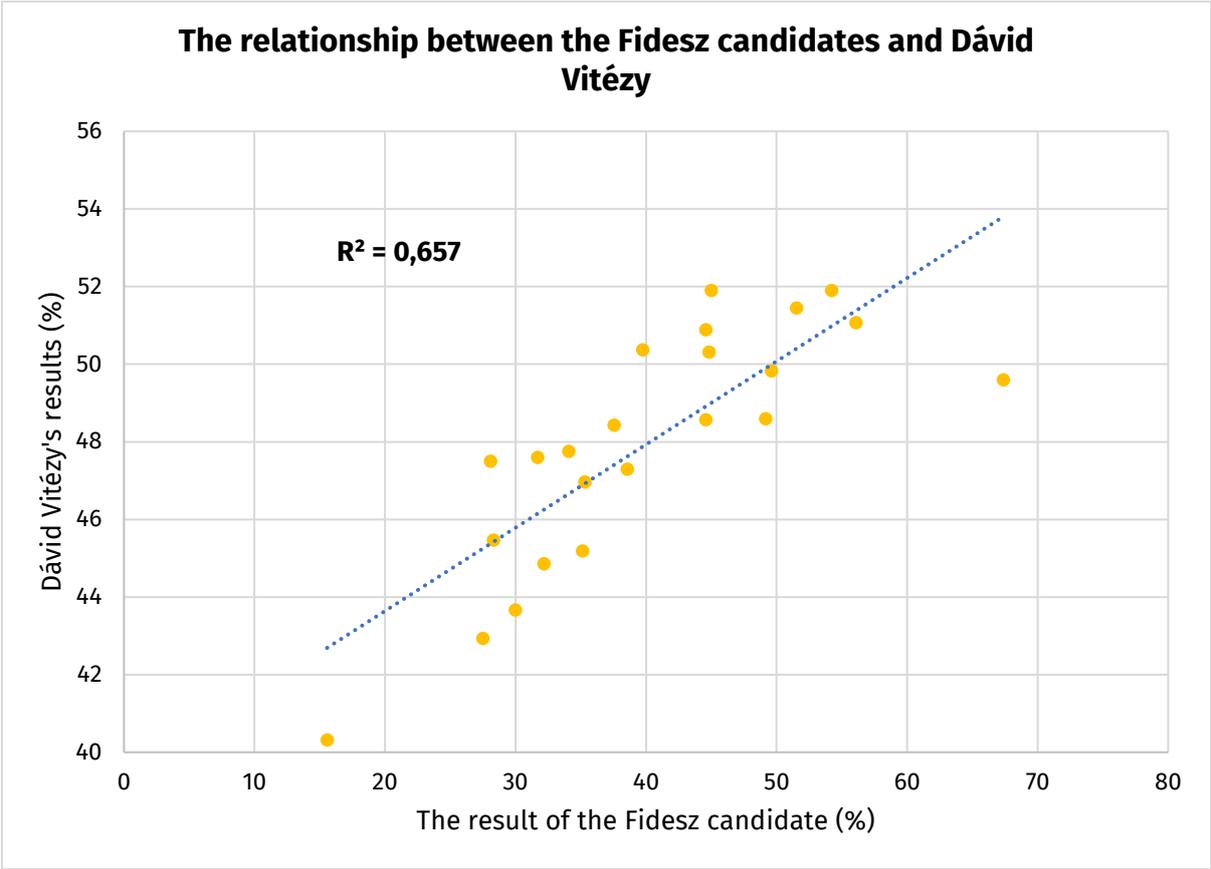
During the campaign, two strong positions emerged on Vitézy: while his supporters emphasised his expert image, his critics warned that the former CEO of BKK (Budapest Transport Centre), the state secretary of the Orbán government, actually represented Fidesz. This latter view was also confirmed by Péter Magyar, the de facto leader of the Tisza Party, which has burst onto the domestic public scene, who called Vitézy's candidacy a media hack by Fidesz. Whether he was right or not, we will never know for sure, but Szentkirályi's withdrawal and Vitézy's last-minute positioning reinforces the suspicion of a sophisticated electoral strategy.

After Szentkirályi's withdrawal, the situation became clearer: the claim that Dávid Vitézy was the Fidesz candidate was now filled with substance. From now on, the most important question in the mayoral election is who will outnumber the opposition voters who had previously emphasised his expert credentials and turned away from Vitézy because of his support for Fidesz, or the pro-government voters who, after Szentkirályi's withdrawal, will vote down Vitézy, who, incidentally, was treated with a conspicuous lack of gloves by Fidesz during the election campaign.

The dismissal of the Tarlós-era deputy mayor and former government spokesman is a serious loss of political prestige for Fidesz, the first since János Latorcai's candidacy in 1998, Fidesz has nominated a politician from the party's inner circles for Budapest (neither Pál Schmitt nor István Tarlós were part of this circle when they were nominated for mayor), but this time, too, a candidate from outside the party was nominated with the support of the governing party.

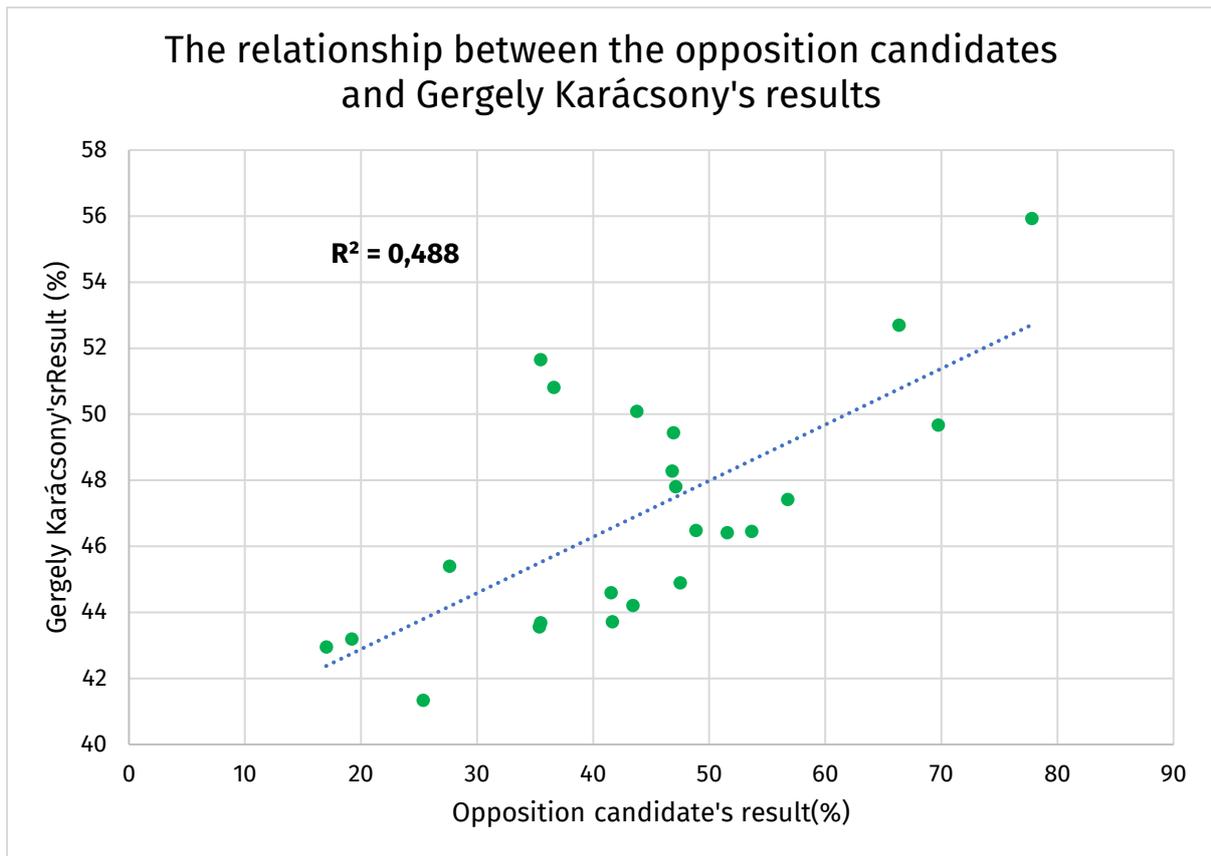
The mobilisation

The support of Fidesz has significantly increased Vitézy's support in the polls. While Fidesz only won 9 of the 23 Budapest districts (including the victory of Lénárd Borbély in Csepel, who was disqualified by Fidesz and his former Fidesz challenger, but still cannot be considered an opposition mayor), Dávid Vitézy beat Karácsony in 13 districts. The data show not only that Dávid Vitézy's voters outperformed the Fidesz camp, but also that the good performance of the Fidesz mayoral candidates and Vitézy's strong performance are linked.



The graph above also shows that there is a strong linear relationship between Dávid Vitézy's performance and that of the Fidesz candidates. It also shows that Vitézy was able to outperform poorly performing Fidesz candidates, so that a significant proportion of his voters come from outside the circles that traditionally support the Fidesz.

In contrast, if we examine the same relationship between Gergely Karácsony and opposition candidates, the data show that the correlation between the performance of opposition candidates and the result of Gergely Karácsony is less strong.



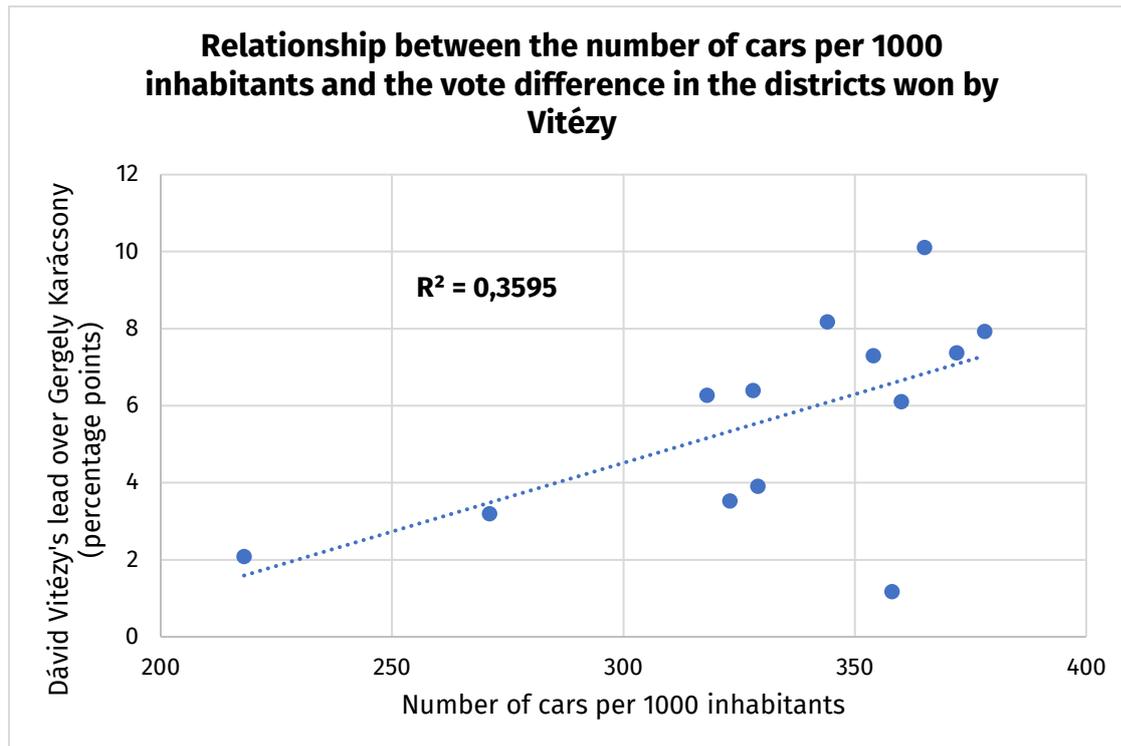
There were several opposition candidates who won a landslide victory, but Dávid Vitézy finished only marginally behind Karácsony, and in several cases (XII district, XVIII district) Vitézy even overtook him. Of the opposition candidates who performed very well, Tamás Soproni (VI), Krisztina Baranyi (IX) and József Tóth (XIII) managed to confidently outperform Vitézy in the districts of Tamás Soproni, Krisztina Baranyi and József Tóth. Outstanding among these is district XIII, where Karácsony not only won by a large margin (56% compared to 40.5% for Vitézy), but also, due to the high population, this meant a margin of about 9,000 votes, which is about 2.5% of the total votes for Karácsony.

Demographic factors

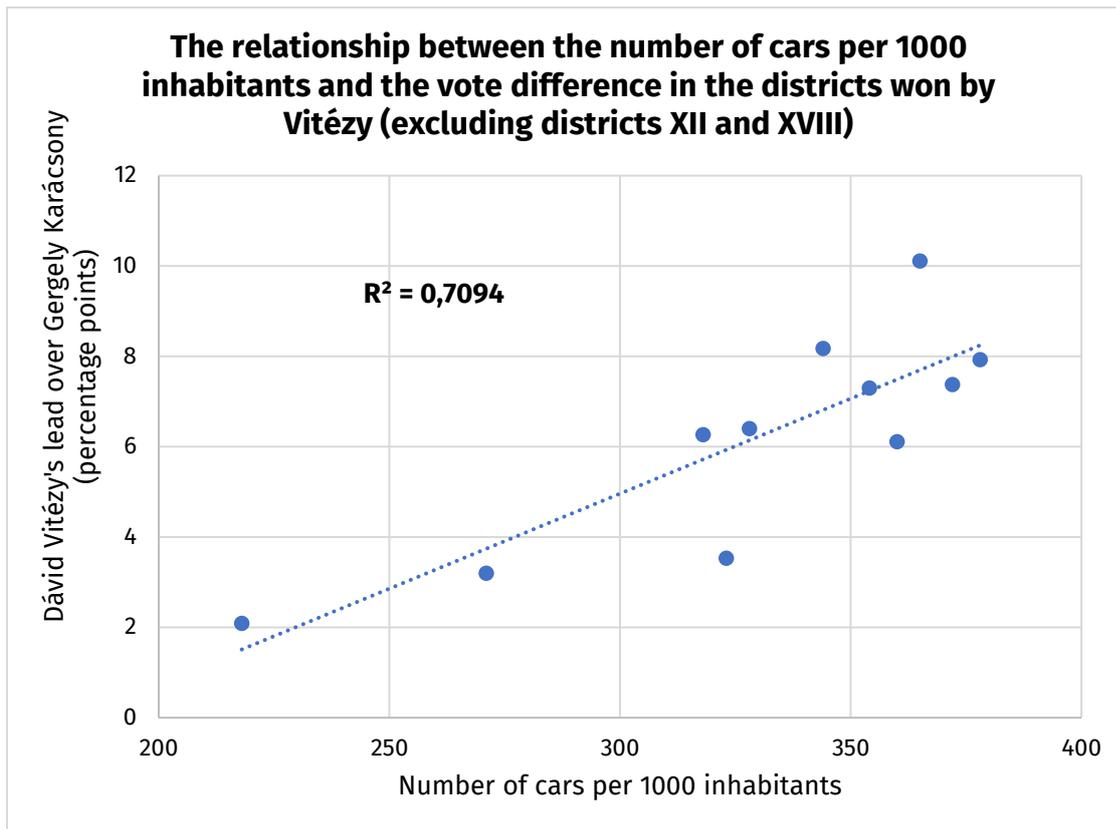
Karácsony and Vitézy had very close results in several districts, and of course there were also districts where one of them beat the other by a larger margin. Each district is sociographically very diverse, with many traditionally measured social indicators (income per head, education, religiosity) that are not at all correlated with either Karácsony's or Vitézy's results. What we see is that Gergely Karácsony is typically stronger in the inner city of Pest, while Vitézy has performed above average in the suburbs. However, it is not clear that the people of the suburbs are clearly Vitézy voters either, Karácsony won the IIIrd and

relatively confidently the IVth district, while in the XVIIIth district Vitézy only managed to outperform Karácsony by 1 percentage point.

However, a moderately strong correlation can be observed if we look at the 13 districts where Vitézy beat Karácsony in terms of the number of cars per 1000 inhabitants. Districts with a higher number of cars tend to show that Vitézy won by a higher percentage point margin.



This is a weaker correlation, but a reasonable assumption that there were 4 of the 13 districts where, although Vitézy won, the mayor was ultimately given to the opposition, and here a good opposition performance may have somewhat neutralised the characteristics that might be inferred from a vote for Vitézy. To test the plausibility of the hypothesis, we have taken out the two districts where opposition candidates won with a result above 50% (districts XII and XVIII).



In this case we see a very strong correlation. This shows that Dávid Vitézy, who is perhaps even more critical of car traffic than Gergely Karácsony, seems to be a better alternative for car voters with the support of Fidesz. It also shows that Fidesz has been able to successfully thematise their supposed opposition to Karácsony's car. So, if Gergely Karácsony wants to continue as mayor in five years' time, he will have to find a way to implement his traffic calming ideas without being able to burn the 'car-chasing' brand on him. It is questionable, however, to what extent concessions to motorists would be accepted by voters who support him because of his green image.

CONCLUSION

The withdrawal of Alexandra Szentkirályi was ultimately not such a good decision, as Gergely Karácsony still managed to win against Dávid Vitézy, and Fidesz essentially said that they do not have the right person to lead Budapest. Although Karácsony won by 41 votes in the final result, the narrow margin shows that Vitézy has the support not only of Fidesz voters, but also of a significant proportion of opposition voters. Vitézy's good performance is strongly correlated with that of the Fidesz mayoral candidates, but the correlation is less strong for Karácsony and the opposition candidates. Karácsony's support is lower in districts where the number of cars is higher, so Fidesz's strategy of portraying the mayor as anti-car has worked. It will not be easy for Karácsény to win back these voters, as one of the central elements of his green policy is to discourage car use and promote sustainable modes of transport (public transport, micro-mobility, walking).

Housing or renting?

The Airbnb-vote in Terézváros

Analysis by the Republikon Institute



SUMMARY

- Airbnb has quickly grown from a home-sharing platform into an alternative to the hotel industry, but unlike traditional hotels, hostels occupy properties in the city that can be used for long-term accommodation
- Many European cities have recognised that they can mitigate the housing crisis by regulating Airbnb, most notably Barcelona's initiative this summer to ban Airbnb completely in the city, and now Terézváros is preparing to do the same
- Almost one in ten apartments in Budapest's 6th district is an Airbnb site, accounting for nearly 20 percent of the capital's total short-term rental stock, while the district has the second highest rental rates per square metre
- The vote was won by a margin of around 7 percentage points, with a turnout of more than 20 percent, but this majority may not be enough legitimacy for the public to impose such a drastic ban
- The primary reason for the stringency of potential regulation is the centralised system of local government, which leaves municipalities with no other means than a ban, but such a strong measure could divide district residents
- It is important that, if Airbnb is indeed banned, the district should introduce rules in addition to the ban to motivate homeowners to switch to the long-term rental market, as without this the expected effects of the measure may not be achieved

THE SHARING ECONOMY AND THE AIRBNB

One of the most discussed economic terms of the 2010s was the sharing economy. The idea of this economic concept is that certain goods are shared by their owners with others, who then use them only as short-term tenants. These systems take many forms, often using information technology and the internet, in particular digital platforms, to facilitate the distribution, sharing and reuse of surplus capacity in goods and services. In an everyday example, this would look like if someone has a drill that he does not use all the time, but someone else needs one for a few holes, that person does not need to buy his own tool, he simply borrows the drill for an hour and then returns it for others to borrow.

These systems are now part of our everyday lives, just think of popular services like MOL Bubi, Green Go, Lime or Airbnb. The latter was originally conceived as a platform to rent out one's own apartment/house or even a guest room for a short period of time when away from home, thus attracting many new players to the short-term accommodation market, competing with hotels and ultimately lowering prices.

However, there is much criticism that the system has moved away from this concept, with landlords not offering their own homes, but much of the supply consisting of properties bought specifically for investment and run as short-stay accommodation all year round, and in many cases the operators are not private individuals but purpose-built businesses. The critics therefore argue that these apartments are essentially hotel rooms, but there are two points where they are seen as problematic compared to hotels. Firstly, they are concerned about the conflicts that may arise from the mixing of tourist accommodation and the living space of local residents. On the other hand, they criticise the fact that Airbnb accommodation directly reduces the number of apartments otherwise available on the rental market, and therefore the over-demand leads to an increase in rents.

It is difficult to find an exact figure for how much of the accommodation is rented out as originally conceived and how much is rented out permanently, so it can only be inferred that each accommodation provider is registered with one or more accommodation in the Airbnb system. According to a 2019 study, in Hungary, nearly 60 percent of those renting out apartments on Airbnb rent out at least two separate rooms or two separate apartments on the platform. However, this does not mean that 40 per cent of accommodation is only rented out on a temporary basis, but only that the accommodation provider who registered the accommodation has not registered another apartment or room on Airbnb.

Many see Airbnb (and similar platforms for short-term rentals) as a major cause of the current housing crisis in major European cities, and as a result there is increasing pressure on local and national governments across the continent to clamp down on the short-term rental market. Most recently, the city of Barcelona announced a dramatic change from previous legislation when, in the wake of anti-Airbnb and anti-tourism protests, it decided to ban short-term rentals in the city completely by the end of 2028. The decision caused a stir not only locally but also globally, with many arguments both for and against. It has also had an impact in Hungary, where this summer Budapest's District VI announced that between 2 and 15 September it would hold a crucial online vote for local residents to ban Airbnbs from the district.

THE SITUATION IN TERÉZVÁROS

Terézváros is located in the centre of Budapest, the district is basically along Andrásy Avenue. It is the second smallest but second most densely populated district in the capital. According to the 2022 census, the district has around 35,000 inhabitants, and according to the Central Statistical Office, 32 percent of the 29,000 apartments in the district are not inhabited. According to the AirDNA site (which is specifically designed to retrieve Airbnb data), nearly 20 percent of the roughly 15,000 Airbnb properties in Budapest are located in Terézváros. And according to data from ingatlan.com, the price per square metre of apartments for sale was 22 per cent higher than the Budapest average, as the average monthly rent for rentals in the district was around 10 per cent higher than the capital's average.

The district thus combines higher than average housing costs and a strong Airbnb presence with a locally popular mayor who, although a member of a liberal party, prefers to describe himself as a left-winger. Although there are 4-4 arguments for banning and not banning Airbnb on the website of the Terézváros municipality, Tamás Soproni has said in public speeches on the subject that he himself will choose between the two options.

THE CENTRALISED LOCAL GOVERNMENT SYSTEM

In Hungary, since 2010, an extremely centralised structure of local government has emerged, which is itself contradictory, with the tasks, the resources to finance them and the powers to mobilise resources (such as the power to levy taxes) being taken away from local governments year after year. Today, a local government can levy and determine around half a dozen taxes (local business tax capped at 2 per cent, tourism tax, building tax, etc.).

This narrow margin of manoeuvre is also a problem because, like the state, municipalities are basically tax collectors, one of the main fiscal instruments for so-called soft regulation. This means that the body competent in the matter does not use prohibitions or authorisations, but economic incentives to steer market players towards its preferred behaviour. Therefore, if local authorities do not have this competence, there are two possible ways to regulate Airbnb. Either the municipality decides, as Terézváros will do depending on the outcome of the vote, to ban short-term accommodation in the district, which it can do under its own powers, or it waits for a state regulation, which in turn will be national in scope by default. Such central regulation, however, ignores local specificities, i.e. the fact that problems do not manifest themselves in the same way in different municipalities, and therefore may require a different approach to their resolution. In Budapest alone, the distribution of Airbnb accommodation across districts is very uneven, and while in Erzsébetváros (District VII), for example, there are 4,300 Airbnb properties for every 38,000 properties (11.26% of the district's total), in the 15th district (District VII), for example, there are 5,300 Airbnb properties for every 38,000 properties (11.26% of the district's total). In this area of the city, therefore, short-term accommodation is presumably not a problem, as its presence is negligible, which shows that the two districts do not have the same regulatory needs.

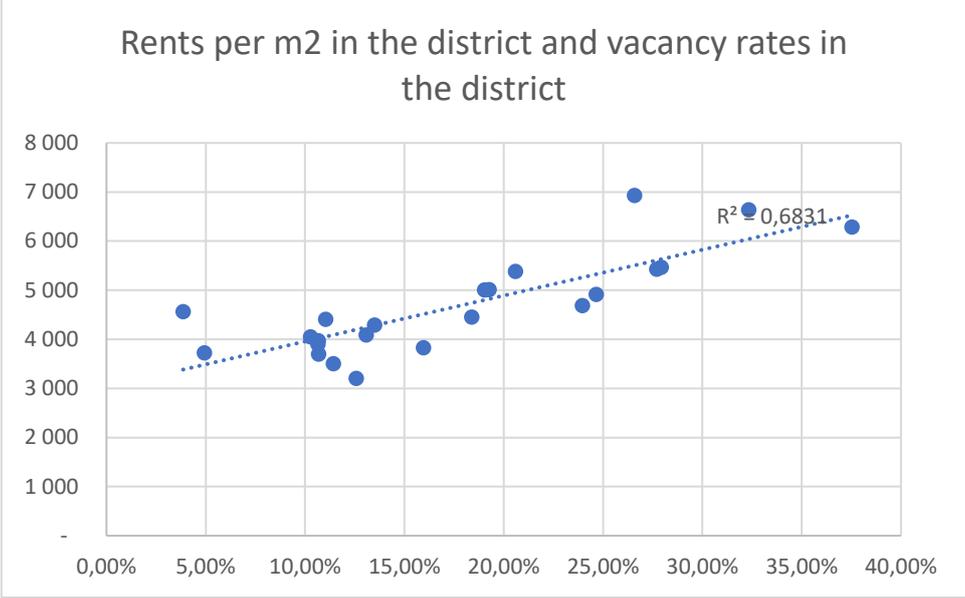
Internationally, the most attention on Airbnb is now focused on Barcelona, as the largest Catalan city decided this summer to ban short-term rentals until the end of 2028, in an attempt to mitigate the particularly severe housing crisis there and the anti-Airbnb and anti-tourism protests that have surrounded it. The extent to which the public in Barcelona is concerned about Airbnb is already demonstrated by a 2018 study that specifically addresses the externalities of Airbnb as a rent-increasing tool, so the issue is not new there either.

The study looks at how the spread of Airbnb has affected the rise in rents in Barcelona. One of the main pieces of evidence, according to the authors, is that the increase in rents was strongly correlated with the density of Airbnb in different neighbourhoods. By analysing the data, the study reveals that the impact of Airbnb on rent increases was significantly observed between 2013 and 2016, when the proportion of Airbnb accommodation per thousand dwellings increased significantly. The study attempts to distinguish between the effects of Airbnb and other factors that increase rental prices by including variables such as distance to the beach and intensity of tourism in the analysis. The authors' final conclusion is that, although other structural factors are present (e.g. liberalisation of the

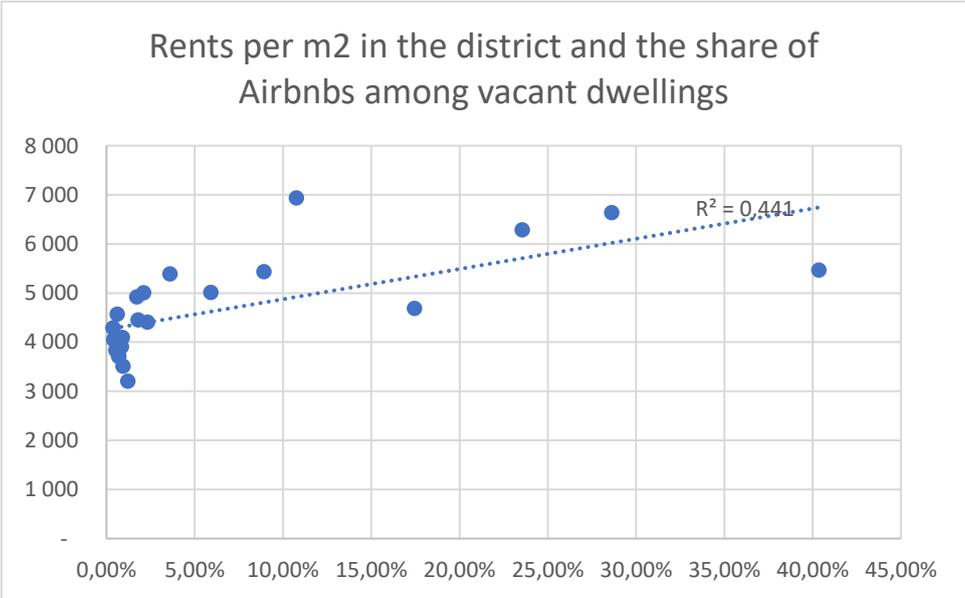
rental market), Airbnb plays a significant role in the increase in rental prices. But there are more ways to regulate, not just a total ban, which Barcelona has introduced and Terézváros plans to introduce depending on the outcome of the vote. A study last year compared the effectiveness of different regulatory methods (maximising the number of days a year and a total ban in the most touristic areas) on several dimensions. The study found that the two types of regulation have different benefits. A time limit reduces Airbnb supply to a lesser extent but is more effective in tackling so-called professional landlords, while a total ban reduces the number of short-term rentals in certain neighbourhoods more, but these regulations are more adaptable for professional landlords. The authors argue that a combination of both regulations is best for the public interest and to reduce pressure from Airbnb, but also point out that cooperation with actors that provide a platform for renting out accommodation (e.g. Airbnb) is essential. Without this, it is difficult to check that the rules are being complied with. The study concludes that such a regulatory mix could be effective in curbing the problem of Airbnb. However, it is not yet clear how far the roll-back of Airbnb in different ways will help to curb the housing crisis, reduce property prices and help to return inner-city areas to local residents. The reason is that it is only in the last few years that policy has started to actively limit Airbnb's previously unconstrained operations, and the social and economic impacts are typically longer lasting, not overnight changes in these dimensions¹.

The contribution of Airbnb to the large increase in house prices in Hungary in recent years has not been the subject of in-depth research. What is certain is that apartment and rental prices in the Budapest area have risen significantly. According to data from Ingatlannet, between July 2014 and July 2024, the purchase price of real estate increased by an average of 234%, while the price of rentals increased by 128% in the capital. This summer, average rents per square metre in the capital ranged from 3204 to 6934, depending on the district. The highest average rent per square metre is in the 1st district, followed by Terézváros, Belváros-Lipótváros, Erzsébetváros and Ferencváros. The reason why the unit rental costs are high in these districts can of course be explained by several factors (inner city location, prestigious neighbourhood, good public transport accessibility). One explanation could be that vacant properties reduce the supply of rental housing, which pushes up the equilibrium price. In the Castle and the four Pest districts, at least 25 percent of the total stock is unoccupied (32 percent in Terézváros, as we wrote earlier, but 37.5 percent in the V district). This does not mean, of course, that all of this is short-term rentals, as retail space and offices are also included in the figure. But what we can see from a regression analysis is that when we compare the square metre prices of the districts and the proportion of

unoccupied properties in the districts, we obtain a medium-strong regression (with a coefficient R2 of 0.68).



This is, of course, a basic economic assumption, since significantly lower demand and supply remaining at normal values leads to an increase in the equilibrium price. So this in itself has nothing to do with Airbnb. It is interesting to note, however, that if rents are correlated with the share of unoccupied properties that are Airbnb, the correlation weakens, but still shows a medium-strength relationship.



However, a regression equation alone does not tell us which of the two variables (rent and Airbnb presence) is the dependent variable (whose value is explained by the value of the other variable) and which is the independent variable (which determines the value of

another variable). So we cannot know for sure from this that the high Airbnb supply is the reason for higher long-term rental costs, or that the reason for the large number of Airbnbs in these districts is that they are more expensive and therefore offer a higher return on investment.

However, the problems of the housing crisis are not only reflected in rising house prices and rents, but also in the associated depopulation. And in these districts, a lot of housing could be absorbed and help to slow down this trend, which is damaging for the capital. It is questionable, however, how many people would switch from the short-term rental market to the long-term rental market even with a complete ban. It is reasonable to assume that the professional landlords who would be displaced would either convert their former apartments and continue to operate them as hostels, or possibly sell them to investors who would keep the properties empty in the long term (waiting for a possible future relaxation of the rules without anyone 'unloading' the property in the meantime), which would not reduce but only freeze prices. If, therefore, residents ultimately opt for a ban, the city government, in order to achieve its socially positive goals, will have to take other measures to motivate homeowners not to take their properties off the market but, on the contrary, to put them on the market.

THE RESULTS IN TERÉZVÁROS

In the end, 6,083 residents took part in the vote, representing 20.5 percent of all eligible voters (Terézváros residents aged 16 and over). Of these, 3265, or 53.67% of those eligible, voted in favour of banning Airbnb in the district. In the light of the results, Tamás Soproni will submit to the Council of Representatives the amendment to the rules that will ban Airbnb. Overall, 11% of those eligible to vote were in favour of banning Airbnb in the district.

The turnout was high, with 136,000 capital residents voting in a similar format in Budapest in 2023, representing 9 percent of those eligible, and only 25,000 in a second housing referendum in early 2024, representing less than 2 percent of those eligible.

It is also worth recalling the 2018 referendum on the introduction of compulsory closing hours in the city of Elisabeth. Here, the turnout was 15.89%, but unlike the Terézváros vote, it was a traditional referendum, i.e. only one day to vote, only adults could vote, and only in person, not online. Of the 6888 people who took part, 4572 were in favour of the compulsory closing time, i.e. 66.38% of the voters present. This means that 10.54 percent of all eligible voters were in favour of compulsory closing time.

The referendum in District VII was ultimately invalidated due to low turnout. However, as we can see, nearly the same proportion of eligible voters voted in favour of the closing time as voted in favour of the Airbnb ban in Terézváros, but within a much narrower margin. And if we look at the distribution of the votes of those present, the ban won by a much larger margin in Erzsébetváros than in Terézváros. The narrow majority may therefore mean that Tamás Soproni's motion has less legitimacy than the mayor would like, and the accommodation providers' lobby may even use this as a basis for arguing against the regulation.

Such a split, which even the locally popular mayor could not turn into a significant majority in favour of the ban, is probably caused by the exclusivity of the regulation. The choice between prohibition and non-regulation is the result of the centralised situation explained earlier. However, the public may rightly feel that, while some regulation is necessary, total prohibition is not necessarily the preferred option. The mayor has reflected on this difficult situation in several interviews. In the vote, however, those in favour of a ban formed a relatively narrow majority, and Soproni will bring forward the amendments as promised. However, it is questionable for how long they can be in force, as the government is already talking about a possible state-level regulation that would override local regulations if it is created. However, the content of this is currently unknown.

CONCLUSION

So the situation in Terézváros is by no means simple. Indeed, the district has a large presence of Airbnbs, and the large number of under-utilised properties for housing (of which short-term accommodation accounts for a significant proportion) contributes to the housing crisis that is plaguing European cities. The vote was ultimately won by a margin of around 7 percentage points in favour of a ban, but this may have less legitimacy than a traditional referendum. The mayor will, however, take the initiative to change the rules on short-term rentals, but it is important that these are accompanied by some kind of regulation to shift former Airbnb properties into the long-term rental market, as this could actually increase the number of rentals in the district, while also reducing prices (or at least their increase).

The settlement is here, we are its residents

The EP elections in Budapest housing estates

ANALYSIS OF THE REPUBLIKON INSTITUTE



SUMMARY

- The housing estates used to be strongholds of the left, but in the past ten years, Fidesz has also been able to appeal to the people living here more and more
- If we compare the results of the housing estates with the districts, we can see that Tisza performed slightly worse in the housing estates than in the districts hosting them, while Fidesz and DK-MSZP-P did slightly better
- There are much greater differences between the individual housing estates than between the housing estates and the districts that host them, but the parties weaken or strengthen to a similar degree in the different housing estates, so we cannot speak of a "partisan" housing estate in particular
- While in 2022 many people read from the results that Fidesz had completely taken over the former role of the left in the housing estates, in this year's elections they achieved a relative result that was even worse than their results in 2018 in these places
- The housing estates therefore did not become Fidesz voters, the housing estate results follow the local party preference relatively well
- The reason for this is presumably that, contrary to stereotypes, housing estates are rather heterogeneous in terms of income, education, social status and worldview

INTRODUCTION

The assessment of housing estates in our country is mixed. Such neighborhoods are usually associated with Soviet-style panel housing. This form of housing construction spread in Hungary after World War II, but since then approximately one third of the capital's housing stock is located in these estates. Based on a 2005 research, 36 percent of the citizens of Budapest lived in housing estates during the examined period, and 28 percent of them already lived in such apartments. In people's minds, mainly negative associations appear when they hear the word housing estate. The common language often holds that the people of the housing estates consist predominantly of low-educated people belonging to the lower income strata. After the 2002 elections, the term "panel prole" entered the public discourse, with which the publicists supporting Fidesz, who lost the parliamentary majority, described the people living in the housing estates as scapegoats, making them stand out as the antithesis of "bourgeois Hungary".

There is an enormous amount of prejudice against both the housing estates and the people who live there, but few are concerned with the extent to which these stereotypes cover the reality, if they cover it at all. It is not only worthwhile, but also necessary to deal with these questions, because investigations in this direction can not only help to break down existing false stereotypes, but also contribute to getting to know the residents of the housing estates better, and with it, our own society.

The Republikon Institute has already contributed to this with several researches and analyses, just think of our analysis dealing with the 2022 housing estate election results, or our 2023 research examining the urban policy opinions of those living in housing estates. The present study is a continuation of these previous analyses, in which we examine the evolution of the results of the 2024 local government and European Parliament elections in the housing estates.

METHODOLOGY

In our 2022 analysis entitled "The people of the housing estates", we examined the distribution of votes cast to the lists in the April parliamentary elections in 12 selected housing estates, comparing them with the same data from the 2018 elections. When selecting the settlements, it was an important aspect that, in addition to the settlements with the largest population, smaller residential settlements were also included in the examined sample, so that not only Pest but also Buda residential settlements were

represented, as well as to deal with both the better-off and the lower income deciles. The investigated housing estates: Kaszásdűlő (District III); Békásmegyer (District III); Káposztásmegyer (District IV); Attila József (IX district); Újhegy (District X); Kelenföld (District XI); Kárpát Street (District XIII); Füredi street (XIV district); Újpalota (XVIth district); Rákoskeresztúr (XVII district); Havana (18th district); Csillagtelep (XXI. district).

Our present analysis is a continuation of this previous study. We examined how the support of the individual parties in the 12 housing estates selected at the time changed compared to the conditions two years ago. For this, we took as a basis the results of this year's European Parliament elections, as well as the list votes cast in the municipal elections in the capital. In the course of the analysis, we will not only compare these election results with the voting percentages of 2 and 6 years ago, but also with the results of the districts in which the investigated housing estates are located.

HOUSING ESTATES IN 2018, 2022 AND 2024

Comparing the results of the 2018 and 2022 parliamentary elections with this year's EP elections, it can be seen that while Fidesz was able to increase its share of votes in 2022, in 2024 it achieved a worse result in all housing estates except the Havana settlement than 6 years earlier .

The longitudinal data are presented in the following table:

Name of housing estate	2018 (PE)		2022 (PE)		2024 (EP)		
	Fidesz	six-party opposition	Fidesz	six-party opposition	Fidesz	six-party opposition	Tisza
Kaszásdűlő	35%	61%	38%	50%	31%	24%	33%
Békásmegyer	38%	59%	44%	46%	35%	23%	29%
Káposztásmegyer	30%	66%	35%	50%	28%	23%	37%
Attila József	36%	60%	38%	50%	29%	22%	36%
Újhegy	39%	58%	45%	44%	37%	21%	31%
Kelenföld Vk	38%	58%	39%	51%	32%	23%	32%
Kárpát street	31%	63%	34%	57%	27%	29%	34%
Füredi street	36%	61%	39%	51%	31%	24%	33%
Újpalota	39%	59%	44%	46%	36%	22%	29%
Rákoskeresztúr	39%	59%	43%	47%	37%	22%	30%
Havanna	37%	60%	45%	46%	37%	26%	26%
Csillagtelep	35%	62%	44%	45%	34%	22%	31%

It is therefore clear that the strengthening of Fidesz was not a symptom of the housing estates shifting to the right, but merely the weakening of the national balance of power. proportion, in 2024 all housing estates except the Havana estate achieved a worse result than 6 years earlier.

If we compare the percentage point change in the results of the parties between 2022 and 2024, we can see that Fidesz and the joint opposition parties have all declined. Fidesz lost an average of 7.25 percentage points in the investigated housing estates, while the six-party opposition lost 24.98 percentage points. As can be seen from the table, their relative results were halved in almost all housing estates. Meanwhile, the support of the opposition parties that did not join the 2022 coalition, Mi Hazánk and MKKP, decreased only minimally (0.27 and 0.51 percentage points).

If we add up the results of Tisza and the six-party alliance in 2024, it appears that they performed better than the listed results of 2022, but the results of 2018 are not achieved except for the Kárpáti street housing estate, while Fidesz won all of the examined except for the Havana settlement performed lower than six years earlier.

Compared to 2 years ago, the governing parties experienced their biggest drop in the Attila József housing estate, where they performed 11.41 percentage points lower than in the parliamentary election. Meanwhile, their least weakening was in Kelenföld City Center (4.17 percentage points). However, it must be noted here that the fact that this is the only one of the investigated housing estates where the party lost its support even in 2022 compared to the election four years earlier contributed to the extent of the decline in the last two years. The governing party experienced a relatively small decline in the Fidesz-led Rákoskeresztúr housing estate in the XVII. district. In all other housing estates, Fidesz's decline ranges from 6.4 to 8.7 percentage points.

The combined results of the six parties participating in the 2022 coalition fell drastically compared to 2018 and 2022. In the case of 2018, it is possible to compare the results of the current DK-MSZP-P alliance with the then MSZP-P and DK results. The cooperation of the three parties in the EP elections this year was enough to obtain an average of 14.66 percent of the votes in the housing estates, while in 2018 the two left-wing party lists won an average of 28.94 percent of the votes in the examined locations. This is essentially a halving of the results six years ago. The decline is serious even if the left-wing results of 2018 are compared with the combined results of the participants of the six-party coalition this year.

The latter is an average of 23.39 percent in the investigated housing estates, which is still 5.55 percentage points below the left-wing results six years earlier.

The six previously united parties fell by at least 20 percentage points compared to 2022 everywhere, except for one investigated housing estate (Havana). The most drastic relative decrease (30.33 percentage points) was observed in the Kelenföld VK housing estate in the XI. district. The difference between the largest and smallest decline is relatively large (11.73 percentage points), but despite this, it can be said that there are not so many data outliers in a positive or negative direction, since the relative standard deviation (standard deviation divided by the average) is only 13.2 percent. In the case of Fidesz, the same value is 24.8 percent, which means that relatively much larger swings are experienced here, but the rate of decline is not so significant here that the deviation is not only high in relative but also in absolute value.

Overall, we can see that there are no huge differences between the housing estates. Although the results differ, the trends are the same and occur to a similar degree in each of the examined areas. Neither Fidesz nor the previous alliance's results dropped significantly (with the possible exception of Fidesz's participation in Ferencváros), as they were not even able to improve on their previous results in any place.

HOUSING ESTATES AND DISTRICTS

Examining the data of the housing estates and the districts that host them, we also get interesting data, since we compare the results of the estates not with each other, but with their narrower microenvironment. The district election results in the EP election are illustrated in the table below:

District	Fidesz-KDNP	Tíza Party	DK-MSZP-P
	EP	EP	EP
III.	31,82%	34,03%	12,76%
IV.	31,80%	33,05%	14,84%
IX.	29,64%	35,56%	9,84%
X.	35,23%	30,96%	13,57%
XI.	32,11%	33,51%	11,00%
XIII.	25,14%	37,42%	15,23%
XIV.	29,27%	35,15%	12,02%
XV.	35,76%	29,53%	14,65%
XVII.	36,41%	32,37%	11,10%
XVIII.	34,79%	29,59%	16,26%
XXI.	34,17%	31,71%	12,99%

In the 11 districts (the number of districts is one less than the residential areas, because both Kaszásdűlő and Békásmegyer are part of the 3rd district), the Tisza Party finished ahead of the Fidesz-KDNP in 6 of the EP elections, so it was ahead of the government parties.

If we do not compare the parties to each other, but their district and housing estate results, we see that out of the 12 housing estates examined, Fidesz performed better in 7 estates in the EP election than its share of the votes obtained in the district. In the case of the Tisza, this number is only 3. In the investigated housing estates, Fidesz-KDNP achieved an average of 0.42 percentage points better than at the district level, while in the case of the Tisza, we can see a worse performance in the settlements (-1.28 percentage points). In the case of the DK-MSZP-P alliance, it can also be observed that they achieved a better result at the housing estate level than in the districts (1.53 percentage points).

CONCLUSION

We can still not talk about drastic differences between housing estates and districts or between housing estates and the capital. This was also an important finding of our 2022 analysis, and it still stands. While in the past it was possible to talk about the housing estates being strongholds of the left, in the second half of the 2010s this narrative was replaced by the narrative that Fidesz had taken the place of the left in the housing estates, and that the governing parties have much larger reserves here than the opposition. This was also refuted in our analysis 2 years ago, and our current analysis seems to support it even more. In the two elections this year, Fidesz performed only marginally better among voters in housing estates than in districts, the difference is not significant at all. It can also be established that there can be differences between housing estates and housing estates, even much larger than between housing estates and districts. A good example of this is III. district, where the Tisza Party beat Fidesz by 2.21 percentage points in the EP election in the Kaszásdűlő housing estate, while Fidesz won the Békásmegyer housing estate by 6.38 percentage points ahead of Tisza.

As we wrote in the introduction, there are still a lot of stereotypes about housing estates seeping into the public discourse, and because of these, many people tend to consider the people living in the housing estate (be it anywhere in the city) as a homogeneous group. On the contrary, we see that the voting behavior of the people of the housing estates is much more influenced by the district where they live than by the housing estate itself. The reason for this may be that the housing estates, as well as the districts that host them, are presumably socially diverse themselves, as in the district, people with lower and higher

education can live side by side here, as well as other, not only financial considerations can also motivate the people to move here (it could even be the good public transport, a higher proportion of green areas than in the city center, etc.).