

## Chapter 5

# Slovakia

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### Introduction

The Slovak Republic was established as an independent country in 1993 as a result of the peaceful division of the former Czechoslovakia. It is a small country with an area of 49,035 sq.km, a population of 5.38 million, and a population density of



110.1 inhabitants per sq.km. Despite the positive economic development of the last few years, basic indicators show that the country is still lagging considerably behind the older member states of the EU (GDP per capita is EUR 3,750; GDP per capita at current prices in PPP<sup>1</sup> was EUR 10,250 in 2002).<sup>2</sup> Unemployment is the most pressing and long-term problem of the national economy (the unemployment rate was 15.6 per cent in December 2003). A positive feature is the young age of the total housing stock of 1.88 million apartments (0.2 million of which are not occupied). However, the current total housing stock is not sufficient to meet the needs of the Slovak population (it stands at 350 apartments per 1,000 people). The cities register long waiting lists and face strong public pressure for extending public housing initiatives. The qualitative characteristics of the dwellings in terms of their size and the number of persons living in one dwelling are also unsatisfactory.<sup>3</sup>

Despite the historic character of the cities, which date from medieval times, it is generally accepted that the Slovak urban system underwent its most important changes during the 20<sup>th</sup> century. This included the period of socialist urbanization combined with the massive industrialization after World War II that led to an increase in the number and size of cities, as well as the formation of a substantial part of their physical environment. The latest phase of urban development is related to the post-socialist transformation. Important changes have led to a reduction in state intervention in various fields influencing the cities' functioning. The introduction of market conditions, deregulation, and privatization has substantially changed the situation in the delivery of various public services. State subsidies were reduced step-by-step in sensitive sectors of electricity and gas delivery, water distribution, public transport, housing, and so forth. Cities and their local economies are also in touch with all aspects of global competition, including the closure of non-competitive local companies and competition for foreign investors. As a result of the combined influence of many factors, cities have to cope with population stagnation, housing shortages, the high cost of infrastructure, slow economic development and unemployment, and various social pathological phenomena. Nevertheless, changes have also brought new entrepreneurial and employment opportunities, better services, new shopping facilities, rehabilitated city centres, new educational opportunities, and so forth. By far the most important change related to the post-socialist period of urban development was the introduction of local government (in 1990). It brought about the significant decision-making autonomy of local institutions, later strengthened by the transfer of more powers within the processes of decentralization (especially during 2002–2004). The fiscal decentralization planned for the forthcoming years (2005–2006) should complete the legal environment, allowing an even more crucial role for the local level authorities in shaping their future.

<sup>1</sup> PPP – Purchasing Power Parity.

<sup>2</sup> GDP data according to OECD (2003).

<sup>3</sup> For example: the comparable number of dwellings per 1,000 inhabitants (in 2001) was 424 in Czech Republic, and 434 in Poland (Lux, 2003).

The Slovak settlement system is highly fragmented. There are 2,883 communities, of which 138 are cities (2001). The urban share of the population is 56.2 per cent (2001). Present legislation includes a set of criteria for obtaining city status, but approval from the Slovak Parliament is required. Even the largest Slovak cities are relatively small from an international point of view. There are nine cities with between 50,000 and 100,000 inhabitants; most are centres of administrative regions. The two largest cities are the capital city Bratislava (population 428,000 in 2001) and Košice (population 236,000 in 2001), each with an eccentric location, on the western and eastern edges of the country respectively.

The main aim of this Chapter is to characterize the basic features of Slovak urban system development, identify the crucial problems of the cities, evaluate the urban policies that have been applied, and give general recommendations for the better resolution of problems by respective policies. Attention is paid first to the basic characteristics of cities in Slovakia. The problems identified concern at least a group of cities, but not necessarily all Slovak cities. In assessing policies, commonly used criteria are used (Young and Quinn, 2002) for effectiveness (does the policy resolve the problem), efficiency (cost-benefit), fairness, implementation issues (time, administrative, and professional requirements), flexibility and improvability (course, ability to adjust policies). The book concentrates on the main problems and policies and has no ambition to be exhaustive.

### The Economic and Social Position of Cities in Slovakia

The characteristics of Slovak urban development have been changing dramatically during the last 15 years. The rapid growth of the urban population that for decades was typical of socialist development has stopped. The concentration of the population into a small group of large centres is now combined with a larger role for the smaller urban centres in attracting population. Suburbanization processes have arisen in particular in the land surrounding the large cities. In comparison with rural communities, cities accumulate a population with a higher social status and a better education. The labour market in the cities offers better employment opportunities. Urban local economies are moving towards service-domination under the influence of deindustrialization. Attractively renewed city centres with pedestrian zones, many new buildings and shopping facilities, a less damaging environmental situation (with the exception of the consequences of road transport), and better delivery of public services all mark an important shift in the life of cities.

The rapid growth of the urban population typical of the 1970s and 1980s has been replaced by a phase of stagnation or decrease of the population since the second half of the 1990s (Table 5.1). This decline is a consequence of various developments. Second, in the last few years in particular, there are now negative migration flows. Out-migration, mostly to suburban areas, prevails over diminished immigration influenced by housing shortages and the scarcity of new work opportunities. The disintegration of previously administratively integrated neighbouring communities cannot be overlooked (see Slavík, 1998). Together, these factors have contributed to a loss of thousands of inhabitants in some of the large cities.



**Table 5.1 Population development in the large cities 1970–2001<sup>a</sup>**

	1970 <sup>b</sup>	1975 <sup>c</sup>	1980 <sup>b</sup>	1985 <sup>c</sup>	1991 <sup>b</sup>	1995 <sup>c</sup>	2001 <sup>b</sup>
Bratislava	305,932	340,902	380,259	417,103	442,197	452,053	428,672
Košice	144,445	174,388	202,368	222,175	235,160	240,915	236,093
Prešov	54,942	62,429	71,500	82,879	87,765	92,687	92,786
Nitra	49,625	57,105	76,633	85,276	89,969	87,357	87,285
Žilina	49,867	58,142	83,016	91,703	83,911	86,685	85,400
Banská Bystrica	45,736	55,832	66,412	78,475	85,030	84,919	83,056
Trnava	45,465	50,948	64,062	69,917	71,783	70,191	70,286
Martin	43,189	49,271	56,208	62,328	58,393	60,772	60,133
Trenčín	34,629	40,307	47,887	54,986	56,828	58,872	57,854
Poprad	23,447	28,048	38,077	47,216	52,914	55,037	56,157
Prievidza	27,559	32,015	40,813	46,822	53,424	54,405	53,097

Notes: a – according to territorial organization, valid for particular year; b – according to Statistical Census results; c – as of 31 December.

Sources: Statistical Office of the Slovak Republic: *Historical lexicon of communities in Slovak Republic 1970–2001* (2002b). *Statistical Yearbook of the Slovak Republic* (1997). Federal Statistical Office: *Statistical Yearbook of CSSR* (1976), *Statistical Yearbook of CSSR* (1986).

**Table 5.2 Selected indicators on population movement in the large cities**

	natural increase (abs.) 1996–2000	migration increase (abs.) 1996–2000	born in current place of residence (in %) 1991
Bratislava	-3,173	-1,535	52.9
Košice	3,399	-2,234	56.4
Prešov	1,715	-344	55.3
Nitra	598	-380	59.1
Žilina	655	-661	55.1
Banská Bystrica	240	-1,159	46.1
Trnava	408	-918	57.2
Martin	763	-741	51.5
Trenčín	346	-60	52.9
Poprad	1,409	-988	47.5
Prievidza	798	-1,728	36.7

Sources: based on Statistical Office of the Slovak Republic: *Statistical Census 1991 and 2001 results*; *Statistical Yearbooks of the Slovak Republic* (1997–2001).

With the exception of Bratislava, all the 50,000+ cities documented a small natural population increase during the 1996–2000 period. At the same time, the negative migration increased for almost every city and every year during the 1996–2000

period (Table 5.2). Only in three large cities do we see a very minor total increase of the population between 1995 and 2001.

The population trends mentioned above reflect the age structure of the population. The development in the case of the large cities is not positive (Table 5.3): the average age has increased significantly within the last ten years, reflecting a considerable decrease in the pre-productive age groups (0–19), a decrease in the younger productive age groups (20–44), together with an increase in the post-productive age groups (65+).

**Table 5.3 Basic indicators of the age structure of population of large cities in 1991 and 2001**

	average age		selected age categories (in %)					
	1991	2001	0-19		20-44		65 and over	
			1991	2001	1991	2001	1991	2001
Bratislava	34.8	38.7	30.4	21.5	39.2	36.1	10.6	12.3
Košice	31.9	35.9	34.3	25.5	40.2	38.6	7.3	9.5
Prešov	30.9	34.8	35.9	29.1	40.1	38.8	7.0	9.4
Nitra	32.1	36.0	34.8	26.1	39.3	38.8	8.3	9.8
Žilina	32.3	36.3	34.3	26.2	39.8	38.4	8.5	10.8
Banská Bystrica	31.9	36.4	33.5	25.0	41.6	39.0	7.6	9.6
Trnava	31.7	35.6	35.3	25.3	40.2	40.3	7.7	8.7
Martin	31.4	35.4	34.5	27.1	40.5	39.7	6.6	9.6
Trenčín	33.4	37.5	33.0	24.5	38.2	37.4	8.7	12.0
Poprad	28.9	33.5	39.2	29.5	41.1	40.1	5.4	7.3
Prievidza	29.6	34.8	37.1	27.1	41.8	40.9	5.3	7.7

Sources: Statistical Office of the Slovak Republic: *Statistical Census 1991 and 2001 results*.

The most significant trend in household characteristics (Table 5.4) is the growing share of single-person households (exceeding 30 per cent of all households in some cities, 2001). Less remarkable is the growth of the share of single-parent households (one parent with child(ren)), reflecting the difficult social situation experienced by these households during the transformation, living on one income or depending to a large extent on social benefits. Even more striking is the marked decline in the share of families with children.

The role of the cities in the Slovak economy is crucial. Here, 77.9 per cent of all jobs are located (2001). The unemployment rate is lower in large cities than in the rural areas (although the level is still high; see Table 5.5). Cities located in the western part of the country have lower unemployment rates than those in the east. The differences depend mainly on the success of the local economic transformation. Cities typically also have a lower share of employed workers and a higher share of entrepreneurs.



**Table 5.4 The distribution of household types in the large cities 1991 and 2001 (per cent)**

	single		single parent with child(ren)		couple with children		couple without children	
	1991	2001	1991	2001	1991	2001	1991	2001
Bratislava	29.8	36.7	9.0	8.7	35.1	23.2	21.4	23.1
Košice	24.3	31.4	7.8	8.8	42.0	29.0	21.4	23.7
Prešov	21.0	28.3	6.1	7.2	47.4	35.5	21.3	22.6
Nitra	23.0	32.1	6.5	8.5	45.0	30.5	21.2	22.5
Žilina	20.7	28.1	6.9	8.1	45.4	32.0	22.5	24.4
Banská Bystrica	23.1	30.5	7.4	9.1	44.3	29.8	21.1	23.5
Trnava	20.3	33.4	6.8	8.8	46.8	29.2	21.3	23.3
Martin	19.5	29.8	6.6	9.3	46.3	31.5	23.8	23.7
Trenčín	22.3	28.8	6.3	7.6	42.1	30.0	25.0	26.9
Poprad	18.7	27.6	7.1	9.1	51.9	34.6	18.2	21.1
Prievidza	17.3	24.8	6.4	8.5	51.1	34.6	21.5	25.5

Sources: Statistical Office of the Slovak Republic: Statistical Census 1991 and 2001 results.

**Table 5.5 Economic activity of different sections of the population living in the large cities (per cent)**

	economically active population		share of workers on total economically active population		unemployment rate	
	1991	2001	1991	2001	1991	2001
Bratislava	53.3	55.6	23.8	22.1	4.2	8.8
Košice	52.1	53.0	35.9	29.1	5.1	19.1
Prešov	50.4	50.2	34.5	33.1	4.2	21.5
Nitra	51.0	52.4	37.6	32.1	5.9	16.2
Žilina	51.7	53.1	33.7	32.0	4.6	16.0
Banská Bystrica	53.8	53.4	31.3	27.2	4.7	12.9
Trnava	52.1	53.0	42.1	36.5	5.4	15.5
Martin	53.0	52.4	41.2	36.6	2.9	18.1
Trenčín	51.9	52.4	37.4	35.4	3.5	10.6
Poprad	51.6	53.0	41.0	39.1	4.0	18.8
Prievidza	51.5	52.7	49.7	43.4	3.4	16.4

Sources: based on Statistical Office of the Slovak Republic: Statistical Census 1991 and 2001.

The employment structure of the resident population confirms the transformation of the cities from important industrial centres to service-based local economies (Table 5.6). Employment in industry declined significantly between 1991 and 2001

(10 to 20 per cent). Service employment usually exceeds 50 per cent of the total number of jobs. Industry remains important in smaller cities, and a large share of the industrial employees lives in rural areas. The income situation in the cities can only be estimated according to the average salary per district. In each case, the 50,000+ cities have a higher average salary than the region to which they belong.<sup>4</sup>

**Table 5.6 Employment structure according to the main sectors in the large cities in 1991 and 2001 (per cent)**

	agriculture and forestry		industry and construction		services		not declared	
	1991	2001	1991	2001	1991	2001	1991	2001
Bratislava	2.7	0.4	26.8	13.4	61.2	60.7	9.4	25.5
Košice	3.7	0.7	40.4	21.6	49.1	50.5	6.9	27.3
Prešov	5.8	1.1	40.8	22.9	48.9	52.8	4.6	22.9
Nitra	8.0	1.8	38.6	21.8	47.2	52.7	6.2	23.7
Žilina	4.2	0.8	43.7	25.1	48.5	51.7	3.7	22.4
Banská Bystrica	5.0	1.1	36.7	19.0	53.5	54.8	4.8	25.1
Trnava	4.8	1.3	46.6	29.7	42.3	46.2	6.2	22.7
Martin	2.5	0.7	49.6	27.0	45.5	52.0	2.4	20.2
Trenčín	4.6	1.2	48.4	29.2	42.8	51.0	4.3	18.7
Poprad	5.3	1.2	43.5	26.8	48.1	49.4	3.2	22.7
Prievidza	4.3	1.4	55.9	35.7	36.5	41.7	3.4	21.3

Sources: based on Statistical Office of the Slovak Republic: Statistical Census 1991 and 2001 results.

Slovak cities all share the key competitive advantages of a well-educated population. Graduates account for 11.3 per cent of the share of the population in urban areas compared with 3.3 per cent in rural areas (2001). The traditional and largest centres of university education (Bratislava, Košice, Prešov, Žilina, Nitra, Banská Bystrica) are now supplemented by numerous young and smaller university centres established or extended since the 1990s.<sup>5</sup> Most research activities are concentrated in the large cities (research institutes of the Slovak Academy of Sciences, commercial research, and universities), with a strong domination by Bratislava and Košice. Of all the holders of PhD degrees, 67.9 per cent are concentrated in cities with more than 50,000 population (49.7 per cent in Bratislava and Košice, 2001).

<sup>4</sup> This difference is confirmed by the Statistical Office of the Slovak Republic (2002a), for example.

<sup>5</sup> Trnava, Martin, Prievidza, Poprad, Zvolen, Trenčín, Ružomberok, for example.



The housing stock in the cities is young, but new housing construction was insufficient during the 1990s. There is a marked predominance of apartment blocks, although their further expansion is now being reduced by a higher share of completions of new family houses.

The housing stock now shows a strong prevalence of owner-occupation (Table 5.7). Privatization processes have involved the transfer of a large portion of the previously publicly-owned and cooperative housing stock to the sitting tenants. According to Zapletalová and colleagues (2003), in Slovakia the local authorities own 6 per cent and the state owns 1.5 per cent of the total housing stock. As documented in Table 5.7, the share of municipal housing in the large cities is even lower.

**Table 5.7 Main categories of housing stock ownership in the large cities in 2001 (in per cent)**

	owner-occupied (apartment blocks)	owner-occupied (single-family houses)	cooperative	local authority	state
Bratislava	60.1	9.1	15.6	1.4	1.0
Košice	52.5	10.3	26.0	2.6	0.6
Prešov	37.3	15.7	31.8	2.6	0.9
Nitra	23.1	22.0	31.6	10.6	1.3
Žilina	48.3	20.2	18.4	1.9	0.5
Banská Bystrica	53.1	13.5	21.8	1.7	0.6
Trnava	33.9	17.8	29.8	2.1	3.8
Martin	48.7	13.8	25.3	2.0	1.8
Trenčín	49.2	20.2	15.5	0.9	2.3
Poprad	38.6	13.7	32.1	2.3	2.2
Prievidza	48.4	13.1	25.7	1.4	1.3

*Source: based on Statistical Office of the Slovak Republic: Statistical Census 2001 results.*

The quality of housing in the cities is better than in the rural areas. Living comfort is however diminished by the small average size of the apartments. Population trends and new housing developments are bringing about a slow improvement of some characteristics of the housing stock (larger apartments, reduction in the number of persons per apartment).

Most of the large cities are already, or soon will be, connected by motorways. All the cities are already well served by rail. Most of the cities are well connected to their respective regions, since they are large centres of daily commuting.

Air transport stagnated throughout the 1990s and strongly diminished the competitiveness of the cities. Their situation started to improve at the beginning of the new century, when new carriers (including the low-cost airlines) started to

expand their activities from Bratislava and, to a lesser extent, from Košice. The air transport connectivity of Slovakia to the rest of the world has improved significantly. For example, the number of passengers passing through Bratislava airport increased from 254,000 in 1996 to 480,000 in 2003.

### Urban Problems in Slovakia

The post-socialist period of urban development in Slovakia can be characterized by three main groups of urban problems, classified according to the time of their origin. The first group includes problems inherited from the socialist period of urban development (large, monotonous housing estates, underdeveloped city centres, inadequate transport infrastructure and mass transport, environmental problems). The majority of these problems will be difficult to resolve even in a long-term perspective. The second group of problems reflects the processes of the immediate post-socialist social and economic transformation (the consequences of local economic restructuring, employment, collapse of new housing construction, social polarization). The last group of problems concerns conflicts and disputes arising in decision-making rather than urgent social problems. This group is related to the latest wave of new, larger, privately-led, often land-and-property-based urban development projects (the expansion of retailing, administrative spaces, new residential development, new investments in industry). The characteristics of these problems can also be classified according to three interrelated topics: the physical environment, the economy, and social problems.

Problems in the urban physical environment concern different segments of urban space: city centres, large socialist housing estates, old industrial premises, as well as new shopping centres, administration buildings, housing, and industrial development. The reconstruction and revitalization of city centres, often of high historic and architectural value, is costly after so many decades of poor maintenance. During the socialist period, the historic, cultural, and social roles of the city centres were undervalued. They were losing population, and their dilapidation was hastened by the immigration of socially non-adaptable people (Gajdoš, 2002). Ondoš (2003) asserted that the renewal of the historic squares and pedestrian zones in the cities was one of the first visible signs of change. However, at the same time, he raised doubts as to whether such change was full-scale revitalization or merely superficial. New facades, pavements, streetlights, and so forth do not mean the complete regeneration of a space as a long-term self-sustaining structure. Although the city centres in most cities are changing into 'shop-windows', commercial renewal is not yet possible in every city and for every building. The centres also remain a particularly vulnerable and threatened segment of the urban environment (reduced scope of functions, disputes over new developments).

The large housing estates are the showcases of inherited urban problems. These estates were built to provide mono-functional, uniform housing to accommodate massive immigration, especially during the 1970s and 1980s. In the first decades of their functioning in particular, they were accompanied by negative features, partly related to their specific age structure (one generation). Mládek



(1994a, 1994b) stressed that, in the case of Petržalka (the largest such housing estate in Slovakia), the emphasis placed on the building of apartments led to the neglect of other function spaces. He cited the deficit on public service facilities, schools, and services in general (shopping, for example). When characterizing such estates, Gajdoš (2002) emphasized their peripheral location, inadequate infrastructure, and the long-term provisory and unfavourable level of facilities for social and cultural life, free time activities (especially for young), and the underdevelopment of public spaces.

Most of the problems mentioned have at least been partially resolved; the housing estates have matured and basic deficits have been met (in shopping, social and cultural facilities, for example). However, low technical standards (high energy costs, high costs of maintenance, need of modernization), the insufficient standard size of the apartments, problems with transport infrastructure (connection to the rest of the city, parking), not enough green spaces and poor aesthetic quality (stereotype in composition, monotonous environment, small variety of apartment houses) are typical features of such estates and they are not easy to overcome.<sup>6</sup> Mládek (2000) asserted that the negative features of such estates combined with the anonymity of space can cause effects of alienation and lead to a degrading influence on the living environment.

Slovak post-socialist governments did not respond adequately to the housing issue as far as new housing construction was concerned. Despite good intentions with respect to housing, the central authorities failed to fulfil their allotted tasks and, after 1991, a significant decline in housing construction resulted (Zapletalová et al., 2003). While 117,524 new apartments were built in the observed group of 11 cities during the decade 1981–1990, only 27,800 new apartments were built during 1991–2001. Such development limited access to housing and caused a rapid increase in the prices of apartments on the market. The privatization of the housing stock also diminished the share of the rented sector. Land for new development and building plots with infrastructure have become less readily available and more costly. Consequently, the low-income households in particular have fewer housing opportunities.

Since the end of the 1990s, Slovak cities have attracted intense interest from investors. Their various development initiatives seem unable to take place without disputes over location and conditions of their future functioning. The most typical disputes concern location within the built environment involving new shopping centres, petrol stations, or administrative buildings. The use of large greenfield investments for new industry, shopping malls, wholesale and logistics centres, separate housing estates located at the margin or close to the cities is also frequently called into question. Private developers often take the most productive land (with the best soil); moreover, such development runs counter to the principles of compact urban area development (increased transport requirements and large parking areas are typical). Investors commonly attempt to be dictatorial. They compel local councils and city planning departments to adjust planning regulations.

<sup>6</sup> Summarized information on socialist high-rise housing estates is available in Ministry of Construction and Regional Development (2004a).

Typically, investors negotiate with city representatives to obtain the best conditions for their business purposes, often balanced through compensation by sponsorship or investment in public interest. At the same time, many cities face problems with neglected areas and abandoned industrial premises. NIMBYism is observable in disputes over the selection of locations for social housing, facilities that serve the poorest sector of the population, or waste management facilities.<sup>7</sup>

Underdeveloped transport infrastructure significantly limits the social and economic development potential in cities. The problem becomes one of transit transport concentration into city centre roads that become overloaded, precipitating the need to build high-capacity ring roads. Urban road systems in large cities are not capable of accommodating the rapidly growing number of cars efficiently. Congestion, delays, and environmental degradation are all caused by the absence of roads with higher capacity and ring roads around the cities, as well as by under-maintenance of large sections of urban road networks. Many cities introduced new roads and transport organization into their Master plans, although they were facing uncertainty with respect to their completion, because of the lack of resources. Most cities also lack sufficient parking sites and an efficient parking policy.

The transition to a market economy caused dramatic turbulence in many local economies. Their restructuring was accompanied by the closure of many non-competitive companies, or the reduction of employment in favour of higher labour productivity in other companies. The result was a transformed employment structure, a decrease of available jobs, and a rise in unemployment. These developments were accompanied by an insufficient expansion of new entrepreneurial activities and an inflow of new investments (foreign investments are highly selective and absent in many cities). Economic development problems have followed both regional patterns of differences as well as an urban-rural divide. Peripheral and smaller cities, cities located in eastern Slovakia for example, face greater economic problems than do the cities located in the western part of the country. The disadvantaged cities have particular difficulties in finding a suitable alternative economic profile under the new market conditions. Matlovič (2000) observed a gradual decline, even the collapse, of the industrialization policy effects of the socialist period of development after the introduction of the market economy in the case of Prešov. The most pressing problem is a two-digit unemployment rate in most cities (2001). This is often combined with a higher share of vulnerable groups: the long-term unemployed, the young, ethnic minorities. The situation in large cities is better, thanks to a more diverse economic base and a larger number of private enterprises. Economic reforms realized in the last few years are significantly improving the performance of the Slovak economy and its attractiveness for business purposes.<sup>8</sup>

<sup>7</sup> We observed such a situation in Banská Bystrica (location of waste disposal) (Bačík, 1997) and Humenné (location of the refugee centre) (SME, March 15 2004).

<sup>8</sup> It documents, for example, a decrease in the unemployment rate from 20.6 per cent in June 2000 to 14.6 per cent in June 2003. According to *The Economist* (2004, February 19): 'Slovakia's economy is in good shape, especially when compared with its central European neighbours'.



Environmental problems derive from the heritage of socialist development. They were concentrated in the urban regions with their extensive industry. Some of the worst sources of environmental degradation were closed shortly after 1990. Most of the other sources of pollution were substantially improved technologically and environmentally. Besides these steps, environmental improvement was also brought about by a large decrease of industrial production.

The environmental situation in most of the cities is quite good. Popovičová (1999) evaluated the 30 largest Slovak cities from this point of view (with most attention paid to hygienic factors). As a result, only five cities were identified as having unfavourable hygienic conditions (Bratislava, Košice, Banská Bystrica, Trnava a Humenné), while one third of the cities were identified as having favourable conditions. Cities in a good situation have a high level of completed water and sewage networks and an efficient system of communal waste collection and disposal. Remaining problems include growing emissions from mobile sources. The large impact of transport (noise, street accidents) also affects the urban population. The growing share of individual car transport relative to public transport is assessed negatively (Huba and Trubíniová, 2002).

The present character and scope of social problems is quite new compared with the pre-1990 period. Although Slovak society still adheres to certain inherited features of an inert tendency to a slowdown of sharp social inequalities, social polarization is generally agreed to be widening (Gajdoš, 2001, for example). Korec (1999) asserts that it is indisputable that, within the last ten years, one group has developed that has clearly benefited from the transformation processes, while another population group is living on, or even below, the minimum standard of living in Slovakia. This differentiation is most visible in large cities. Post-socialist development led to the emergence of population groups living in poor conditions on the margins of society, as well as a wealthy population who moved into new areas of high-standard housing (Smatanová, 1999). The new stratum of entrepreneurs, well-paid managers, and urban professionals has started to move into new housing estates on greenfield sites and apartment houses in attractive locations. On the other hand, among the widespread consequences of the social and economic difficulties is the inability of many people to afford the rent for accommodation (Zapletalová et al., 2003, for example). The sector of the population with the lowest social and economic status has also formed new spatial concentrations. We can find such pockets close to the city centre in Prešov (Matlovič, 2000) or in a part of the Petržalka housing estate (referred to as Bratislava's Bronx; Michálek, 1997). Beňová (2004) concluded in a rare study on homelessness in Slovakia that the number of homeless people had escalated in Bratislava, but was also growing in other large Slovak Cities.

The social and economic transformation has been accompanied by a massive increase in reported crime. The Slovak population perceives current criminality as a very pressing problem (expressed in opinion polls, for example). Crime is more prevalent in the cities, especially large cities, satellite cities in the hinterland of the largest cities, and some spa and tourist centres (Michálek, 1996). The largest concentration of crime is in Bratislava. Michálek's (1997) assessments of crime risk areas in Bratislava are also valid for other Slovak large cities.

### National Urban Policies in Slovakia

In Slovakia there is no coherent policy officially labelled as urban policy or national urban policy. There are, however, policies concerning the cities: these have two main directions. On the one hand, there are planning approaches presenting regulatory as well as strategic and Programming aspects of urban development. On the other hand, basic planning documents were later supplemented by a series of specific initiatives mostly induced by growing social and economic problems in the cities. Housing, infrastructure development, and initiatives addressing social and economic development issues are the main fields of such expanding interests of the central state. The historic cores of cities, socialist housing estates (the elimination of technical faults) and industrial parks are examples of area-based policies.

Slovakia has a good tradition and well-established system in territorial planning. The legal position of territorial planning documents is very solid. Any activity has to conform with the basic regulations set up by the binding sections of the territorial planning documentation. The most important local Master plans serve for the regulation and co-ordination of building activities. The Master plans use the outcomes of other main planning approaches (environmental, regional), together with many other documents, programmes, and sources of information. Planning involves an hierarchy of planning documents at the national, regional, and local levels. Plans for implementation at the lower level take into account the binding parts of higher level planning documents. While national level documents involve relevant ministries, plans for the regions concern regional governments, and 'Master plans' and 'Programmes' for the community are dealt with by local governments.

'Slovakia Territorial Development Plan 2001' (Ministry of Environment, 2001a)<sup>9</sup> is a strategic document dealing with all aspects of spatial development. The document sets out the basic directions in urban development and related public investments and serves as a guideline for regional and city planners. It emphasizes the polycentric character of settlement development, the importance of links to the European settlement network, the application of principles of 'deconcentrated concentration' in the formation of settlement cores, and recommendations for the support infrastructure in the cities. The document includes the hierarchy of urban centres, the main development axes, and agglomerations suitable for the support and development of quaternary activities, basic transport networks, and so forth.

A vision of sustainable urban development is extensively elaborated in the main national environmental planning document 'National Strategy of Sustainable Life in the Slovak Republic' (Ministry of Environment, 2001b). The emphasis is on the support for urban regeneration, the development of efficient technical infrastructure, and the revitalization of the cultural and historic heritage, including support programmes for the benefit of their owners. Also featured are the

<sup>9</sup> The predecessors of this document were published in the 1990s. The tradition of assembling such documents started during the socialist period of development, mostly in order to manage the urbanization processes.



advantageous conditions for the reconstruction, repair, and renewal of the existing housing stock and the regeneration of built-up areas. There is also a call for strict respect for approved planning documentation and careful attention to local resources and their exploitation. Other initiatives are put forward for dealing efficiently with crime and social pathological phenomena, the improvement of living conditions for the Roma minority, the reduction of social differences within society, and the enhancement of the older, monotonous housing estates.

The most recent planning approach introduced in Slovakia — regional planning and programming — has important implications for the cities.<sup>10</sup> Many of the measures adopted within this framework address city issues (including transport and technical infrastructure, the labour market, education, tourism, marginalized groups of the population). The 'National Development Plan' (Ministry of Construction and Regional Development, MCRD, 2003b) will play a crucial part as a basic programming document for the implementation of structural and regional policy in Slovakia for the period 2004–2006. Apart from the higher levels of the regional planning hierarchy, the most important feature is the elaboration of the local 'Programmes of economic development and social development of the community'. This provides an important impulse for upgrading planning in cities, enabling them to deal with their current problems more efficiently. As a result, local capacities in many cities have been activated within the processes of the formulation of strategies, which are much more implementation-oriented than territorial planning documents.

The high costs of investment in transport and technical infrastructure in cities have curtailed state activities in this field. Cities located on the main national transport axes could improve their transport infrastructure in the context of a motorway construction programme that included city links and took transit transport outside the main urban environment. Local self-government authorities obtain financial resources through a share of road tax, which must be spent on road infrastructure development and maintenance. Minor investment subventions involve cities and the support of their public transport companies.<sup>11</sup> The situation in environmental infrastructure is more sensitive. Cities may receive some of their resources in the form of a specific grant from the Ministry of the Environment (2004) to address environmental needs: waste management, sewage treatment, and water delivery.

Initiatives in support of economic development are oriented towards the development of industrial parks and assistance to business support institutions. Industrial parks should remove the barriers to new industrial development and attract investors to particular localities. The state offers subventions for the development of technical infrastructure and compensation for the purchase (rent, exchange, dispossession) of necessary land. Financial participation and

<sup>10</sup> The basic principles were introduced in the Support of Regional Development Act adopted in 2001.

<sup>11</sup> Five large cities run mass transport companies on their territory and regularly obtain state subvention for their operations. For example, for 2004 the sum involved is EUR 40 million (State Budget for 2004 Act No. 98/2003).

administrative requirements provide better opportunities for cities than rural communities to participate in such initiatives. Various institutions supported by the state and located in cities provide support for entrepreneurial activities.<sup>12</sup> The main aim of this network of support centres is to assist SMEs to start or expand by providing advisory, information, and educational services.

Central state involvement in housing is a good example of the slow expansion into a fully elaborated policy. Citizens' savings, commercial credits, and building societies were three new pillars of housing development that became established during the first half of the 1990s. Although building societies (including annual state financial premium for savers) had already started in 1992, they only achieved a stage of extensive borrowing when they had accumulated enough resources in the mid-1990s (1995–1996). The State Housing Development Fund (Slov. Štátny Fond Rozvoja Bývania) was established in 1996 to help resolve the unsatisfactory situation. The Fund offered long-term credits for housing at a low interest rate. Mortgages, the last standard tool, also had a delayed start. Although legislation was approved in 1996, banks have only offered mortgages on a wide scale since 1999, after the state started to compensate part of the commercial credit rate. Of the other tools, bank guarantees for investors in housing, has functioned since 2001, but only to a minor extent. Taxation instruments in support of housing were less well worked out; there will be fewer of them following the introduction of a general rate of taxation (19 per cent) in 2004. The programme for the elimination of systemic faults in apartment houses focuses on apartments in socialist housing estates. Specific tools are housing allowances supporting the ability to pay housing costs for low-income households. The policy documents in the field of housing (MCRD, 2000, 2003a) feature the support of local government authority housing initiatives, or housing in participation with local government authorities. They can receive subventions for projects in the rented housing sector (apartment blocks), infrastructure development for new housing estates, for the support of Roma housing projects, and the renewal of older housing.

As well as the cities themselves, the central state is interested in the strengthening of their competitive position. The state concentrates on the improvement of the cities' accessibility on international transport axes, the removal of critical development barriers, the support of their large competitive projects, and offering the marketing and promotion capacities of specialized state agencies (Slovak Investment and Trade Development Agency [SARIO] in international competition for investments), for example. Internal competition among Slovak cities is quite strong. Cities and their representatives compete for the location of state administration offices, universities, and whatever state resources may be available.

It should be mentioned here that there is no special monitoring concentrating on urban issues in Slovakia. Social and economic development is usually presented from regional and district perspectives. Basic analyses of urban system and cities are included within national level planning documents, or sectoral documents (housing, for example). Information concerning the cities and a comprehensive overview of the problems of urban local government authorities are still lacking.

<sup>12</sup> For more detail see Ministry of Economic Affairs (2002), NADSME (2003).



## The Organization of Urban Policy

The relevant ministries fulfill the leading roles in the formulation and management of the main policies. The basic coordination of policies is organized at the level of central government, inter-ministerial negotiations, and specially convened multiparty Government Councils for specific issues as advisory and coordinating bodies. Policy objectives are usually the outcome of consultations with representative bodies of local government authorities, business associations, professional organizations, and non-governmental organizations. Some of these also participate in the management and supervision of support schemes. The most frequently applied approach to financing city activities is tendering: that is, open competition for resources according to the projects submitted. Less common are individual decisions in favour of large projects in specific cities. In the implementation of particular policies in cities, the local government authorities are the most frequent leading actors (in housing, environmental infrastructure, industrial parks, and so forth). Their role was strengthened within the processes of decentralization. Local government authorities also act through powers delegated from the state (in social affairs, the State Housing Development Fund, for example). Most of the cities act and shape local objectives and programmes with the participation of the business community, citizens, neighbourhoods, and local NGOs. Besides the delivery of certain public services in cooperation with the non-profit sector, the local government authorities also support citizens' initiatives through grant schemes accessible to citizens, local associations, and so forth. The role of regional self-government in urban development will be more important in the future after the full consolidation of their offices, the assumption of all their powers, and the clarification of the financing of their activities.<sup>13</sup> The limits of the central state schemes concern in particular the lack of resources allocated to specific policies (housing, urban transport, environmental infrastructure, for example), the complicated and demanding administration (industrial parks), and the absence of efficient policies addressing certain problems (housing for low income households), and the unstable institutional framework in some programmes (support of SMEs). The two main associations of communities in Slovakia, the mayors of the largest cities and business associations representing certain involved sectors, are the most active in influencing central state approaches to cities.<sup>14</sup>

The central level imposes the rules, controls the application procedures and selection of projects, and allocates the resources. In most cases these are insufficient, so there is intense competition for resources from support schemes. At present, the financing of all initiatives is based on the financial participation of the applicants (who are predominantly the local government authorities). In the case of support schemes in housing, state resources (estimated at EUR 175 million per year in 2003 and 2004, MCRD, 2003a) are combined with a mix, depending on the

<sup>13</sup> Although regional state administration – the Regional Office – had already been introduced in 1996, regional self-government was only introduced in 2002.

<sup>14</sup> They are the Associations of Towns and Communities (ZMOS) and the Union of Towns, K8 – Club of Mayors of regional centres, or the Construction Industry Association.

purpose, of resources from the local government, the commercial sphere, and private citizens.<sup>15</sup> For example, the support of infrastructure for new housing is calculated per apartment or house built (the remaining resources needed must be provided by the partners involved).<sup>16</sup>

The accessibility of resources is improving within the context of joining the EU. For example, an important shift in the financing of infrastructure has already been achieved within the pre-accession processes. Large projects, mostly concerned with environmental infrastructure, were prepared within the pre-accession ISPA assistance framework (Ministry of Environment, 2002a, 2002b). According to the National Development Plan (defining priorities for financing from structural funds during 2004–2006), important support will be provided for all types of infrastructure within its 'Operation Programme Basic Infrastructure' (main priorities in transport, environmental, and informational infrastructure).

One of the crucial future partners in urban development will be the regional self-government authorities. These are taking over powers in important fields of regional development, territorial planning, tourism, education, health, and social services. Local government authorities in the larger cities and regional self-government authorities will cooperate closely in many fields. Forms of cooperation are now only under formation, with less direct links among regional self-government and local government at present (there are no links of subordination).

## Results of the Policies

Central state policies applied in the cities have failed to provide fully acceptable results in clearly visible improvements in the fields on which they focus. Nevertheless, their rising role, effectiveness, and efficiency have been confirmed in the last few years. Within the last few years all the main policies have been systematically evaluated and consequently adjusted and amended so as to fulfil the defined objectives (in some case discussions have not been completed). Step-by-step improvements also involved the implementation aspects and administrative requirements that slow down progress in some policies (industrial parks directives and legislation amendments, for example). Implementation aspects have also been improved, thanks to the current stronger, more professional capacities of local government authorities in comparison with the 1990s. More changes were directed to the improvement of fairness in the field of housing policy: improving access for low income families to new housing (by adjusted criteria for support in State Fund of Housing Development Act amendments in 2000 and 2003); and more attention to the construction of apartments in the public rented sector. New housing construction and the residential real estate market started to become more dynamic

<sup>15</sup> Latest trends in this field include Ministry of Construction and Regional Development (2003a) – Proposal of actualisation of housing construction development.

<sup>16</sup> More details include Directive of the Ministry of Construction and Regional Development (2004c). Similar directives concerns also support for rented housing and removal of systemic faults (in socialist apartment houses).



when all the pillars of policy started to work more efficiently. The mobilization of the resources of all the partners, including EU resources, has finally started to have an impact on the infrastructure, at least in some cities.

The last few years have been characterized by the mobilization of the capacities and resources for the completion of the planning framework in the cities. Pressure is expressed in terms of legislation; all cities should have adopted a basic territorial planning documentation until mid 2005. The most mobilizing motivation for the completion of the respective programmes in development planning is their indispensability in obtaining external support (a project/grant application must be in agreement with the development programmes adopted). More financial schemes have been introduced to assist local government authorities in these tasks (MCRD, 2004b, for example). Processing these schemes into efficient action plans is a matter for the near future.

The multitude of initiatives within housing policy is slowly improving the housing situation (the first outline of housing policy strategy appeared in 1991).<sup>17</sup> There is much more new housing construction, although not yet enough to improve the situation significantly. The number of dwellings completed per year is rising substantially.<sup>18</sup> Less efficient is the support for the renewal of the housing stock on the socialist housing estates. The subventions to eliminate systemic, listed construction and technical faults are growing (EUR 1.5 million in 2001, EUR 3.7 million in 2002, MCRD 2003a, 2003c). Thanks to state support, a more positive development is observable in the expansion of the new public housing rented sector (11.2 per cent of total new dwellings built in Slovakia during 1999–2002).<sup>19</sup> However, even this scale of public housing is insufficient. For the first time, greater resources have been allocated for 2004 to the programme administered by the Ministry of Culture (2004) 'Renew our own house', focusing on the renewal of buildings included in the national cultural heritage, but in private ownership (more than EUR 6 million).

Improvements in planning and the amount of resources available have positively influenced the resolution of the infrastructure problems in some large cities. Several important investments concerning large cities are in water management (water delivery and sewage), water cleaning facilities (large projects will start soon in Žilina, Nitra, Martin, Banská Bystrica), and central heating delivery systems (Martin, Žilina).<sup>20</sup> These problems could not have been resolved within the standard support schemes, because of their high cost. Few positive developments have as yet been achieved in the road transport infrastructure in the cities or public mass transport services. For example, income of local governments

<sup>17</sup> For more details on the history of state housing policy see Zapletalová et al., 2003.

<sup>18</sup> There were 6,157 new dwellings built in 1995, and 14,213 in 2002.

<sup>19</sup> An evaluation of housing construction and state programmes of its support is included in Ministry of Construction and Regional Development (2003a).

<sup>20</sup> Most of them with the support of resources from the ISPA (Ministry of the Environment, 2002a).

from road tax for local roads does not exceed 25 million euro (in 2001, 2002).<sup>21</sup> These resources, even when combined with other local resources, do not make effective progress possible in local road system improvement and maintenance.

Industrial parks are being expanded slowly and carefully. A part of central state strategy is to avoid having parks under-utilized. Their location takes into account the situation of local and regional economies as well as the interests of investors. The resources available for industrial parks were intended to be EUR 12.5 million per year (actually, EUR 12.5 million in 2001; EUR 11.3 million in 2002); however, not all the state resources available were allocated, because of the lack of well-prepared projects put forward in 2001 and 2002.<sup>22</sup> Most of the support went to industrial parks in the hinterland of Bratislava and Košice; much of the rest went to cities in eastern Slovakia. The State also pays attention to the high cost support of particular large projects with prominent foreign investors (Ministry of Economic Affairs, 2003, 2004), leaving little over for more dispersed and smaller city projects.

### Other Relevant Policies

Besides the mainstream national policies already mentioned, there are some other policies also applied to the cities. The most important in this category are public works (known under several names in Slovakia) organized by local government authorities with the support of labour market institutions, and government initiatives in urban crime prevention. The rest are local initiatives addressing urban problems according to local needs and priorities. An important factor is that certain urban problems were not addressed by national policies, or could not be dealt with effectively in real time (infrastructure development, local economic development, social issues and so forth). Local government authorities therefore decided to act through the pressure exerted by the intensification of the problems. For this purpose, local government authorities often enter into partnerships with private bodies, non-governmental, and citizens' organizations. It has to be stressed that the whole public administration system in Slovakia is of a dual character with a division of tasks along separate lines of state administration (general, specialized) and self-government (local government, regional self-government). Thanks to the decentralization processes, the role of state administration is diminishing.

The high level of unemployment is being addressed by a variety of initiatives. Within the last few years, the local government authorities have become crucial actors in the implementation of public works schemes subsidized by labour market institutions. The employment legislation (The Employment Act) strengthened the position of local government authorities, which are now considered as institutions

<sup>21</sup> The total income from this tax sum is distributed according to the size of the population in each community; however, Bratislava and Košice have obtained a higher share (see Ministry of Finance 2002, 2003, State Budget Acts).

<sup>22</sup> It was EUR 12.5 million (2001), EUR 11.3 million (2002), while only EUR 3.7 million was planned in the 2003 state budget.



having powers in the field of employment policy. The city authorities organize workplaces in small-scale urban and environmental improvement services. The cities have started to develop more initiatives to address the problem segments on the labour market, especially young people and marginalized social groups, including Roma. Besides the use of the institutional framework mentioned that is already serving development, cities cooperate in particular with non-governmental organizations in this field.

Sustainable development was introduced explicitly into a framework of local government functioning in many cities. Local initiatives are particularly strong in Banská Bystrica, Košice, and Poprad (having signed the Aalborg Charter on sustainable urban development). Other authors have documented the growing number of cities participating in various programmes focusing on a sustainable cities agenda (Mačáková, 2001; Kozová et al., 2003). Bratislava regularly undertakes the 'Green City' summer initiative, involving environmental improvements in selected localities with cooperating self-governments, a private partner (the local branch of the multinational Phillip Morris), citizens organizations, and other volunteers.<sup>23</sup>

The documentation of the growing number of apartments built in the public rented sector reveals that local government authorities are paying more attention to housing issues as expressed in the elaboration of specific local housing strategies. The city of Košice, for example, has prepared the document: 'Strategy for housing development: Housing in Košice in the 21<sup>st</sup> century: An action plan for housing development in marginal parts of the city forests in Košice' (City of Košice, 2003). This local initiative for resolving the local housing shortage concentrates on affordable housing in a pleasant environment. The plan presupposes the sale of municipal land at favourable prices for the construction of single-family houses. Access to new housing in the city should be improved. The establishment of a special fund for the quality of living and green area development in the older socialist housing estates is also assumed. Many cities have started projects in the public rented sector, as well as housing for socially deprived groups of the population.

Urban criminality will be targeted by a number of state and local government joint initiatives. Basic public safety is under the control of the state police force; it is seeking closer co-operation with city police units. Local/city policy units financed and managed by local government authorities are now operating in most Slovak cities. Crime prevention is a priority. The current emphasis is placed on the training of specialists, prevention activities involving specific groups of the population (especially young people), and advisory centres for the victims of crime. Resources are also being invested in technological improvements in cities, various types of communication and protection systems in particular.

<sup>23</sup> 'Green City' is a community initiative, which has been concerned with the improvement of green areas in the Bratislava city centre since 1999. Originally a joint activity of the city district of Staré Mesto and Philip Morris, it was later extended to include a third partner: the Bratislava City Council. Philip Morris sponsors these activities (approximately EUR 20,000 per year) (City Quarter Bratislava – Staré Mesto, 2003).

Newly emerging problems are most likely to arise in the large cities. Homelessness, which was previously unknown, has been under close supervision in Bratislava since 2003. According to a previous estimate there are about 3,000 homeless people in Bratislava. However, according to a field survey carried out in December 2003, a better estimate would seem to be 600 people (City of Bratislava, 2003). In 2003, the Bratislava city government authority, in cooperation with two city districts and Trnava University, established a shelter for the homeless with a capacity of 35 places. Other minor support facilities addressing the housing of homeless people are run by churches and charities, as well as regional self-government authorities (Beňová, 2004).

One of the most visible aspects of the competitive policies of the cities is their unremitting efforts to attract new university and higher education institutions. These are usually given preferential arrangements by the local government authorities. They offer buildings, cover part of the operational costs, and/or provide housing for teachers and dormitories for students (Trenčín).<sup>24</sup> This is a priority policy in smaller cities that do not have a full university.

In the absence of central state policies, local government authorities have introduced their own initiatives. They have turned to co-operation with private and not-for-profit partners, putting in place facilitating instruments. Housing development schemes with private partners taking the dominant role are the most usual, but industrial parks have also been similarly developed. All the larger cities have prepared sites for new investments. Despite the scarcity of resources, the cities do have some activities funded through their own investments. One of the most common of these has been the reconstruction of the main city squares. These have been transformed into attractive pedestrian zones. The cities have also sought to cope with problems in transport and technical infrastructure development and maintenance. Each year, they allocate their limited investment resources as best they can, but these fall far short of what is needed. Good examples of non-governmental and citizens' initiatives can be found in many cities. This 'third-sector' (non-governmental, not-for-profit) delivers certain services and carries out voluntary work. Many cities support non-governmental organizations and citizens' activities through their own grant schemes. The cities of Nitra, Žilina, and Trnava, for example, provide money for citizens' initiatives in culture, education, the environment, sports, social welfare, and health (City of Nitra, 2003; City of Žilina, 2004; City of Trnava, 2002b). Buček (2000) has drawn attention to the strengthening position of the third sector in Slovak cities. In some cities, in addition to the NGOs there are informal associations. They have formed an umbrella association to integrate the local organizations, monitor the local situation, and put forward proposals concerning various local issues.

<sup>24</sup> Local university and the city signed agreement on strategic partnership (TnU Trendy, 2004).



### Problems and Perspectives of the Policies

It can be concluded that the cities are not dealt with according to a multifaceted, well-elaborated policy. Despite an indisputable positive shift in addressing certain urban problems, unfortunately many have remained unattended to for years by explicit central state urban policies. The state has preferred a selective and sectoral approach to systematic initiatives in urban problems, considering them to be the domain of the city councils. Such an approach combined with difficulties in the application of state policies has meant that local government authorities have often had to act alone, drawing on their own resources and capacities, with the limited involvement of the central state. Although a policy approach that considers local initiatives to be more suitable for addressing urban problems is quite acceptable, such important responsibilities were not accompanied by sufficient powers, capacities, or resources to cope successfully with problems of such scale and complexity in the long term. Perhaps local initiatives will acquire the capabilities to cope more successfully with the full range of problems in the near future, after the completion of decentralization of competencies and fiscal decentralization.

Urban problems have not been dealt with as efficiently as they should, because policies work through very slowly. A long time period elapses in the process of identifying the need for certain action, its formulation, its elaboration into legislation, the adoption of detailed guidelines and procedures, and efficient execution. For a long period many initiatives were complicated and very demanding, administratively and professionally. Fulfilling all the requirements was not easy. Some of the initiatives needed several years of application and adjustment to work well. The allocated resources have not been spent, or conversely they have been insufficient. However, in general terms it can be said that many policies have been positively adjusted and improved within the last two or three years, and many changes are under preparation. The flexibility and adaptability of policies is at present much higher than during the 1990s.

The success of central state policies in the cities depends heavily on the capacities of the local government authorities. Thanks to their activity and capable participation in central state schemes, many improvements have been achieved in many fields. The different situations in which the local government authorities find themselves have not been taken into account. Their participation has in many cases been limited by inadequate administrative and professional capacities as well as the lack of financial resources (own resources needed for co-financing, or to cover the costs of external assistance). The ambition to resolve problems through their own capacities has led many local government authorities to incur large-scale borrowing for investments (in technical infrastructure, roads).

Most attention in planning issues is now paid to the programmes (strategies) of economic development. There is a wide diversity in these documents (see City of Bratislava, 1999; City of Trnava, 2002a, for example). While some of them have been prepared by well-established and specialized parties, others have been prepared relying predominantly on the in-house expertise of local councils and offices (City of Žilina, 2003).

### Problems and Perspectives of the Cities

Two main directions in the future development of large cities can be discerned. The first supposes a growing scale of the sub-urbanization processes, although growth is not very rapid. This scenario leads to more people living outside the borders of large cities, increased commuter flows as a result of improved infrastructure and cheaper housing costs in the hinterland and a rising number of jobs in activities decentralized to larger urban functional regions. The second scenario supposes a very active role for large cities, their decision-making bodies and interest groups in re-urbanization activities. Cities with an expanding local economy in particular will attempt to halt population decline and attract new immigrants and businesses.<sup>25</sup> More cities have a large cadastral area (including relatively rural or agricultural areas) with suitable land reserves for new housing. Korec (2003) expects such a rising intensity of new housing development within the city cadastral borders in the case of Bratislava. Cities will mobilize their own resources and initialize new projects in the housing development needed for the employees of local companies and thereby counteract the sub-urbanization flows of population. Initiatives in new housing construction can in some cases have the form of 'internal' sub-urbanization (within the area of the city, but outside the main urban built environment).<sup>26</sup>

The future of the urban environment and certain urban spaces is open to question. The transformation of the physical environment is selective, leaving many spaces aside. It seems that the physical environment of city centres will be successfully reconstructed and revitalized as a result of the progress in commercialization, the intensive penetration of services, and administrative activities.<sup>27</sup> The balance of functions in the city centres should also be a point of attention. Housing is clearly retreating from the city centres to be replaced by offices and shops, or is being replaced by high-standard and expensive housing. At least some spaces in the large socialist housing estates are likely to be a time bomb. The new owners of apartments (which were obtained at very favourable prices) are often not very active in setting about the necessary renovations. The increasing need for repairs and the rising operational costs can build up pressure for much larger scale state intervention, which will be the subject of widespread societal discussion. The fact that the cities are under the influence of ambitious private investors and local politicians should not be overlooked. Concentration on a few large-scale and costly projects would diversify the urban environment. It would prevent a balanced development of each part of the urban environment, and leave some obsolete and neglected space forgotten.

<sup>25</sup> It can be the case for cities with a vital and expanding economy, multiplied now by large investors like car factories in Trnava (PSA Peugeot Citroen) or Žilina (Hyundai/Kia).

<sup>26</sup> Spišiak and Danihelová (1998) analysed the quality of life in a suburban environment within the cadastral territory of Bratislava and outlined the potential in new housing development.

<sup>27</sup> Matlovič (2004) underline the presence of revitalisation in centres of Slovak cities (large scale construction works leading to formation pedestrian zones).



## Conclusion

The scope and effects of the activities of the central state in resolving urban problems has to be considered in relation to the overall transformation processes in Slovakia. Urban problems were not considered to be top priorities of the transformation processes. The problems were not perceived to be particularly acute in comparison with other societal problems. Besides the macroeconomic priorities, the formation of the new state institutions put considerable pressure on their capacities. The liberal, restrictive, market-oriented approaches prevailing during the 1990s also led to the reduced role of the state. The only stable framework was the regulatory role of territorial planning. The will to formulate more ambitious policies was finally influenced by the scarcity of resources in the state budget caused by the high costs of the transformation.

The central state only started to expand its policy involvement in regional and urban issues in the second half of the 1990s. At the beginning, these initiatives were not very well elaborated; their character was often more experimental and individual than systematic; their legal framework was variable, and financial backing unstable and insufficient. The policies that have been introduced (or adjusted) since the end of the 1990s have mostly been better worked out. Nevertheless, even some of these have been inadequately financed and accompanied by complicated administrative procedures and have needed later improvements. Ongoing changes in the public administration system, transfers of competencies among ministries, and the decentralization transfers have complicated the extensive and efficient activities involved in solving urban problems.

In the absence of state action and the presence of unstable conditions, heavy demands were made of the other actors, especially the local government authorities. Since the introduction of local government immediately after the transformation, expectations had been high that problems at the local level were a matter the newly established local government authorities would resolve. At the same time, many local authorities did not consider more elaborate initiatives were needed in many fields outside their explicit powers, such as support of SMEs, or housing. In addition to the tradition of state paternalism, the lack of experience and resources were crucial. The local authorities' approach changed in due course; they started to intervene in almost all aspects of local life (employment, industrial parks, SME support, marginalized groups). Although there was good will, the scale of their involvement was limited. As a result of the progress in decentralization in the last few years, their role is growing substantially. The completion of decentralization with fiscal decentralization in 2005 should provide more opportunities for an active approach. The future of the cities will be more in the hands of their local governments under this new arrangement. The cities will be able to be more flexible and adaptable. Moreover, the cities will also have to consider a more co-operative approach towards their neighbouring communities and a more integrative approach to development in whole urban regions.

The overview presented of urban problems outlines the potential fields of extended central state support as well as potential support from EU funds with respect to:

- transport and technical infrastructure
- economic development problems and unemployment
- new housing construction and the socialist housing estates
- marginal groups and criminality
- strategic and marketing planning
- regular and complex monitoring of urban problems and urban policies outcomes.

The high costs of investment in the transport and technical infrastructure are among the most critical barriers to urban development. Potential support should concentrate on the construction of new transit and ring roads, the modernization of the existing road network, the elimination of static transport, and overall road transport management and monitoring technologies. Many large cities need substantial resources for the extension of public transport, its modernization and improvement. Systems of efficient integrated transport linking cities with their hinterland need to be introduced. Investments are needed for expanding the operation of the main airports and railway stations. Extensive support is still needed for the environmental infrastructure. Support is also needed for further expansion of the information and telecommunication infrastructure for business, institutional, and home consumers.

Cities need assistance in the extensive development of new sites for industry and services. Projects involving greenfields as well as older sites requiring resources for their preparation (infrastructure building, clearance) have already been prepared. Similar support could assist business incubators and scientific and technological parks in the cities. Specially targeted programmes are needed to address the problems of the vulnerable groups of unemployed people.

Despite the progress that has been made in housing development, there remains considerable room for further support. The high costs of land and infrastructure limit the expansion of new housing. Programmes that have been better worked out and more resources should be devoted to the old housing estates and historic buildings. The programmes should motivate owners to undertake reconstruction, improve the living environment, and increase transport accessibility.

Specially targeted programmes should be established to deal with the formation of marginal groups in cities. Poverty, drugs, and homelessness are now addressed on a voluntary basis and outcomes are limited. More capacities, equipment, technologies and training are needed in more efficient programmes addressing urban crime.

The formation of a multiple planning framework in the cities seems almost complete. More detailed strategies, more market-based planning approaches, and detailed city marketing strategies should supplement the high standard of the basic planning documents. More attention should also be paid to the quality of such planning documents and their implementation aspects. The elaboration and



changes of such documents also needs more participation on the part of citizens and other actors.

Regular and complex monitoring of urban problems and outcome analyses of urban policies are needed. Such monitoring could facilitate the elaboration of a more coherent urban policy in Slovakia. At present, there is a lack of detailed knowledge of developments and social processes in the cities. Current knowledge is fragmented and unbalanced.

## Note

Exchange rate used for currency calculations as of end of March 2004, EUR 1 = 40.1 SKK.

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# URBAN ISSUES AND URBAN POLICIES IN THE NEW EU COUNTRIES

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MARCEL VERMEULEN  
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In May 2004, the European Union was enlarged by ten countries. While there has been much research on the existing EU countries' urban policies, as yet, there is very little written in English on the new EU countries' cities and their plans for urban development. This volume brings together case studies from Hungary, the Czech Republic, Poland, Slovakia, Slovenia, Estonia, Latvia, Lithuania, Cyprus and Malta to provide a comprehensive overview of these countries' urban policies. It also compares these policies with those of the existing countries and discusses possible syntheses. It examines each country's national urban policy, as well as the position, problems and perspectives of their cities. In doing so, it provides new insights not only for the new EU countries, but also for the existing ones.

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