



It's lonely on the throne of Budapest

As Fidesz plans to completely restructure the system of municipal governance in the country and will also revamp Budapest's local government in the process, it is time to take a look at the status of politics in the nation's capital a few months after the right took control for the first time since regime transition. István Tarlós came in as a mayor blessed with a political constellation his long-term predecessor had failed to enjoy: he boasts an overwhelming majority in both the city council and among the districts mayors, and he has the ear of the national government. Yet, he is also in an awfully difficult situation: bereft of funds to undertake any major changes and heading a local party that is beholden to the PM above all. In light of these obstacles, Tarlós hasn't achieved much. To change that he needs to balance carefully and also remind Fidesz that giving up on Budapest would be a costly mistake.

Budapest may be breathing its last in its current bloated and inefficient municipal government structure. Even many of Fidesz' most ardent enemies might grudgingly admit on the condition of anonymity that if there is one thing that they thought the two-thirds majority in anybody's hand would be useful for, then that'd be the reform of the system of local governance. With over 3200 municipalities, and each with its own mayor and council, this system is as costly and wasteful as it is inefficient.

While the mayor-per-capita ratio is fairly decent in Budapest as compared to the nation as a whole, with 23 districts, each with a complete set of municipal institutions, as well as a council and mayor for the entire city, Budapest, too, is burdened with too many competing layers of governance and an excess of officials. It was virtually impossible to pursue a joint strategy for the city as a whole, and for much of his term in office long-term mayor Gábor Demszky was merely a manager, trying to manoeuvre between competing pressures from his council, the districts and the national government.

Hopeful signs for the new mayor

Though he is hardly a firebrand, the expectations were high that the new mayor elected last fall, István Tarlós, would rejuvenate the city's leadership. It seemed that he had numerous advantages that his predecessor did not.

He was fresh in an office that he had long craved, yet he was by no means a novice: he was the popular mayor of Óbuda for 16 years and the de-facto opposition leader in the city council after 2006. Unlike Demszky, he neither has to contend with a powerful and quarrelsome coalition partner or a politically inimical national government. Finally, all but four of the districts are led by right-wing mayors, and only one, the 13th, has both an MSZP mayor and council. With the most disciplined political party behind Tarlós, it was reasonable to expect that pushing through major changes would become a lot easier than it used to be.

But no fresh start for Budapest

Yet, despite these advantages, thus far Tarlós has failed to deliver. He has apparently no coherent vision for the future of the city, and acts in much the same, ad hoc manner that



characterised many of the Demszky-years. Apart from slashing funding for a variety of institutions – an unfortunate necessity, though not necessarily handled in the best way – Tarlós has devoted excessive attention to symbolic issues aimed at pacifying the more rabid parts of the Fidesz base, as well as the demands of Jobbik. The street-renaming spree was a good example of such symbolic politicking that gives the city little but a controversial set of new street names.

Those experts and armchair critics who bemoaned the standstill in the city government for years have seen little cause for optimism since Tarlós and Fidesz took over the city.

Nevertheless, it is also true that in spite of the seemingly beneficial environment the Tarlós-administration was hobbled by massive constraints – financial, administrative and political – from the very start. Let's take a look at the most important ones.

An outsider...

A deeper look at Tarlós' political position reveals that it is by far not as strong as it superficially appears. For starters, Tarlós is his own man, with all the costs and benefits that this status implies. Early in his career, at the time when the parties' political identities were somewhat nebulous in the transition era, he ran as an SZDSZ candidate, but he split relatively quickly, as his politics placed him well to the right of the party.

Though he was consistently supported by the right-wing parties in his successive bids for mayor of Óbuda and in his two Budapest mayoral races, he eschewed party membership and insisted on his independent status even as he was ever more integrated into Fidesz' political structure, appearing regularly at Fidesz campaign events and leading the party in the Budapest opposition. Whenever journalists pressed him how he would react if Orbán pushed him to do things that he did not deem beneficial for the city, he emphasised that he was not the PM's subordinate and that he would act for the city as he saw fit.

While there were some doubts that his insistence on being independent was merely a ploy to make it easier for Fidesz-sceptic Budapest residents to vote for him, there are also real signs of tension that looked anything but staged.

While Tarlós was abroad, his Fidesz-appointed deputy Tamás Szentés began firing hospital directors that Fidesz wanted to get rid of. Tarlós immediately halted the process that had not been cleared with him and reinstated the dismissed hospital bosses. Yet, while the episode showed his refusal to accept some of Fidesz' political games, it was also an illustration of his weak and isolated position in a structure that is utterly dominated by Fidesz: though it was clear that a deputy making major decisions without consulting his boss was a loose cannon from Tarlós' perspective, he couldn't fire Szentés.

Thus Tarlós' independence does not grant him major leeway to lead the city as he pleases. The mayor's position is institutionally circumscribed by the various actors mentioned above, and these are almost exclusively Fidesz politicians whose loyalty is first to the party and then only to Tarlós, if at all.



...hobbled by nasty circumstances

Still more importantly, the city government's latitude is dependent on its financial possibilities, which are dire, to say the least. Like many Hungarian municipalities, Budapest has been living above its means. It will be difficult for a cash-strapped municipality to take major steps forward in the city's development. Ordinarily, Budapest solves this by turning to the national government. As this year's tough budget shows, the possibilities here are limited – Fidesz was pretty vocal about reducing what it perceives as the overemphasis on the capital, and seeks to let other towns and regions play a greater role.

Though he had lots of fights with MSZP-led governments, Demszky often got his way with them. With Orbán, however, he often ran into a wall. For Demszky, this was just as well: By blaming the Fidesz-government for Budapest's troubles, he could mobilise political support by portraying Fidesz as petty.

Blaming the national government is not an option for Tarlós – independent as he may be, he has tied his political fate to that party.

Look on the bright side

All right, so on the negative side of the ledger Tarlós has hardly any manoeuvring room in terms of reforming the city and he is heading a political movement in Budapest whose primary loyalties lie elsewhere, and which would most likely not support him if he were to stand up to the government in the support of the city's interests.

While he won't be able to do too much for the city, two factors bode well for him. First, he has successfully retained his image as an independent and is pursuing a very different, friendlier and co-operative style of politics than Fidesz generally.

Mid-January LMP attacked the mayor over his budget plan, claiming that "Tarlós has condemned the city to a permanent vegetative state". A couple of days and a few compromises later LMP's deputy parliamentary leader Gergely Karácsony was able to laud Budapest's leadership, arguing that it was a "positive surprise" and a welcome contrast to the way Fidesz leads the country. While the statement was a tactical move aiming well beyond Budapest local politics, it only worked because Tarlós relishes the role of conciliator that is so alien to the party he works with.

Fidesz needs Budapest

The other factor that may benefit Tarlós is that Fidesz would be unwise to let Budapest completely slip away again. Fidesz does not need to win in Budapest to be competitive nationally, but it ideally should avoid a rout there: Each time when it failed to win at least the swing districts in the city (e.g. 5th, 7th, 9th) it also lost the election. It is true that those elections played out in a very different setting from today's, but no one knows what kind of a constellation 2014 or 2018 will bring: with its 1,7 million inhabitants, Budapest is worth a mass.



Of course it's always a question whether Fidesz realises this and whether it is willing to make the necessary concessions to accommodate the needs of the city. The looming debate about the local government reform, which currently proposes three alternative scenarios for Budapest's self-governance, ranging from the ultra-centralised to the very centralised, will offer plenty opportunity for both the Fidesz and the mayor to demonstrate that they wish to fight to retain the hearts and minds of Budapest's citizens, which MSZP served up on a platter in 2010.