

Places of Culture
From Cultural Institutions to Culture-led Urban Development in
Budapest

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Abstract

The thesis elucidates the emergence and trajectory of four urban cultural spaces in Budapest. Within a span of a mere decade a series of cultural places, under such nicknames as ‘Transformer’ (1998), ‘Pothole’ (2002), ‘The Palace of Arts’ (2005) and the ‘Whale’ (2008-2012) appear in Budapest. A former industrial electric transformer house, an earlier socialist bus-station, hitherto socialist railway shunting yards, and turn-of-the-century warehouses are revamped into novel cultural spaces indexing a structural shift from a socialist, industrial city to a service-oriented metropolis in the European Union.

The thesis approaches the emergence and trajectory of these four urban spaces in terms of ‘culture-led urban development’, a program and rationale of neoliberal urbanization. The thesis shows that the four cultural spaces mark different stages in a process of increasing neoliberal urbanization and through the four different forms it also formulates a critique of the concept and program of ‘culture-led urban development’. The thesis builds upon four case studies constructed and analyzed through a combination of ethnographic methods such as participant observation and seventy-five semi-structured interviews, complemented with a reading of urban strategic materials, urban development programs, plans and designs, of various media outlets from the daily press, to online portals, forums and blogs on urban development.

Instead of clear-cut divisions and radical breaks before and after 1989, the thesis elicits continuities and gradual shifts through the biographies, careers and involvement of actors - cultural workers, entrepreneurs, cultural managers, architects, developers, municipal and state actors - that take part in the production of these cultural venues. While the discourse of entrepreneurship prevails throughout, it undergoes subtle but important alterations. From more alternative and competing visions of the eighties we can witness a slow consolidation towards hegemonic urbanism.

Statement

I hereby state that the thesis contains no material accepted for any other degrees in any other institutions. The thesis contains no materials previously written and/or published by another person, except where appropriate acknowledgment is made in the form of bibliographical reference.

Judit Veres

Budapest, December 31, 2015

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Introduction

Constructing the scene: The Transformer, the Pothole, The Palace of Arts and the Whale

On November 7 2014 one of the most widely read online portals¹ announced the news that global architectural firms entered the international competition for designing a new museum in Budapest. With this it seemed as if an almost a quarter century long dream had become true. Securing a global architect signaled that Budapest finally entered the select club of competitive cities and that it could hope for more mobile capital and more visitors. This moment was part of bigger plans which envisioned a future museums' quarter that would radically alter the current City Park, the biggest contiguous green area in Budapest. This event was also part of bolder visions on the part of the current conservative government to enact the 'real' regime change, change the nation and the capital city.

One day some time in the beginning of the 2000s I recall passing a small square next to a busy central hub of Budapest. While I was walking across this place I could not help noticing the many people lying in the grass talking, reading and visibly enjoying the sunny day. But more than this I was drawn to the sight of people sitting on the edge of the pool with trousers rolled up and dipping their feet into the water. It immediately flashed before my eyes, in the recesses of my mind that this would have been impossible in Ceausescu's Romania. Police would have on the spot clamped down on those youths had they dared enter a public fountain or just dip their toes in

¹ http://index.hu/kultur/2013/11/7/ilyen_lehet_5_ev_mulva_a_varosliget/ Ateliers Jean Nouvel, David Chipperfield Architects, Mecanoo, Nieto Sobejano Arquitectos S.L.P., Renzo Piano Building Workshop, Sejima and Nishizawa and Associates, Snohetta are among the competitors of the first round. The quarter would include the Museum of Ethnography, The House of Hungarian Music, Budapest Photo Museum, The Hungarian Architecture Museum, the National Gallery, Ludwig Museum.

its cooling water. But, hurrah, it was so much different now, so much more liberating! This happened one or two years after I moved to Budapest from Romania.

Fast-forward to 2014, this was still the sight that the same place offered. It was virtually the same place and the same image of a sun-lit square on a sunny day, with many people enjoying their stay, savoring their coffee and relishing their friends' company. The square offered the same sense of leisure, perhaps way too crowded by then, with newer street furniture and with a more well-kept and manicured grass.

This sense of leisure that the place transmitted was not at all unique. Many cities across the world had such pockets that offered this visual image and transmitted this feeling to the casual visitor, to the hurrying passerby; the many changing streets and neighborhoods, the inviting squares, the lively cultural-entertainment hubs all conveyed a sense of leisure mixed with a sense of well-being, possibly of affluence too. This was what tourists and passersby alike often searched, for such places, which to them looked authentic, often a bit run-down, just enough to pass for the patina, the spirit of the place rather than some kind of 'wholly manufactured tourism venues' (Fainstein, 1999:2).

The square, with a small park to one side and a pool surrounded by patches of green lawn on the other, and benches of all sizes and heights so that people can lie and sit alike, with the wide stairs leading to the cultural venue below caught in between the traffic passing it, did appear as an oasis, as a place lifted out of traffic and yet not entirely isolated from the rest of the city. It was by trying to explain this sense of leisure that the present quest took shape. With the sense of freedom and leisure in mind I started - with the realization that these two can be easily mistaken for each other, and that this is in no small part due to the ways in which cities have been increasingly promoted, redefined and restructured for the past few decades.

This place, however, was not unique. Within a span of one decade only, between 1998 and 2008, a series of cultural places, with names such as 'Transformer' (1998), 'the Pothole' (2002), 'The Palace of Arts' (2005) emerged in Budapest, and another one called 'The Whale' (2008-2012) promising to outdo anything that had been built before as a cultural place followed suit. This extraordinary proliferation of cultural

venues invariably involving the participation of the state escaped public notice but for some of the political shenanigans that accompanied certain stages of their development. These spaces became politicised urban terrains when some groups started contesting the terms under which the city was being reshaped. The construction of new or/and demolishing of old places too was up to debate and people could see that they could have a say in this. It was on one such occasion that around one hundred people gathered to encircle some buildings singled out for destruction. For a brief moment it looked as if politics could be something different².

Trafó, a house of contemporary performing arts was established in 1998, then a mixed cultural-entertainment urban space called The Pothole comprising concert halls and forming one coherent unit with a park above it followed in 2002. Not much later an elite cultural institution by name of Palace of Arts opened in 2005, and last but not least the municipality of Budapest set off to build an architectural icon in 2008. Marketization and privatization were the dominant dynamics that were restructuring not only Budapest but all the former socialist capital cities. What could then explain the almost serial appearance of cultural spaces in Budapest invariably state-backed within practically one decade between 1998 and 2008?

The thesis sets off to elicit this puzzle by looking at the emergence and trajectory of these four cultural venues. It does so by identifying the groups that have participated in their making and everyday managing, and maps the power relations running among them vis-à-vis state and economic/market actors. The main questions that drive this thesis are about the people who have the opportunity to take part in shaping these cultural spaces, and implicitly the urban polity, and about the forces and circumstances that have created this opportunity. The thesis elicits the terms under which other than state actors can actually participate in the process of city making while negotiating their terms of participation with respect to the state and the economy. Implicitly the quest is about tracing the possibilities of action vis-à-vis state and economic elites and eliciting the kind of freedoms that these urban public spaces

² Around the same time, in the 2010 national and local elections a new party emerged on the political scene which called itself 'politics can be different'. LMP, the Hungarian name of the party, appeared precisely win the attempt to show that politics could be done differently from the way it had been done up until them, that is, in a more transparent, accountable and fair manner.

envision and allow for. As such the thesis is concerned about the possibility of urban politics with a view to enhancing the process of democratization. This is of great significance and urgency in the face of increasing signs of 'de-democratization'. I understand this as a process that can be conceptualized in three analytically separable but interdependent sets of social relations; public politics, inequality and what Tilly calls 'networks of trust' (Tilly 2007). De-democratization entails the weakening or inhibition of claims on governments' agents, activities, and resources which make up public politics, an increase in inequality, and the proliferation of privatized, discretionary networks of trust.

I approach the production of these four urban cultural spaces with respect to the recent urban socio-spatial and cultural political economic restructuring of Budapest. I argue that these four urban cultural spaces are expressions of culture-led urban development, itself a program and project of neoliberal urbanization, which rests on a re-articulation of the state-society-economy relationship. From one cultural space to the next I show and trace the modalities and variations in the construction of cultural venues through practices and the discourses of diverse participants. Thus I show how the narrative and ideal of the competitive and entrepreneurial city, that is the neoliberal city, gains momentum and how it increasingly becomes the hegemonic form of urbanism in Budapest too, and how it compels people and these urban cultural spaces to pursue practices and to imagine and construct their responses, their future visions on these terms.

The ideal and discourse of entrepreneurship prevails throughout while it undergoes subtle but important alterations. Out of more alternative and competing meanings of being entrepreneurial during socialism the imperative of the neoliberal competitive city gradually takes hold and becomes hegemonic.

The expediency of culture

With the recycling of a by now defunct socialist industrial past, the selected urban cultural places perfectly fit the image of a post-industrial service economy that demands various restructurings, socio-spatial, state and economic deemed to be appropriate to produce the 'new economy'. This new economy has been variously referred to also as 'service', 'cultural' or 'symbolic' economy³. Notwithstanding the slightly different emphases and approaches that these various terms denote, they signal a shift whereby as diverse material practices as that of labor, art, performance, design, and finance increasingly become part of the process of capital accumulation. It is not only industrial labor, but increasingly the calculations and products of finance, the input of designers, the work of artists, or the images crafted around any of these that can make or break an economy. One may call this new economy by the nicer name of cultural economy, the fact nevertheless remains that it is still a political economy – as Zukin cautions (Zukin 1995).

All these novel concepts signal the recognition of and the need to explain a complex set of socio-spatial, political-economic and cultural changes already happening in the late seventies. The limits of a state-directed society and economy, which not long before was still thought to be the wave of the future, become increasingly obvious. Instead, it is increasingly the imperatives of markets and economic growth that come to dominate with states creating the conditions needed for this. A certain transformation in how economies are understood and how they work happens with markets becoming the taken for granted ways to represent and act upon the economy (Fourcade 2002, 2009).

If culture appears to enjoy more attention at all, this is increasingly done according to the terms set by the requirements of the market economy, and through particular practices that involve various actors and elements, state and economic alike. The

³ This new economy has been recognized for various aspects; for its more flexible organizational forms (Piore and Sabel, 1994), for the supposed centrality of knowledge, (Bell 1973) information (Castells 1996) or creativity (Florida 2002), to name but a few of the competing interpretations.

altered role of the state comes along with the wholesale restructuring of economies and of societies, profoundly affecting the ways people construct, live in and imagine cities as well.

Novel representations and ideals of cities as opportune investment places and tourist magnets more and more become part of material practices of politics and economics, rendering these vogueish representations and constructions of cities a matter of common sense while they are not so at all.

The restructuring of cities from former industrial spaces into novel urban spaces purportedly now happens with a new sensitivity towards and interest in culture, where culture is deployed to spearhead such urban development projects. This by now staple urban policy direction entails a highly instrumental redefinition of culture, increasingly seen as some sort of ‘expedient’ (Yudice 2003) tool towards improving the competitiveness of cities and subsumed under the imperative of economic growth.

It is important to emphasize that the current instrumentality of culture is to be understood with respect to the latest phase of capitalism. As such, the way the instrumentality of culture happens as of late differs from earlier instances when culture was also applied, used with a purpose in mind. The present instrumental application of culture happens through certain discursive and material practices specific to neoliberal urbanism. At the center of these is the reshaping of cities along competitiveness and entrepreneurialism. The pursuit of iconic architecture, of private-public partnerships, various measures and activities that lead to gentrification are some of the practices and policies pursued in the hope of creating competitive cities.

The current use of culture with respect to how cities are being reshaped as indexed by the turn of words ‘culture-led urban development’, while it incorporates, it also differs from, and proposes to transcend the way the liberal political tradition approaches culture in terms of erudition and cultivation. While culture in this usage often rests on an elitist approach, for which it has been consequently castigated, the current use of culture vows to show more sensitivity to context and to difference, and to be less elitist, more inclusive, and overall more democratic. Despite such pledges, however, I show that culture-led-urban development is often elitist and exclusionary.

Thus, to conclude I argue that the term culture as it has been recently used in urban development depends on and it is closely tied to a new political economy, to the latest phase of capitalism. While this new economy may be called ‘cultural economy’ it is still political economy, where politics, economy and culture are mutually co-determined and co-produced, with culture more and more instrumentally deployed in the urbanization of capital. Culture’s instrumentality this time is constructed and can be explained with respect to the latest phase of capitalism, that is, neoliberalism, more specifically in terms of neoliberal urbanism where economic growth and the ideal of competitive cities loom large.

It is through culture and political economy that a hegemonic ‘global urbanism’ (King, 2004) of iconic architecture, of gentrified cities is being constructed. Cultural representations of the city and city life play an important part in this. Media images and what Zukin refers to as ‘elected officials rhetoric of growth’ play a significant role in the shaping of public culture⁴ and in the construction of (the cultural representations of) city life where the middle classes’ tastes and practices dominate (Zukin, 2009: 546). Media images have increasingly come to play a key role in shaping people’s sensibilities, in informing our ideals’ of a good life, of a good city life. And these ideals are deeply entangled with the ongoing construction of a hegemonic global urbanism peculiar to this phase of capitalism.

Despite ongoing debates on what neoliberalism is, and whether it is still analytically useful given its too broad application, with the latest debate in the aftermath of the 2008 financial crisis (Jessop 2013, Kalb 2013, Wacquant 2013), I deem neoliberalism to be a valid analytic concept and object that can help explain certain cultural-political-economic changes as of late in Budapest in terms of global dynamics and mechanisms in mind. Aware of the warning about the possible overemphasis on market rule (Wacquant 2013), and about the disciplinary nature of neoliberal governmentality (Lemke 2001, 2002, Mitchell 2002, Rose and Miller 2002, Swyngedouw 2006) here I approach neoliberalization in terms of the urbanization process, as neoliberal urbanism/urbanization.

⁴ Public culture is defined by Zukin ‘as a process of negotiating images that are accepted by large number of people’ (Zukin, 1995: 10).

Thus, building on the theory of neoliberal (Brenner 2002, Peck and Tickel 2002, Brenner and Jessop 2003, Weber 2002 etc.) or entrepreneurial urbanization (Harvey 1989) the apparent contradiction between cut-backs on public fundings and privatization accompanied by new state-funded large scale urban projects, situation that underlies the emergence and trajectory of the four cultural spaces that the thesis focuses on, ceases to be a deficiency or anomaly peculiar to a post-socialist urban context. This is how most of the Hungarian liberal media and more generally liberal think tanks interpret what they see as the increased role of the state both in culture and the economy as well. Instead, what we see, can be better understood in terms of a roll-out and roll-back process of neoliberalization that rests on contradiction and crises, and propped up by uneven development (Brenner and Theodore, Peck and Tickel 2002).

One of the apparent contradictions that manifests itself is what looks to be the growing power and influence of the state in Hungary since 2010 despite Hungary's marginal position within the EU and its subservience to the imperatives of the (market) economy. Is then the Hungarian state weaker or stronger? I show that there is a lot of contradiction and ambivalence as to what it is happening with respect to the scope and influence of the state. It can appear as both stronger, and weaker depending on its exact sphere of action. The Hungarian state is amplifying its scope in certain directions, becoming stronger at policing the poor, at assisting elite groups, but diminishing its support, cutting its functions when it comes to culture, education and health. In this respect it is not an anomaly, this is a phenomenon that is occurring world-wide, notwithstanding the differences that exist among the old capitalist states and newly emerging democracies, for example.

Neoliberalisation works through 'inherited socio-institutional difference and past social struggles and compromises' (Peck et.al. 2013:1093). In light of this, I elicit the separate trajectories of the four cultural venues not simply in terms of a unified global neoliberal urbanism. But I look at it in terms of inherited socio-institutional geographies as well, where the relation to the socialist period (see also Andrusz & Harloe & Szelenyi 1996, Eyal & Szelenyi & Townsley 1998 etc.), only rarely analyzed in a compelling way with the urban scale at its center (Bodnár 2011), plays an important part.

I propose an analysis that does not assume, however, a clear-cut dichotomy and a radical break between the period before 1989 and after it. As Bockman (Bockman 2011, 2012) showed, Hungary was already experimenting with market institutions that made the adoption of neoliberal policies a more continuous and gradual project that a Manichean dichotomy set between state socialism and market liberalism cannot see.

As this study will also demonstrate, the competitive entrepreneurialism of the Budapest urban elite while part of the global urbanism and imaginary, can be understood in light of the 1980s' cultural underground scene, itself not unrelated to the more alternative economic conceptualizations, for example as the one advanced by the controversial economist Tibor Liska (Bockman 2011). Moreover, the struggles around the selected cultural venues after 2010 are formulated via a recourse to and revival of earlier patterns. Thus the ideal of civil society, still a potent clarion call, is conceptualized against a repressive state leaving the threat posed by market imperatives unaddressed as it was done in the 1989 Central European revolutions on the one hand, and part of a (neo)liberal political project on the other (Arato et al 1992, Huszár 2008, Somers 2008, Wood 1999). Political struggles rely on existing repertoires (Tilly 2005, 2008). These repertoires are formed peculiar to their geographical and historical context with earlier struggles setting patterns that gradually build up a repertoire of contention. In Hungary this means that struggles are primarily formulated in terms of defending civil society from an all too powerful state.

Much of the recent cultural-political-economic changes that this research focuses on happen through the pursuit of urban renewal that leads to gentrification, with the production of star architecture and megaprojects as markers of hegemonic urbanism. These practices, as it has been extensively documented in critical urban studies, often exacerbate existing forms of injustice and lead to further inequality. Most importantly these changes mean the transformation of and privatization, and the loss of public space, which often is resisted in the name of the right to the city (Deutsche 1996, Mitchell 2006, Lefebvre 1996, Low & Smith 2006).

In the Hungarian context, however, the repertoire of contention, the possibility of and language for formulating claims I argue often happens on a more abstract register

peculiar to the language of civil society. The defense of human rights is more general compared to the right to the city, and less concrete than the call for social rights (see for slightly different approaches Bodnár 2013, Somers 2008). Through an exclusionary focus on the abuses of the state vis-a-vis civil society, this repertoire of contention, as I will demonstrate through my case studies, is not yet prepared to address the problems that markets cause, either, or to look at the ways in which state is an important facilitator of market forces.

A very recent scholarship in critical urban studies (Colomb & Novy 2013, Kratke 2010, Harvey 2012, Vonole 2013) to name but a few examples, which has built on an earlier trenchant critique (Peck 2005) of the creativity thesis literature (Florida 2002, 2005, Landry & Bianchini 1995, Landry 2000) has looked at specific sections of the creative class as agents of progressive struggle. They showed these groups as pioneers of urban struggles over public space working against the grain of extant neoliberal policies. While the way Richard Florida depicts the creative class shows a strong bias towards success scenarios, whether segments of the creative class are indeed becoming agents of hope as Harvey claims, can be answered only with respect to specific instances.

Another literature deals with the connections between the socio-spatial practices of urban patronage as regeneration and urban development and architectural commissions (Kaika and Thielen 2006, Evans 2003, McNeill, 2005 Miles, and Paddison 2005, Sklair 2005). It shows how the interests of global capital, of the transnational capitalist class impact upon the architectural forms that cities recently are wont to pursue, and how these are parlayed into local politicians's visions. The symbolic dimension of architecture and role of cultural traditions (De Frantz 2005, Molnár 2005) are established and expressed in the projects in which societal, state and economic actors participate. Culture, no doubt, is increasingly tied to the calculations of political economy (see also Harvey 1990, 2001, Zukin 1989, 1993, 1995), but how this exactly happens can be answered only in light of concrete empirical investigations.

Methodology

I focus on four cultural spaces which exist in the same political–economic context. While this is not a classical comparative study, the research proceeds to a certain extent through a controlled comparison. I can therefore focus on certain analytical dimensions while holding others constant. The cases of the Transformer/Trafó, Gödör/Pothole, Mupa/The Palace of Arts and Bálna/the Whale allow me to observe and explain the shifts and dynamics that make up and reproduce the process of culture-led urban development set against a wider background of urban socio-spatial restructuring. All the four urban cultural spaces are situated in Budapest, all are state/municipality-backed projects. I can trace the differences and similarities in the ways the state or the municipality participated in the projects, map the ways they allied with and related to private developers, and look at the room of manoeuvre that the civil society actors could carve for themselves.

The research was conducted between 2009-2014, with intense ethnographic fieldwork between 2010 and 2012, and several other shorter periods, alternating the focus from one to the other venue, process whose planned focus was several times re-directed by events and protests that took place on any of these cultural spaces.

By point of comparison the thinking, imagining, less so the planning of these projects started already in the 1980s when the structural changes were visibly apparent in the form of dilapidated residential and industrial buildings. It was precisely this structural shift that prompted plans for the building, renovation or revamping of such places. Trafó opened in 1998, the Pothole in 2002, Mupa in 2005. As construction work on the Whale started in 2009 I could trace the planning, design, and construction phase of the The Whale between 2008 and 2012, and its later operation.

The national and local elections in 2010 proved to be decisive in certain respects as the liberals-led urban regime that took shape between 1990 and 2010 came to an end to be replaced by a conservative municipality backed and constrained by a re-centralizing and re-nationalizing state. The measures that the new government started adopting were to such an extent different from what had gone on before primarily for their authoritarian character that first they could not be seen but a temporary

aberration before a pattern could emerge. However, by placing party politics and the two corresponding urban coalitions under the process of neoliberal urbanization these two governmental periods, notwithstanding the differences between them, emerge to be largely accommodating to neoliberal urbanization as it is expressed in the ways in which they pursue and subscribe to culture-led urban development.

The study involved seventy-five semi-structured interviews that were conducted more times with the (deputy)-directors of the four cultural venues, the architects that designed some of these spaces; with external participants such as visitors, spectators residents; ministerial commissioners, local politicians, mostly deputy mayors that were either directly or indirectly involved in the projects; employees responsible for cultural programming in separate fields, that of music, theatre, dance, at the marketing department; theatre directors, music conductors, musicians, cultural, music and dance critics; local and global dance-choreographers and dancers, artists, curators: architects, planners, urbanists; writers and film makers, journalists who were for various reasons involved or affected in the imagining, shaping, explaining the city.

In addition, my research included observation and informal interviews in and around, and about these cultural venues, the analysis of relevant media reports, announcements and interviews with respect to these cultural venues and with respect to other significant urban development projects that were deemed relevant to the focus of this research. The research also included the careful reading of various urban programs, such the long-term, mid-term Budapest urban development strategy, the Budapest bid for the European Capital of Culture, the minutes of the boards meeting of the municipality dealing with the ‘projects of special importance’ of the capital city.

Last but not least in the autumn and winter of 2010-2011 for four months I attended the weekly work meetings at Trafó, I spent several days on end observing both the team’s office work and their interaction with visitors and performing artists. I took part in a two-day long symposium organized by Trafó where participants from neighboring countries discussed the future of the contemporary performing arts sector in the aftermath of the 2008 crisis. During the symposium it became clear that the participants were differently affected, and that it made a difference whether they were

private enterprises or whether they could count on the support of the state.

Secondly, this study is comparative in the sense that the explanations formulated arise out of a dialogue between my case studies, which provide different angles and have a different focus, and a broader literature where several examples of culture-led urban projects are analysed. This is a comparative study not only in terms of method, but as ‘a mode of thought’ and strategy ‘for revealing the assumptions [...] of particular theoretical and empirical claims’, as McFarlane put it (McFarlane 2010, Robinson, 2006). I constantly juxtapose these Budapest cases to other cases across the world, setting them against other modes and ways, while scrutinizing the ‘implicit objects of reference’ (McFarlane 2010: 726) and trying to problematize the categories of success and categories of failure, which uncritically set apart model cities from catching-up cities.

One of the analytical orientations of this thesis is that it is a place-bound investigation while mindful of the multi-scalar and multi-sited nature of neoliberalism. In this approach these four urban spaces as local instantiations of neoliberal urbanization are never autonomous or isolated islands of practice. These four spaces do not function as the synecdoche of the entire city, either. There is more to the city’s restructuring than the emergence of these specific cultural-entertainment venues.

The second analytical orientation, which follows from the first one, is that the connections that relate these urban spaces to various scales and other sites are channeled through policy networks and are enacted in particular programs, projects, activities etc. These networks are interurban and connect people and ideas, experts and discourses across sites (Peck & Theodore 2010, McCann and Ward 2011). These connections happen in certain ways and lead to the formation of dominant policies in the process, which thus narrow the options that cities have and to which will want to resort.

A third analytical dimension implicitly present is delineated by the macro-structural and macro-regulatory forces that set the ‘rules of the game’, such as financial systems and arrangements, international organizations that frame, finance and formulate programs across cities and sites and which impose powerful constraints on cities, on what they can do and what they ultimately accomplish.

Roadmap

The introductory chapter starts with a short introduction to the entire thesis. It is followed by a literature review which functions also as the beginning of the clarification of certain analytical concepts, part which is then complemented with a brief methodological unit which delineates the methodology I used in the research. The first chapter that follows is a theoretical chapter which continues and expands some of the theoretical matters already mentioned in the literature review.

The first case study gives the second chapter and it centers on the process of establishing Trafó, a cultural venue for contemporary performing arts, with a focus on dance. Through the biography of its founder I show how a venue for contemporary performing arts emerges in 1998 at the margins of the underground culture of the eighties at the nexus of the growing appeal of the ideal of entrepreneurship and of the political opposition, all united in their pursuit of autonomy against the socialist party-state. I present how this pedigree becomes easily amenable to the recent discourse of the entrepreneurial and competitive city. The chapter traces the shifting relation of the venue to the state, part of a larger process that sees the collapse of state socialism against a backdrop of a process of neoliberalization. State withdrawal manifests itself in the dwindling of the funding of cultural venues, their becoming much less predictable and more market dependent, a process that, otherwise, the several chapters will also demonstrate.

As I show in the third chapter as well, this compels cultural actors to pursue different strategies to attain a certain degree of predictability and some sense of permanence, both on a personal level and with respect to the venue they establish. Trafó as a public cultural venue, however, which eventually comes to be maintained by the municipality, appears to be much more tied to public funding compared to Gödör. What we have in fact, is different ways of getting to secure public funding. And out of necessity, each of these two venues make the best and follow a certain path in carving out for themselves some kind of independence, which is ultimately a relation to the state. Depending on the kind of state, more precisely on the government in power, the pursuit of state support that Trafó obtains when it acquires the status of theatre, is not a guarantee for survival, and not simply for the dwindling state support. As it emerges

both a *laissez-faire* and a more authoritarian governance creates different dangers and challenges that civil-society actors have to cope with. Gödör, as it emerges in the third chapter does not want to become ‘the thirteenth theatre’, that is, it does not want to be a state-owned cultural enterprise. It wants ‘only’ to culturally manage a cultural-entertainment venue that was built by the state, provided it gets some state subsidy. The way Gödör is run with a strong cultural and civic profile trying to offer as many free or low-cost programs as possible does not make it into a profitable enough venture to carry on without state support despite its own separately earned funds. After the old team is chased away with the unilateral actions of the new conservative government, the team turns more radical in its social critique formulating this critique through the narrative of civil society. For this old-time dissidents, former underground cultural icons line up and take the floor where they can decry the authoritarian turn of the government. This is for a long time one of the very few protests that emerges against the undemocratic measures of the new government. The terms of the protest are that of defending civil society, once again taken up with great vigour, while practices that could have been conducive to a more robust civil society, are by 2010 largely missing due to an ideal that was left dormant since 1989, that is, an ideal that was not pursued and translated into everyday political actions.

In chapter four I turn to the politics of an urban megaproject (UMP) in Budapest and explain the emergence of the The Palace of Arts in relation to UMPs in general. As an elite cultural venue, it is constructed in terms of a private public partnership, which turns this project much more dependent on private capital. As a prestige and costly investment the stakes here are much higher, and as such it becomes a very different undertaking from the previous two more modest urban cultural spaces. Pursued by the state in alliance with private capital, the urban megaproject, the Millennium City Center emerges much more unequivocally as an instance of neoliberal culture-led urban development. As such, it embodies, reinforces and shapes the neoliberal urbanization process that Budapest has followed for the past two-three decades. The production of the Palace of Arts while is purposefully not an iconic architectural construction it nevertheless becomes channeled into a global circuit of elite cultural production that further pins Budapest to a struggle for urban competitive eminence.

The last chapter traces another instance of culture-led urban development, this time

pursued in terms of iconic architecture. It is the municipality of Budapest now that advances the project, again, through a private-public partnership with the participation of a Dutch architect whose expertise of 'non-standard design' is deemed to be enough to guarantee the iconicity of the building. I show through the convoluted trajectory of this partnership how 'non-standard design' comes to stand for the artistic autonomy of the architect, and for the 'common good', and how this is set against the profit-oriented private developer. The latter while it starts as an ally of the municipality under a liberal-socialist coalition becomes a reviled partner that makes the new conservative municipality revoke the private-public partnership thus repossessing the meanwhile down-scaled cultural venue. The building turns out to be more like an empty shopping mall commissioned by the municipality and thus paid for by the public, than the much advertised architectural icon at the service of the Budapest public.

Section I

Chapter 1 Theorizing the City

1.1. Re-imagining cities in the twenty-first century: neoliberal culture-led urban development

The thesis builds on an understanding of the global processes of neoliberalization, more specifically, of neoliberal urbanization according to which cities across the globe are being compelled to re-imagine and redefine themselves in ways that supposedly allow them to stay or become competitive, and secure economic growth. The thesis considers and focuses on a particular set of practices and discourses indexed by the inconclusive catch-all phrase of 'culture-led urban development'. Sydney's Opera House, the Guggenheim Museum in Bilbao, the Museums' Quarter in Vienna, or Tate Modern in London are but some of the more well-known instances that mark this process of pursuing and constructing cities' fortune. These instances of 'culture-led urban development' have gone viral, and showcased their respective cities as top places and cities to visit and to live in, as appealing capital investment destination. They have spectacularly well constructed their place to paraphrase David Harvey (Harvey 1989). 'The spectacular construction of place' he states 'lies at the heart of urban entrepreneurialism (Harvey 1989: 8). Although written some twenty-five years ago, this statement is still relevant, perhaps even more so than when it was formulated. 'The spectacular construction of place' has become a generalized urban rationale that city leaders are prone to take up irrespective of where their cities are located and under what ideological flag they are being run.

The motivation to raise cities' fame, to turn them into internationally admired places for the richness of their cultural offer, is not an unprecedented factor in the process of urbanization. It has happened throughout history ever since cities appeared. If one just thinks of the past turn of the century, Budapest prided itself with more than 663 coffee houses in the 1890s (Bácskai et. al., 2000: 179), where, true, only a small privileged groups could read the most significant papers of the day. It was around these times that the Music Academy (1875), the Opera House (1884), and the Comedy Theatre (1900), as the first genuinely private bourgeois enterprise, opened.

The Museum of Fine Arts (1906) was constructed during the more extensive building of the City Park on reclaimed land also meant to function as a larger exhibition area, and the reconstruction of the Royal Palace took place around the same time too, to name but some of the most prestigious examples (Bácskai et. al. 2000: 186).

The appearance of these institutions occurred in a larger context of urban growth both in Europe and North America when cities were expanding their administrative borders incorporating hitherto separate but neighboring towns into one major city. This is how Vienna grew by 1914 into a city of two million people, Berlin with four million residents in 1920 and New York too emerged in 1898 after the unification of five boroughs (see Bácskai et. al 2000, Gyányi 2004). As for Budapest, the appearance of the abovementioned symbolic cultural buildings were first of all an expression of a city at the time fast becoming the political and cultural center of an emerging nation-state. These urban cultural icons expressed and were meant to construct at the same time these cities as important metropolises of their emerging nation-states or empires.

What is then specific to this latest phase of showcasing cities through iconic and less iconic cultural edifices, process to have even come to deserve a new moniker, referred to in terms of 'culture-led urban development'? This thesis addresses this specificity in light of neoliberalization as the latest phase of capitalism. In addition to the already mentioned features, this means that cities are increasingly tied to the volatile financialized circuits of capital accumulation, which makes them even more prone to contradictions and crises, thus, creating havoc, and triggering resistance with people turning to different coping strategies (Brenner et al. 2009, Leitner et.al. 2007).

The urban spaces that I focus on emerged in Budapest between 1998 and 2008 against a background that saw increasing privatization and extensive marketization, and, as of late, increasing financialization. All were state-backed projects and all of them in their own ways proclaimed to serve the general public and extend public space. Were these urban cultural spaces exceptions to prevalent trends of socio-spatial restructuring marked by increasing marketization and privatization?

While I consider these four urban cultural-entertainment spaces separately, their trajectory and sequence are taken to be part of the same urban socio-spatial restructuring process. These places' emergence and trajectory unfold along a single

continuum and, I argue, become instances of and stages in reproducing and advancing culture-led urban development, itself conceptualized in terms of a process of neoliberal urbanization.

1.2. Re-assembling cities: from cultural shrines to meeting places

Miles approaches 'culture-led development' as a formal urban development made up of practices and discourses that 'channel and streamline creative initiatives in state imagined and state sanctioned forms' (Miles 2005: 893). This process, he contends, mainly takes place in deindustrialized contexts that get transformed, revamped into novel uses, that is, they become 'outposts of cultural recoding' (ibid.). Culture, once (more) unequivocally a means of liberal reform (ibid.), is transformed into a more obvious urban asset, a product whose value is more and more tied to real-estate speculation, affecting residential and more symbolic places alike. Culture thus becomes more and more instrumentally deployed with the general and unspecified aim to foster economic growth and make cities competitive. Bankside Power Station turned into Tate Modern is a paradigmatic instance of such a logic. One aspect of this is that it forgets failures while propelling itself and presenting itself only on and through successful cases. The dome is largely unknown while Tate Modern has reached worldwide fame. The latter's significance and its success can be explained in terms of it becoming a magnet of a social space rather than as an attempt to make modern art popular (Miles 2005). But for this to happen, a radical transformation of the global economy has taken place and with it of London, of its relation and position within a global urban system. Hence, the emergence of such places can be fully explained only if wider structural processes are taken into account and the ways in which these interact and articulate with concrete localities.

To continue to introduce some of the main aspects of what the process of 'culture-led urban development' entails, and how I approach it, it is important to note that culture, a key concept in this equation and phrasing, escapes what used to be some of its well-

established functions and the logic of the 'cultural sector'⁵. In fact this sector often disappears as a separate and independent department of state administration. In the Hungarian case, for example, it gets re-structured into a sub-division of a mega-ministry, tellingly named the Ministry of Human Resources after 2010, well-aided by the severe budget cuts in the wake of the 2008 financial crisis. More and more deployed and formulated in terms of expediency, as a 'resource' (Yudice 2003), culture is also more extensively capitalized on in its relation to urban space. How particular places in a city, and the entire city as such, become invested with meanings and values happen through recourse to culture. Local identities and images are recreated through a particular mobilization of culture, which emerges as an important pillar of urban policy, and through this it affects and transforms the way we approach, deploy and define culture.

Thus the concept of 'culture-led urban development' encompasses a complex process which (discursively) brings together several elements and through them it attempts to re-assemble cities in specific ways for specific purposes. It takes and constructs their former (industrial) past, their heritage, their different cultures, the arts, the present obsession with economic growth and competition and through the injunction of entrepreneurial governance shapes them according to by now well-rehearsed and well-scripted ways in cities across the globe bent to capture fleeting events, capital and people. This process leads to much ambiguity in the use of notions such as arts, culture, creativity particularly when mobilized with respect to urban development (see also Costa & Miguel 2011).

While the selected cultural venues are state-sanctioned and streamlined this does not entail the adopting of ready-made and uniform formulations offered by the state through its diverse emissaries. The production of these places and how they operate are constantly under negotiation on the part of several groups, and the state is only one of these, albeit the most important one.

⁵ This takes many forms, the thesis will present through the four cases how exactly this unfolds. As an illustration for how 'culture' is redefined, for example creative industries, policies replace cultural industries (Garnham 2005, Pratt 2011: 113 in Costa & Miguel 2011: 94) or get disembedded from cultural policies (Costa & Miguel, 2011: 94), or regeneration policies and cultural policies are increasingly used together (Bianchini & Parkinson 1993, Evans 2003).

1.3. Bridging culture and political economy

I pursued this research while attempting to trace the links between culture and political economy, and between private capital and the state. I believe it is not only transnational financial or cultural elites and marginalized social groups that deserve our dedicated attention as Zukin (2009) reminds the reader but also those who translate a taste for and ideal of a good life into material spaces. Zukin calls these groups which according to her translate their taste for authenticity 'local cultural entrepreneurs'. They are quite a motley crew encompassing graffiti wielding urban youth, high-tech wizards, directors of various cultural institutions, cafe-owners, coffee-consumers, hipsters, painters, graphic designers, struggling ones and well-to-do alike - the list is long. These groups interact with real-estate speculators, elected officials, public servants - what are representatives of the state and agents of the market alike (Colomb & Novy 2012, Deutche, 1996, Fainstein 2000, Judd, Kaika, 2005, Scott 1997, Sklair 2010, Zukin 2009). Sklair (1995) once called culture the 'glue' that links state power and (financial) capital. There must be a variety of ways to draw the lines of connection, to make these linkages. He looked at the power of ideas, images or imaginaries about cities, their mediating force in constructing 'global urbansim'. But as Zukin observed (Zukin 2009: 551) these images are powerful as they usually run much deeper and 'anchor' various cities 'in the spaces of our individual and collective desires'.

In other words, the power of the state and that of capital can be traced as far as the space of personal and collective desires. It is not simply Foucault speaking here who took seriously the conditioning of subjects by both the state and capital with many of their imperatives becoming a matter of personal discipline and aspiration, but it was equally Marx too who traced the place of desire with respect to material expressions, to the market of commodities and to the city (Harvey 1985: 12). The many analytical insights that I have gained are variously acknowledged, with Marx as a more or less 'hidden interlocutor' not only of mine but 'in much social science discourse' (Wolf 1961: 20).

Within the space of this thesis I map the forces and agents that structure what is built and where and for whom in light of the four specific cases; through these I trace the

force of money and state power, how these find their outlets and material expressions. I consider the images that cities are supposed to emulate as supplied by the media, urban programmes and strategies, respectively. The urban imaginary that these (re)produce connect capital, state and the groups mentioned above, a new urban middle class in particular ways. In other words particular connections are drawn among the calculations of investors, officials and citizens/consumers. I trace and delineate the agents and forces, the wider structure which turned these centers into these particular material products and urban spaces, the connections drawn between state, capital, cities, their urban places and their people.

The one decade that the emergence of these spaces roughly spans between 1998 and 2008 is definitely over, and not simply as a historical period. Plans to develop an expansive new museums' quarter, to relocate several governmental buildings, the renovations of the Royal Bazaar - an important part of the Buda castle's royal gardens, the renewal of the square in front of the Parliament, to name but few examples, bespeak of attempts to radically transform the face of the city, and in the process the scope of the state and the market within Hungary is undergoing significant alterations.

This transformation is taking place this time at a bigger scale and under the tighter grip of an increasingly authoritarian state more determined to drive and impose urban development to its own ends. Thus the period between 1998 and 2008 that saw the emergence of the four urban cultural spaces now may look if not exactly quaint but more modest and moderate in the attempts and visions of those who brokered their birth compared to what is taking place currently, only some years later. Yet, there is much continuity in the building momentum that is restructuring the scope and meaning of the state and of society alike.

While this more authoritarian state looks determined to achieve what it wants, the post-2008 world financial crisis still reverberating has its own imperatives too, with finance capital exercising an even more far-reaching power disciplining states and cities even more than before. The connections that variously run among global financial imperatives, the exigencies of the European Union, and the Hungarian state, the latter's growing leverage over the domestic front do not spell good for urban citizens imagining more freedom, more equality or more solidarity under the spell of

speculative urbanization.

These spaces were often imagined and implemented with, ‘western’ precursors or models⁶ in mind. However, these images, models traveled far from their provenance through global media and policy circuits. While some formulations were first designed elsewhere, they got translated, approximated and enacted here, with new models also emerging here.

By focusing on the trajectory of these four cultural spaces I can trace the fine-grained shifts, the ongoing restructuring of the relationships among the economy, the state, society that took place from the emergence of one to the next urban cultural-entertainment place. I identify those agents, groups that were actively taking part in the constructing and imagining of these specific places, and through this I map the ideals and imaginaries and practices that were taking shape and informed the overall attempt to reposition and redefine Budapest within the hierarchy of cities of the European Union.

I think it is particularly interesting to see how agents navigate between the demands made upon them by what is perceived to be the state or/and private capital especially as the lines between the two often blur in concrete practices, with economic imperatives masquerading as state injunctions and vice versa. The antagonisms between political and economic processes tend to be often easily assumed, while in fact the two may buttress each other very well as David Harvey delineates it through Baron Haussmann’s radical redrawing of Paris (Harvey 1985, 2003). The arbitrariness of state power can easily work for a while as a significant enhancement to private capital and property before the supposed ‘omnipotence of government starts to sit ill with the omniscience of market rationality’ (Harvey 2006: 293), observations that become more and more pertinent with respect to the current Hungarian political constellation that began in 2010.

⁶ There is a by now extensive literature particularly that of critical policy studies on traveling urban models and policies, which often offer a careful analysis of how such models happen. See for example, Healey, Roy & Ong 2011, Hoffman 2011, Peck & Theodore 2001, Peck 2005, 2010, Roy 2011, Stone 2004, Tsing 2004.

All these cultural centers have seen the state deeply implicated in their formation, feature which does not make them unique by any means, neither here nor elsewhere. Throughout the thesis I will refer to other instances when the state played a determining role. Their trajectory is marked by various attempts on the part of political parties to turn them into urban places with a specific meaning and function. As a result they have become highly contested urban spaces at the intersection of which various power struggles are waged. In this process particular values, visions and practices about the city surface and clash, expressive and constitutive at the same time of the spheres of influence of state, economic and civil society actors. This immediate context is informed and it is the particular outcome also of some more remote forces, but which become enacted in particular ways in such concrete places. For identifying, naming and eliciting these forces I turn to the process of neoliberalization, which constitutes the more general backdrop of my analysis against which the four urban spaces take shape.

1.4. Against a moving map of neoliberalism

To tag such instances, the dynamics at play in the formation of these urban spaces, as expressions of neoliberal urbanization - entrepreneurial (Harvey 1989), or neoliberal (Brenner and Theodore 2002) - is an initial orientation only. My approach in this respect takes heed of Peck et. al. (Peck & Theodore & Brenner 2013) who warn against an off-the-peg use of the analytics of neoliberalism, to an easy labeling mistaken for substantive explanation. Neoliberalism is used here as no more than an initial analytical angle, an entry point merely towards elucidating and explaining these places' emergence and trajectory in relation to both their immediate context and to more distant socio-spatial, institutional and policy transformations. This does not entail, however, that I regard these spaces, and more widely the urban restructuring of Budapest that these places are an expression of, as evolving against a clear landscape of 'neoliberalism' as if the latter were completed, a static backdrop whose mechanisms are clear and transparent for all to see and understand. Far from it. A critical approach to the concept of neoliberalized urbanism needs to face up to the challenge of assembling a 'moving map' of neoliberalisation as the post-crisis landscape is not one

of simple *neoliberalism redux*, of neoliberalism which strikes back (Harvey 2005: 88 cited in Peck et.al. 2013: 1092). 'What may look like business-as-usual neoliberalism, on an ideological level, can never be only that' (Peck & Theodore & Brenner 2013: 1094).

As before, for the past three decades before the 2008-crisis, neoliberalization occurs along 'a pattern of permanent restructuring' (ibid.) of cities and spaces differently positioned and structured by their specific histories and thus presenting to the world a highly uneven pattern as in such diverse cities as New York and Manila, or San Paolo and Bucharest. For all their diversity, diversity created through the uneven development that links them, cities across the globe are caught in the process of the 'urbanization of capital' (Harvey 1985a). As these authors further remark (Peck & Theodore & Brenner 2013: 1094) it is not 'a matter of mere sophistry' to claim that neoliberalization is both systemic and contextually embedded.

The program and project of neoliberalization has a worldwide scope leaving hardly any corner of the earth unaffected. But the ways in which neoliberalization is reconstructed and contested, in their responses and consequences, cities and the socio-spatial relations show great variation. Neoliberal urbanization acquires shape and meaning, and is constituted and contested alike on the ground, inscribed in concrete ways in cities differently positioned within geopolitical and institutional hierarchies. And this different positioning gets refracted on the ground, in the possibilities that individual cities can carve out for themselves in the global scramble for capital and the associated urban panache. This process 'can only be reproduced and advanced through historically and geographically specific politico-institutional formations, strategies and struggles' (Peck & Theodore & Brenner, 2013:1094). Cities in such an approach then cease to be mere imprints of neoliberal processes imposed unilaterally from above. For one thing, the concept of hegemonic neoliberalism already implies contestation and as such it entails permanent reconstruction with 'no permanent socio-regulatory settlement' (Peck et. al. 2013: 1092, see also Leitner et.al. 2007).

What emerges on the ground, in 'ordinary' (Robinson 2008) cities are processes, practices and discourses formulated and advanced in concrete places, instances, in the very intestines of cities - some of which are neoliberal. The programs and projects of

neoliberalization, often travelling under different names work next to and often in opposition to past legacies. 'There is always more going on than neoliberalism' (Peck & Theodore & Brenner 2013: 1094). It is in terms of 'path dependency, inherited socio-institutional difference and past social struggles and compromises' (ibid: 1093) that concrete instances of neoliberalization take shape. And these will necessarily show divergent forms in (post)Keynesian, (post)developmentalist and (post)socialist cities (Brenner and Theodore 2002, Collier, 2011 cited in Peck. et. al. 2013) unequally slotted within transnational fields of power.

The utopian character to neoliberalism has been also noted (Bockman, 2007, Peck & Theodore & Brenner, 2013) in that it rests on strongly propagated but essentially never achieved ideals and visions on the one hand or/and realized government policies that most importantly revolve around strong private property rights, free markets, and free trade on the other hand. These recommendations and the processes that ensue from them entail the restructuring of the relationships among the economy, the state, society and the individual. Neoliberalization essentially aims at the complete reorganization of life through the market, and/but as a utopian project it ultimately stays always incomplete.

Its incompleteness is only matched by its high adaptability and flexibility. Its "character as a paradigm of restructuring, rather than as a condition or end-state" (Peck & Theodore & Brenner 2013: 1093) is possible through continuous fine-tuning, experimenting, redress and restructuring. It also entails a lot of elasticity and resilience in defining and putting up with failures. It has no pre-set goals, which amounts to a proliferation of ad-hoc targets, apart from endless marketization and commodification, and as such it appears as the exact opposite of state led/planned urbanism. As its foil, it can thus often parade and pass as a more free organization of life and society, and essentially as a more benign force towards individual desire and their accomplishments (ibid.).

1.5. Performing the entrepreneurial city

The thesis also considers neoliberalism as a discursive regime that advances, promotes, and builds upon diverse discourses, which do not simply refer to and describe this latest phase of capitalism but in fact are actively shaping this very project and program. These discourses come to contribute to and variously shape the reality they claim to describe. Thus discourse becomes a constitutive dimension of urban political economies. The (selective) representations and constructions of reality become incorporated in and in turn are constructive of the material practices that cities undertake in their daily workings.

Some of the new metaphors to understand the changed nature of cities variously calling them creative, entrepreneurial, or simply just (Amin and Graham 1997, Friedmann 2000, Florida 2002, Hall and Hubbard, 1996, Landry & Bianchini, 1995, Sandercock 2004, Fainstein 2006, Jessop & Peck & Tickell, 1999) also amount to claims that the re-imagining and reconstitution of economies as entrepreneurial for example provide solutions to the problems that beset the global economy in the seventies. The discourses about a neoliberal or entrepreneurial city have been one of the most powerful. In the trope of the entrepreneurial city the city is re-imagined and restructured as an economic, political and cultural entity bound to undertake entrepreneurial activities to build its competitiveness. This re-imagining also has affected the redesign of governance mechanisms that came to favor certain forms of public-private partnerships.

These discourses have built on and constructed narratives that place entrepreneurial qualities of both individuals, groups and of cities at the center. In my understanding of discourse and narrativity I build on Margaret Somer's approach. She states that 'it is through narrativity that we come to know, understand, and make sense of the social world through narratives and narrativity that we constitute our social identities....all of us come to *be* who we *are* (...) by being located or locating ourselves (usually unconsciously) in social narratives rarely of our own making' (Somers 1994: 606). In this formulation narrativity figures not as a mere representational act, which represents and describes the world in certain terms. Narrativity becomes much more than this, a 'social ontological and epistemological practice that constructs reality and

identities' (ibid.) and it also allows for specific ways in which one can know and make sense of that reality. We come to know, understand the world through narrativity, and through these we constitute our social identities. In line with this the discourse of the entrepreneurial individual or city becomes a key aspect to what is seen as a successful life or career or urban polity.

The entrepreneurial aspect of cities too emerges as an important constitutive dimension of how cities are being re-imagined and restructured. It urges, presents cities and constitutes them as cities that must become entrepreneurial if they are to meet the challenges that arise. As such this discourse has a strong performative power to it, which conveys its proclamations and statements with a constitutive power that has material outcomes. The challenges and problems that this discourse identifies and constructs in turn are formulated in such ways that the entrepreneurial city becomes the solution to particularly formulated problems. Jessop also points out the practice by which failures get formulated as and translated into policy problems and these then give way to, 'require' new forms of urban politics (Jessop & Peck & Tickell 1999: 153), which are to a great extent interpreted through the entrepreneurial and competitive logic. All in all it is not simply structural constraints that determine the direction of urban development but the discursive construction of what paths cities should take, where solutions lie, what an opportunity is, all construct the possibilities and strategies of cities. 'Changing opportunities come to be constituted in and through changing narratives of city development narratives' (Jessop 1999: 152).

The plausibility and the appeal of the discourse of the entrepreneurial city or entrepreneurial governance, however does not stand alone, as Jessop points it out (ibid.), it has to have some 'resonance' with personal experience and the narratives of groups undergoing changes and striving to make sense of these. The discourse of the entrepreneurial city is mediated through and conditional on the links with wider cultural and institutional formations. The discourse of the enterprise culture and enterprise society, of innovative milieus and flexible partnerships function as such transmitting relays. Last but not least the purchase of such a discourse is also tied to the overall plausibility of meta-narratives, such as the geo-economic narrative about the crisis of Fordism, about globalization, and the geo-political narratives about the end of the Cold War. When all these narratives at different levels converge and start

to resonate then they become extremely powerful in the recommendations that these implicitly or explicitly formulate about what cities, what certain groups, individuals should and could do. According to Jessop due to the resonance and connection between meta-narratives and personal stories and their mediation by institutional narratives, the entrepreneurial city has proven to 'be plausibly emplotted'⁷ and has become the dominant narrative and to that extent also a response to urban problems (Jessop 1997).

As a consequence, those who are running cities have become more and more convinced that their cities, they themselves, their associations, governance, must become entrepreneurial, even if they may not use exactly this term, if they want to succeed in the current era of fierce competition, description which itself is part and parcel of the discourse of entrepreneurial cities. As Jessop states the making of the entrepreneurial city, however, is more often just a utopia, a program that is always to be still realized. So far it has materialized in and been restricted to the proliferation of brochures, 'best practice' recommendations, spreadsheets rather than in more widespread and complex practices that would and could amount to more of a structural interventions (ibid.).

⁷ Jessop posits narratives as building on three core elements: the selective use of past events; a temporal sequence with a beginning, middle, and end; and a 'relational emplotment of the events and forces and their connection to some overarching structure which permits some causal and moral lessons to be drawn' (Jessop, 1997: 30).

1.6. Party politics and liberalism

The regime change in Hungary was the success of liberalism, although this success the majority of the society experienced as failure' (Bretter 2013). What came to be seen as the failure of liberalism in the Hungarian case culminated in and was sealed by the complete wipe-out of the liberal party at the 2010 elections.

The production of the selected four cultural spaces is to a great extent entangled with party politics, and marked by the deepening divide that sets apart the parties identified, rather misleadingly, as left-liberal parties on the one hand and those even more on the right on the other hand. This division has been enacted in various ways, both discursively and through a variety of practices, and the urban space of the capital has been one of its key terrains. The whole city in general, and cultural venues in particular became caught in the divisions that would appear between the two major political sides already around the nineties only to become more and more pronounced along the years, before gaining in intensity after 2010. As the thesis will demonstrate these parties increasingly advanced claims, implicitly or openly, over cultural spaces, and after the 2010 victory of Fidesz, the main right wing party, propped up by its two-third parliamentary majority, this practice reached new heights. More openly than earlier, on more and more occasions the people who could run public institutions, among these cultural venues as well, came to be handpicked largely on merits that were defined in terms of loyalty to the new political leaders.

Public politics (Tilly 2002, 2005) entails the constant shaping, the creation, activation and transformation of visible us-them boundaries through narratives and stories that are bent to capture and fix the meaning of an incident, and event, and quite importantly, of places as well. This is not simply a struggle about what space will stand for, a mere verbal game, it is also a struggle over policies and material resources (Brass 1996: 5 cited in Tilly 2002: 119). It is on a mundane level about what gets built, where, for whom and to what ends (see also Zukin 1995). Viewed on these terms, the ways that the selected cultural venues came to be established and later ran, and the narratives that spread around them can tell us much about public politics where the us-them boundaries appear primarily between the two main part blocks hiding from view some other pertinent antinomies and fissures.

The four urban spaces considered appear between 1998 and 2008. As such their establishment unfolds under a liberals-led municipality led by the same liberal mayor for two decades up until 2010. This situation is not unique at all. One may think of Barcelona's ex-mayor, Pasqual Maragal, who is often associated with the Barcelona model that emerged during his leadership. Instead of dismissing these party divisions as irrelevant, but without either presenting them as the sole determining factor in how the four cultural urban spaces emerge and what they become, I approach them as responses to the challenges posed by the process of neoliberalization. Despite the differences between the left-liberals, too hastily credited with having pursued a politically and culturally more enlightened line of policy than the right, both sides I argue have come to respond to and advance a neoliberal agenda. As it has been often acknowledged and analyzed (Smith 2006, Sassen 2006a, 2006b, Ong 1999, 2005, Kalb 2013) neoliberalization easily accommodates authoritarian practices in established liberal-democracies as well, hence the authoritarian turn of the new Hungarian government after 2010 is not a shortcoming of newly emerging democracies who are still to catch up with their more fortunate peers. In light of this, insofar the Fidesz-led government pursues a more authoritarian and repressive agenda than its predecessor, this aspect I argue must be seen in light of a more general neoliberal project, which the liberals-led urban governance earlier also embraced.

In addition, the divide that most immediately manifests itself as a competition between parties cannot be properly understood, without taking into account liberalism as a political project and ideology in general and in the Hungarian context, and its link to the global neoliberal program. Leaving aside all the subtleties that constitute liberalism as a political project (see Wallerstein 2011), and notwithstanding the different national variations, one of liberalism's main features, which plays an important part with respect to my cases, is its 'consciousness of being modern' and universalist (Wallerstein 2011: 10). Universalism, is also, and not by accident, one of the main features of the EU (Bhambra 2015). This aspect finds expression in various practices that (re)construct, relate member states to one another, and also in the language that EU has constructed to talk about itself, about its relations to the other parts of the world, and its own member states. This is a highly complex matter, whose ramifications deserve separate analyses. It is not by accident, however, that the

cultural venues that I have selected appear as and profess to be modern, European, and cosmopolitan, with universalist aspirations. This unfolds mostly during a liberals-led municipality up until 2010, a period that is heavily informed by the demands, expectations that the EU accession (2004) poses, through the EU policies that come to bear on Hungary dependent as it has come to be on the concomitant EU funding.

In addition to its aspiration towards universalism, cosmopolitanism, liberalism as Wallerstein states, 'has always been in the end the ideology of the strong state in the sheep's' clothing of individualism', the ideology of the strong state as 'the only sure ultimate guarantor of individualism' (Wallerstein 2011:10). With a more explicit urban focus, Neil Smith, regards neoliberalism, he speaks about the North American context, as a return to eighteen-century classical liberalism, and as a repudiation of the more equalizing tendencies of twentieth century American liberalism (Smith 2002). Barnett (2005) in an attempt to construct a more nuanced understanding of neoliberalism, focuses on its relation to liberalism, to the latter's preoccupation with equality.

Barnett highlights the egalitarian aspects of liberalism, about which much criticism of neoliberalism tends to keep silent, by drawing attention to the link that exists between the moral sovereignty of the individual, which constitutes the center of this political philosophy, and the principle of equality. Historically one can trace liberalism's commitment to equality as a political principle in the fact that the power of the state was also used to extend equality and oppose inequality. Thus, Barnett warns, there is a double tendency peculiar to liberalism between the defense of liberty against the incursions of the state, and the extension of state power as a guarantee and promoter of the establishing of the conditions of equal liberty (Barnett 2005: 8). This egalitarian strand of liberalism took shape, for example, in the form of a strong secular state that extensively redistributed wealth, feature that characterized the post-World War II settlement up until the seventies.

Against this egalitarian strand of liberalism made up of a loose assemblage of ideas of Mill, Keynes, much later Rawls, and Nagel - neoliberalism stands for in fact the 'ideological rejection of egalitarian liberalism based on a selective return to the ideas of classical liberalism, most strongly articulated in Hayek and Friedman'

(Hackworth 2007: 9). It is this view of classical liberalism which revolves around the principles of individual autonomy, of a free market as the most efficient way for realizing the individual autonomy, and the non-interventionist minimalist, 'laissez-faire' state according to which the state should focus only on the pursuit of safety, of competitive markets, and a constitution that guarantees individual rights, particularly the right to property (Hackworth 2007: 4) that comes to constitute the defining principles of neoliberalism. In the current neoliberal era, liberalism's more egalitarian aspects, its gains are under attack and gradually dismantled, traces of it surviving as mere 'consolations of neoliberalism' (Barnett 2005). The four urban spaces that this thesis focuses on at times appear to be precisely such consolations - the precise meanings of this to be elucidated in the four individual chapters.

1.7. Recalibration of power relations

As already mentioned I approach the urban restructuring of Budapest of the past three decades as part of a worldwide transformation of capitalism that essentially sees the restructuring not only of the relations among states, capital and individuals, but a transformation also that entails a recalibration of forces and centers of power between states and cities. The concept of 'neoliberal urbanism' is in fact telling of this recalibration, of the rescaling of functions, activities and relations with the restructuring of production, of regulation and various means of control towards the urban or rather the metropolitan scale away from the national one. The changing relations among scales and 'fixation of scales signals the contours of social power' – 'who is empowered and contained' – 'into remade physical landscapes' (Smith 2002: 435). That is, the altered or new physical landscape act as the carrier and an expression of social relations, themselves expressive of social power. The heightened visibility, the spectacular transformation of some cities, and some pockets of cities, is thus a manifestation of recalibration of power-relations, with finance-backed production of the urban finding visible outlets in the spectacular construction of cityscapes (more on this within the fourth chapter).

Neoliberalism in the language of organizational theory entails a change in institutional logic⁸ - logic which ‘enables individuals and organizations to construct acceptable paths of actions and cognitive tools in order to make sense of their situation’ (Patterson 2012: 3292). According to Patterson the governance of cities has shifted from one based on the logic of democracy and bureaucracy (i.e. managerialism) towards the logic of the marketplace, that is, entrepreneurialism (Patterson 2012: 3292). Public institutions, whether these are cultural or not, are organizations according to Patterson which function primarily in the institutional logic of democracy and not of markets, which means that their appeal and existence is not tied to profitability but to a belief among the population that they serve the general public interest (ibid.).

Patterson presupposes a clear separation between institutional logics, separation that I believe is far from that clear. The ability to serve a general public nowadays is more strongly tied to whether that cultural or other kind of space can operate as a financially self-sufficient institution or not. The pressure is increasing to become so. In other words against a background of state restructuring with dwindling state support for culture, but not only, cultural spaces need to increasingly find different financial sources hitherto provided by the state, for example by locating those companies that would be willing to support them. The state, in this, plays a significant part, as it can encourage such companies to deduct these sums as part of their tax obligations. This constraint or possibility, depending on the relation of such places to private companies, turns many of these places into semi-privatized venues in the ways they operate and as such more dependent on market imperatives than Patterson may believe with speculation playing an important part in the life of these projects. Not surprisingly, historically city governments often embarked on speculative development projects with the goal to better anchor their power, be that private or state⁹.

⁸ An institutional logic can be understood in terms of material practices and symbolic constructions which constitute the organizing principles of an institution (Friedland & Alford 1991: 248)

⁹ This was already the case with the House of Medici; ‘in the early 1470s, when Lorenzo de’ Medici sat down to figure out the principal expenditures made by his family between 1434 and 1471, he did not even bother to distinguish the disbursements for architectural and artistic commissions from those for

Budapest's urban elites, as the last case study will show, have for some time entertained the idea of commissioning an urban icon, especially that Prague, perhaps the closest source of 'competitive anxiety' of the Hungarian urban elites, has already done so through the signature of Frank O. Gehry. Supported by the Czech architect Vladimir Milunic and vilified by many others, the project enjoyed the backing of Vaclav Havel, who happened to be the owner of that piece of land where the building was to be built. The Canadian architect came to design the rather unique construction nicknamed the 'dancing house' or 'Fred and Ginger' already in the early nineties. The construction of such buildings, although the Czech example is of a rather modest size, is not simply a matter of committing a famous architect to the project. It presupposes a network of corporate, state, professional and media actors that form an 'international organizational field' (Patterson 2012) and acts as a bid on the part of elites to establish or boost their power (Evans 2003, Sklair 2005, McNeill 2005, Kaika 2010).

1.8. Civil society as a 'conceptual portmanteau'

Buck-Morss claims that 'told as an economic story, the collapse of Eastern European and Soviet Socialism loses its heroic dimensions, becoming yet another chapter in the general narrative of the restructuring of global industrialism that occurred in response to the economic crisis of the 1970s' (Buck Morss 2000: 264-265). The collapse of Eastern European and Soviet Socialism has been dominantly told as a political story with civil society at its center. As Somers is right to argue that it was from the 'third sphere' as Somers calls it (Somers 2008: 189), or public sphere (in the broad, associational sense of the term) that the Eastern European revolutions of 1989 were launched. What differentiates her approach, however, from a more congratulatory stance, about which Buck-Morss warned in the abovementioned quote, is the way she problematizes the concept and narrative of civil society arguing for the need to explain civil society in relation to the market as well, and not simply in opposition to the state. As Wood argues in her historically attuned account (Wood 1990), the emergence of capitalism entails a transformation of social power with a new division

charity and taxes. All were lumped together because they served one end – the grandeur of his house and its power in the state (Maryines 1988: 243 cited in Arrighi 1999:104).

of labour between state and private property, which gives birth to a new form of coercion, that of the market. From this it follows that it is precisely this coercive dimension, and the circumscribed freedoms that this entails, that cannot be accounted for, if civil society is to be understood only as a sphere that must oppose the incursions of the state while leaving matters pertaining to the market unaddressed. The appeal of the ideal of 'civil society' has much to do with the fact that it embraces an incredible variety of things. Hence, Wood calls it 'a conceptual portmanteau' in Eastern Europe, as it is able to 'apprehend everything from the defence of political rights and cultural freedoms to the marketization of post-capitalist economies and even the restoration of capitalism.' Civil society, she adds, can equally operate as a 'code-word' for capitalism, and 'the market can be lumped together with other less ambiguous goods like political and intellectual liberties as an unequivocally desirable goal' (Wood 1990: 65, 2005). With the assigning of the market to the free space of civil society (which historically can be linked to England), the danger arises, argues Wood, that the totalizing logic and the coercive power of capitalism become invisible, especially when formulated as abstract philosophical arguments. It is perhaps no coincidence, that some of the most vocal and most authoritative voices in the Hungarian public sphere repeatedly extol the virtues of liberalism in a language oblivious to the imperatives of the market, in the abstract language of philosophical arguments. Two of the four case studies in the thesis illustrate how these condundrums in the the narrative and practice of civil society can play out.

1.9. The Municipality of Budapest

Although the municipality of Budapest does not own large tracts of land and therefore it is not involved directly in most of the brownfield regeneration and other urban development projects, it does play a crucial role in setting the urban planning regulations for any kind of urban development project. Therefore, the municipality of Budapest is an important player of the development process. It regulates the boundaries of development activities by local planning regulations, land-use and zoning plans.

The post-socialist administrative structure of Budapest's local government system established in the 1990s is based on the Law of Local Governments. The two-tier structure is made up of the municipal government – owner of public utilities and responsible for the tasks related to all or large parts of the capital – and the 23 district governments. (These have become owners of previously state-owned commercial and retail units, vacant land and public rental housing stock at the same time assuming all public service functions.) Although the post-socialist transition resulted in a well-established system of local governments, whose independence became the cornerstone of the new democracy, the two-tier structure often proved disastrous as the two governments were in the position to successfully challenge and block each other's ideas up until 2010, for example, the municipality through its zoning authority and the district government via its right to issue building permission. Thus in the two-tier local government system there was a constant struggle about the details of the decision-making system on zoning regulation and planning permission procedures, struggle confined not so much or not only to the allocation of financial means of development, but also to the allocation of regulatory power (the modification of the Local Government Act would need 2/3 majority in Parliament).

In 1994 the Law on Local Governments was modified giving the municipal government somehow more rights vis-à-vis strategic planning issues affecting the whole city (Tosics 2005). However, none of the laws dealt with the competencies of urban development and the fact that for the first 20 years after 1989 responsible ministries for development were constantly changing raises the question of allocation of regulatory power yet from another perspective. The preparation of the law of local

government despite the changes that it brought compared to the pre-1989 period, evolved against a background of continuity secured through the regime change reformers, the new technocracy (Szalai 2002 in Vigvari 2008).

The public sector lost its previously dominant role in the economy extremely fast. The excellent geographical location of Budapest, rapid cash privatization and political stability all attracted extensive Direct Foreign Investment (FDI) with more than half of it coming to the capital. In the mid-1990s, local governments were unprepared for investors and in the absence of restrictions large areas for commercial development were sold (Tosics 2005). Although zoning regulations had to be respected, large developers could easily avoid those regulations by making use of the loopholes in the two-tier local government system.

In the centralized planning system the public sector commanded the urban development process. Its present role is, however, much weaker and subordinate to the dominant market processes, that is, more concretely to private investors who have the necessary capital, the banks and the credit agencies that determine the worthiness of local governments, and influence their level of indebtedness and as such their dependency on those private investors who want to develop. Cuts in and restructuring of central funds and difficulties in extracting revenues from the private sector led to a financially strapped public sector, situation attenuated by constrained authority, but increased public sector responsibilities. For the first 20 years Budapest had a liberal, non-interventionist leadership - with the same mayor for these two decades. This leadership was generally perceived as imposing few planning constraints and giving free reign to uncontrolled land development and speculation.

One important corrective to the fragmented institutional structure could be seen before 2010 to be the position of the chief architect of Budapest allowing for a more inclusive and all-encompassing perspective over various issues pertaining to urban development. The Chief Architect's Office ran an Architectural Board, with members from the Mayor's Office and the Hungarian Chamber of Architects. The role of this board was to give official guidelines for the architects and the districts' chief architects and building authorities regarding architectural plans of key importance. However, these guidelines were in fact mere opinion, they had a mere advisory status thus leaving the position of the chief architect virtually powerless. So it happened

more times, the last time in February 2010 that the chief architect of Budapest resigned and the main reason cited for doing so had to do with the restricted scope of maneuver that this position entailed. The changing relation and fixation of scales signals the contours of social power – ‘who is empowered and contained’– into remade physical landscapes (Brenner 1998, Swyngedouw 1996, 1997, Smith 2002: 435). Before 2010 the drive towards decentralization, even if not consequentially backed up by appropriate financial measures, pointed towards the attempt to give lower tiers of government more powers, and thus a shift of focus from the national to the urban. The U-turn after 2010 signals the opposite move on the part of the Hungarian state to re-position and empower state actors and a drive towards re-centralization and the cutting of the autonomy of local tiers. And this happens against a backdrop where EU programs often make funding conditional on decentralization and increased local autonomy - creating problems, and opportunities - for some, that need to be solved locally and in an ad-hoc manner largely dependent on the negotiating leverage of those involved.

Section II From Mundane Places of Culture to Spectacular Visions

For the past few decades cities have undergone shifts, some more radical, others barely perceptible, some changes first noticeable only in certain cities and later identifiable in more and more localities across the globe. These changes have prompted various questions and answers on the part of urban scholars in the hope to understand and explain these shifts. Very often these responses have been conceived in terms of a process of gentrification (Deutsche 2000, Zukin 1996, 1999, Smith & Williams 1986, Smith 1996, Low & Smith 2007), process that is slowly encompassing the entire globe and well-captured in the concept of 'generalized gentrification' (Smith 2002).

The structural shift from industrial to postindustrial societies entailed a shift in focus from production towards the reproduction sphere and 'collective consumption' (Castells 1977, 1982) with progressive urban struggles waged over the improvement of collective infrastructures. As of late cities have moved away from the provision of collective urban public services to the provision of more individualized services, which are more place-specific, more targeted, often such as shopping malls but also spectacular museums, concert halls, sports stadiums and opera houses. The explanation that postindustrial societies built on consumption and the provision of services has been of late complemented by an emphasis that urban economies are running more and more on the fortunes of financial capital with not much need of and regard of consumers. Instead, cities become increasingly dependent on a population of consumers-cum-debtors, on indebted municipalities and states (Aalbers 2013, Crouch 2010, Hackworth 2007, Fine 2009, Mackenzie 2014) - with no signs that the building of urban spectacles with extraordinary cultural or sports amenities at their center financed through that very debt may come to an end.

As Erik Swyngedouw pointed out, many of the recent changes reflect a penchant for economic development rather than wealth distribution, interventions of a limited scope rather than universal policies, the promotion of individual projects rather than a more inclusive planning rationale - aspects that are seen as hallmarks of a neoliberalizing urban political economy (Swyngedouw 2002). This is best

encapsulated in the widespread urban practice, propagated and commissioned by cities and/or private capital, of ‘emblematic projects’ that ‘capture a segment of the city and turn it into the symbol of the new restructured/revitalized metropolis’ (Swyngedouw 2002)¹⁰ with the state as one of the leading actors in the process. This is in fact part of a new mode of socioeconomic regulation of cities which rests on a departure from distributive policy, welfare considerations, direct provision of services towards more market oriented and market-dependent approaches aimed at pursuing economic growth and competitive restructuring.

Cities across the world, more specifically their elites, which have undertaken such urban regeneration projects, often pledge their support of culture and vow to assign culture a special role in the development of their cities. This manifests itself most visibly in their relentless pursuit of iconic and spectacular architecture, in the courting of global architects often linked to a major overhaul of city parts hitherto with a different function in the face of the plural nature of culture (De Frantz 2005). If one thinks of Bilbao’s Guggenheim Museum, or Vienna’s Museums Quarter (*Museumsquartier Wien*), just to name these two very different but well-known instances - the first, once a declining industrial city hardly registered for its cultural panache outside its borders, the second one all the more renown for its by now highly reified Viennese cultural tradition - one cannot but notice that even cities that were just a couple of years earlier hardly known for their novel cultural amenities, have by now built or redefined their ‘pathways to globalization’ (Del Cerro 2007) through the implementation of such projects.

These outstanding projects, however, do not take place in complete isolation, notwithstanding their exceptional circumstances that lift them out of their immediate regulatory and planning context (about which more in the fourth chapter), nor are they the only outcomes to materialize. They are established against a more general transformation happening through I argue a somewhat wider ‘cultural recoding’ than what these ‘emblematic projects’ embody. Several more modest and smaller

¹⁰ Scott (2008) for example speaks about the resurgent metropolis with the important caveat though, that only certain cities are ‘forging ahead’, those who wield a command of the global economy, and which also show a ‘selective revitalization’ of their city parts. (Scott, 2008: 549). On the driving role of the command functions of ‘global’ cities see Sassen too (2004, 2006).

initiatives emerge. More mundane cultural spaces appear which are simultaneously positioning themselves as novel and cutting edge cultural spaces, but which are constructed at a more local level and at a much quicker pace. Their existence is also more ephemeral. These initiatives, often pioneering ones, and preceding the building of much larger cultural facilities are often of a shorter life-span, many of them having operated just a couple of months before they are forced to close. Such urban spaces have existed and continue to appear and try to prevail while vying for attention and funding. The emergence of prestige investments often overshadows the many everyday activities and events that surround such smaller venues, and that often lead to the establishment of such ordinary cultural spaces.

By focusing on the trajectory of two rather average cultural venues in the first two case studies, and on two more prestigious projects in chapter three and four, the thesis aims to draw a more dynamic, differentiated and relational account of the urban cultural political landscape of Budapest. By tracing the production of four different cultural spaces the thesis while builds upon, it approaches critically the slogan and program of culture-led urban development. It argues that the slogan and program works as a reification of the urban experience. It fails to account for the variety of ways, practices and discourses that underlie the production of urban cultural spaces, for the conditions that make it possible and at the same time imperative. The thesis intends to demonstrate that the emergence of these four cultural urban spaces mark stages and become an expression of culture-led urban development in Budapest. These urban spaces, however, are not established with this intention. Their founders formulate their diverse goals and desires, act upon these, and respond to the constraints and opportunities that arise and that become understandable as such in a wider cultural, socio-spatial and political economic context. There are visions, ideals and goals, practices that are not 'neoliberal', nevertheless, the four urban spaces that emerge out of these become the expression of such a process. The four case studies aim to show how this happens.

A common aspect of global urbanism and its reliance on the pursuit of 'emblematic projects' and 'area based interventions' has been a focus on the physical cultural infrastructure of cities. Many of the transformations concern the building and extension, or the reconstruction and redefinition of certain buildings, and have not

necessarily meant (an equal) concern, let alone improvement and amelioration of the social conditions and relations underlying these (Miles, 2005). If it happened, it did in a rather peculiar way. A sort of displacement and forgetting has occurred via a redefinition, in fact, of what sort of social relations need to be considered, and how the conditions that underpin those social relations could be improved. And this has happened on the back of a shift towards the emphasis on the nexus of production and finance capital at the expense of questions of social reproduction. The transformation of cities, their becoming much more of a strong statement in the way of attracting capital investment, their growing dependence on financial capital¹¹ has entailed a redefinition and valorization of (a novel kind of) work, of novel kind industries¹², hence the name the 'new (cultural-cognitive) economy' (Scott, 2008). And it has also entailed a different understanding of and a focus on a rather narrow segment of the work force presented and propagated as a 'creative class'¹³. This segment is singled out and valued for its rather special practice of 'creativity' (Florida, 2002, 2005, Landry & Bianchini 1995, Landry 2000). The particular understanding as to what makes the 'creative class', which brings together a 'super-creative core' with 'bohemians' and the 'creative professionals', is 'that sort of creativity' that ultimately creates competitive cities, and economic growth. As Florida's main thesis asserts this so-called creative class has become the key social agent in attaining the necessary economic growth and innovation on which cities' competitiveness hinge upon. This view has been variously critiqued, most importantly for its complicity in lubricating

¹¹ See Hackworth (2007) for the increasing role of rating agencies in determining a municipality's capabilities.

¹² Scott speaks about specific sectors that moved to the core of the economy such as technology intensive manufacturing, services (business, financial personnel), 'cultural-products industries' (media, film, music and tourism), neo-artisanal design and 'fashion-oriented form of production like clothing, furniture and jewelry.

¹³ This class according to Florida consists of a 'super-creative core' of professionals who create new ideas, new technology and/or creative content in fields such as computer programming, science, engineering, education and research and of the so-called 'bohemians' such as writers, film directors who work in the media, the arts and entertainment. The second component is that of 'creative professionals', those who work in the knowledge-based industries like business, finance, law, healthcare (Florida 2002:8).

extant neoliberal tendencies and processes (Peck 2005). Building upon this critique, a more recent scholarship has been focusing more on the ways in which certain groups become a strong voice in the contestation of the neoliberal urbanization (Colomb & Novy 2013, Kratke 2010). This critical literature has provided interesting accounts of resistance on the part of a certain segment of the creative class, (Vanolo 2013) problematizing the definition of 'the creative class' as initially formulated by Florida. By documenting examples of activism, anarchism and alternative social life, such works have shown creative producers formulate alternative urban imaginaries as a means of urban resistance against neoliberal urbanism (Guazon 2013). The need for a more differentiated and critical approach with respect to the creative class thesis has appeared in the use of terminology, as well. Thus Colomb & Novy (2013) proposed the use of the term 'cultural producers' and 'artistically creative workers' citing Kratke (2010) as an analytic category instead of 'creative(s)'. The thesis is a contribution also to this ongoing discussion, and a critique of the 'creativity' thesis. It shows the variety of ways in which diverse groups, the many employees of cultural venues, managers, architects, musicians, students rely on their skills, resources and pursue their dreams, and how they eventually establish and run cultural venues, fill them with content and give them meaning. There is certainly a lot of creativity in what many of them do, but as the trajectory of the four cultural spaces demonstrate, the creativity thesis fails short for explaining them.

Chapter 2 Trafó Constructing the Transformer

'This is the only place that has not closed, has not changed I do not know how many times. And this is thanks to Gyuri. All the others, who started at the same time as him, moved to some more profitable ventures. Not him, he would just do it, despite the difficulties, he talked to anybody, lobbied, he went everywhere and the place still exists.' (a friend of Trafó's)

The formation of Trafó as an urban cultural space, begins with a former electrical transformer which gets revamped into a place of contemporary performing arts. The name itself, Trafó, short for electric transformer, is a token reminder of its past. It is chronologically the first cultural center to open in Budapest out of the four spaces that this dissertation revolves around. As a quite small contemporary performing arts house it expresses a different rationale and trajectory from that of the centrally located cultural-entertainment space Gödör, or the downscaled Whale, or the more elitist Palace of the Arts, for that matter. Starting as a contemporary performing arts house with the declared goal to give an appropriate venue for dance its location in the wider urban context would not necessarily make it into an iconic urban cultural space of Budapest nor into an obvious locus for urban struggles.

The chapter is consequently about understanding why a modest cultural venue came to occupy a rather special position within Budapest. To explain why this modest cultural venue attains the special position within a span of around a decade I consider more factors. Trafó becomes a key cultural stop in the urban life of Budapest not in small degree due to its opening event and due to the narratives that consequentially construct this moment. These narratives also formulated a particular understanding of the eighties out of which Trafó eventually grew out. The sparks of protests in 2010-2011 when the newly installed conservative government started replacing the heads of various public institutions, largely continued these narratives, which gained in strength and appeal, which the next chapter will further substantiate. The liberals led municipality and the liberal governance that lasted two decades until 2010, and then the conservative backlash also bore upon the trajectory of the venue. Last but not least global urbanism provided the wider backdrop against which the emergence of a such a place could acquire meaning.

2.1. Continuities rather than radical breaks

'One of the myths of modernity is that it constitutes a radical break with the past' writes David Harvey in the introduction to his book on "*Paris, Capital of Modernity*" (Harvey 2001: 1). One of the persistent myths of Central-Eastern European societies and cities after 1989 was that they were (at) a radical break with their past, that is, with the pre-1989 socialist period. And as such their world might easily offer itself as a tabula rasa to be again filled with meaning and content especially if the past was obliterated or erased, after it had been deemed to be a 'waste'¹⁴.

The shock-therapy, regarded as 'the method of abrupt rupture and sudden transformation' (Buck Morss 2000: 263) advanced by Harvard economist Jeffrey Sachs, advisor to Poland's post socialist government, with earlier experience in Yugoslavia and Latin America was perhaps one of the key moments of this myth, with very far-reaching implications and consequences on the societies where it was tried out. 'Not since the pseudo-science of biological racial difference, generated in the first decade of this century, has Harvard University produced a knowledge discourse with such far reaching implications (the eugenics and race studies at Harvard produced knowledge used by the Dillon Commission established by the U. S. Congress to study the "immigration problem")' continues Buck Morss (ibid.). A 'knowledge discourse' that posits the imperative of the radical break with the past can be a powerful tool in rewriting societies, upsetting earlier power relations running through society while empowering new groups and creating new elites. (Szalai 1998, Szelényi 1979, 1995, 1998).

Contrary to the myth of a radical break posited not simply in terms of an 'after and before', but between 'here and there', 'us and them', the capitalist West and the socialist East, however, I believe that the changes that occurred in Central-Eastern Europe can be better understood in terms of continuities between existing socialism and the capitalist economy.

¹⁴ As Bockman remarks, she cites Eyal 2000, Fourcade & Healey 2007, neoliberalism as a moral project rests on the lionization of markets while it also depends on a view that regards what was before as useless junk to be thrown out (Bockman 2011: 266, footnote 27), and (Gille 2007).

The analytic framework of neoliberalism as the latest phase of capitalism beginning sometime in the seventies allows precisely to interpret the changes in Central Europe happening around 1989 as a series of events and an outcome structured by economic and political dynamics operating at the level of global capitalism.

Next to a macrolevel approach with a focus on the structural determination of markets and economies that views Central Europe as a slot within the global network of states and interdependent markets, continuities run and can be elicited at a more micro level of analysis. Bockman, for example, looks for such continuities running between the former socialist states and their Western neighbours in the command of knowledge of Hungarian and Polish economists over the working of economy and of markets¹⁵. Bockman (2002, 2007, 2011) convincingly shows how economists of Hungary and much of the CEE had contact with their Western peers before 1990 through various professional networks, transnational ties, and how knowledge that they had about CEE was incorporated into the neoclassical economics and the economic and political expertise of the West, and then communicated back after 1990 in an already altered form (Bockman 2011).

She argues that the success of the orthodox economic discourse, which in fact meant a 'hierarchical understanding' of neoclassical economics with no 'attempt at economic democracy or more participatory forms of political democracy' (Bockman 2011: 202) was also possible due to the apolitical and objectivist conception of economics presented to be free from any ideological bias. This resonated with East European economists for it meant for them 'the emancipation of the economics discipline from ideological supervision' while it also carried the hope of ending the existing power relations (Guilhot, 2007: 467). While economists are not the players of my account, they are important for they were an influential group around the regime change. Secondly, economics has become the hegemonic discourse about societies exercising an unprecedented authority, not least due to the scientific pretense that the discipline has constructed for itself for the past few decades (Fourcade 2012). Consequently

¹⁵ 'By the time of the collapse of communism Hungarian and Polish experts knew, and more to the point, had already tried most of what they could have learnt from international advisers' (Greskovits, 1998: 61)

economists and the discipline of economics are important for the fact that they help sustain certain beliefs that neoliberal or entrepreneurial urbanism rests on.

The authority that the pronouncements of economic discourse exercises has much to do with its seeming apolitical view of the world, which around the time of the system change strongly resonated with the worldview of dissents. This apolitical view also meant a rejection of state interference. The dislike of the state was one of the most vehemently propagated beliefs of the dissidents as well. Eyal (1998) notes that 'the political dimension of the monetarist ideology has strong elective affinities with the critique of state socialism developed by the dissidents' (Eyal 1998: 91). The 'ideology of civil society', which was the ideology of the dissidents and was built on the rejection of the socialist state, cast state intervention in general as an attack on personal freedom. Monetarists held the same views while propagating markets as ideology-free and the best means of securing individual freedom. The entrepreneurial subjects who would ideally make up an enterprise society and who were in the making already in the eighties were both distrustful of the state and looking for the establishment of free markets. The wider view held that such subjects did not wait for the state to tell them how to succeed, but figured it out for themselves. For this they became the new heroes.

2.2. Mundane Places. Fast-forward. Trafó 1998-2014

Trafó, The House of Contemporary Art (in Hungarian Kortárs Művészetek Háza) is a performing arts center not far from the downtown of Budapest established in 1998 and which still exists in 2015. For a rather modest cultural venue, by far not an architectural statement, to survive for such a long time, is in itself a rather rare outcome. The place becomes a reference cultural point of Budapest, and plays a special part in the cultural life of the capital city by the 2000s. This chapter sets out to elucidate the protracted process of establishing this cultural center and its trajectory in becoming a cultural icon in a liberal Budapest in the 2000s with a view to the larger process of the neoliberal urbanization of Budapest. The chapter builds upon the personal experience and trajectory of certain individuals, most notably that of the founder and director of the venue, and elicits their and the place's trajectory and meaning with respect to the wider setting of the urban governance of Budapest itself viewed as part of global urbanism.

In the aftermath of the 2010 national and later local elections dancers, actors, various artists and cultural workers started raising their voice against what they deemed to be as undue state interference in the life of a cultural center. At that time these groups were virtually the only ones whose protesting voice could be heard against the unexpectedly repressive and unilateral measures that the new government was taking. The protest in the case of Trafó was triggered by the repeated practice of the newly elected conservative government to replace the directors and part of the staff of all those institutions called liberal, and for this deemed to be not loyal enough to the new conservative regime.

These struggles were loud compared to other groups but small in scope and confined to preserving the artistic space while wider societal concerns were voiced in private. Such concerns existed among these groups and others but only as a topic of private conversations. The people around these cultural institutions formulated their claims in the defense of certain cultural institutions, and from within these institutions.

At a first glimpse, the casual visitor encounters a rather nondescript building (see Appendix 2), but for the name of the venue painted on the façade. With its back propped against a small shopping store, peering above and down its peers, the venue

is located at a small crossroads in a predominantly residential area. Four-storied, with a loft capping it, it is still barely discernible amidst the mostly one, maximum three-storey height residential buildings.

Some of these streets that surround the cultural venue were among the first to undergo renovation during the nineties, and the visible changes that accompany this, with the mostly residential units renovated with the active involvement of the municipality of the ninth district. The process of restructuring the city in fact saw one of its earliest and broadest attempts and manifestation in the inner part of this district under a liberal district mayor who was credited for being one of the most able to compete for municipality funds starting in the 1990s (Aczél 2011, Kovács et.al. 2012). This was an area based intervention, quite circumscribed, where the inner part of the district came to function as a veritable urban laboratory (Kovacs et.al. 2012) where in the form of a public-private partnership the local council led by Middle Ferencváros and SEM IX, modeled on the French Société d'Économie Mixte advanced and implemented a series of regeneration programs.

While placed right amidst this regenerated area, itself a bit removed from the proper downtown of Budapest, Trafó came to acquire a special place in the cultural imaginary of the city since it opened in 1998 for reasons that pointed beyond the regeneration of the inner part of the ninth district. More than anything, I argue, it was in fact its opening and the beginnings which was subsequently often recounted mainly by its founder and the venue's supporters that, to a large extent, turned the place into that rather unique urban space that for the next years many Budapest residents came to regard it to be.

What transpired to me was that by the time Trafó opened in 1998 people had already been talking about the new venue for a while. There was a real buzz about the place, excitement, and a lot of expectation accompanied and had been created around its opening. The opening event was about contemporary dance finally finding its rightful place, not only in terms of occupying a suitable building, but also in terms of recognition among the other performing arts particularly with respect to theatre. By fiat of contemporary dance having been a rather neglected genre during the socialist period, and the scattered and rather provocative performances of foreign groups that came to Budapest in the eighties, the opening could strike one as novel and special,

and it was conveyed as such at that time and subsequently. However, its appeal was not only orchestrated by and confined to the people directly involved in contemporary dance as performers, choreographers, artists, dance fans, but it equally depended on a more general liberal audience which included notable writers, actors, journalists, not to speak about the growing student numbers who showed up at the opening and subsequently during the next years. Liberal-left politicians as well found it important to attend the opening ceremony and bask in its limelight.

The liberal mayor of Budapest, an illustrious member of the liberal party, one of the new democratic parties to emerge after 1990, who was by then an iconic figure of the earlier political democratic opposition running during those times the Samizdat journal Jail Talk (Beszélő), also attended the opening event. The then governor of New York, of Hungarian descent, sent a congratulatory letter on this occasion, which adorned the lobby wall up to the time of writing this chapter.

It was eight years after the 'system-change' but the opening of Trafó in 1998 still had something of that earlier spirit of the late 80s and early 90s. At least this is how the opening figured in many of the personal recollections of participants and of fans after 2010, and in the narratives told by the various employees¹⁶ of the venue. In their recollections they were no doubt driven also by the need to criticize the dismal present compared to an earlier time, and thus to salvage the venue on account of its veritable beginnings.

Twelve years forward, after the 2010 elections a surprising debate unfolded in Trafó (House of Contemporary Arts) and made it to left-liberal press. The question that was debated was whether an old time German punk band should perform or not at Trafó lest this were too much of a provocation of the newly elected conservative government. The end of the tenure of the director was approaching with a new round of competition in sight. Rumors were circulating that the new conservative local government had its own candidate set to compete against the current director, the person who in fact established the venue and had been its director ever since. Fear and

¹⁶ During the most intensive period of my fieldwork at Trafó in the autumn-winter of 2010-2011, and on several other occasions of my visit I conducted 20 semi-structured interviews and participated in several informal meetings and discussions, and a two-day long symposium on cultural venues in the Central-Eastern European region.

self-censorship entered the place, which had not happened since the early eighties at least.

Approximately one year later an acclaimed choreographer and dancer, who was by coincidence the first dancer to perform at the opening of Trafó in 1998, was to be declared the winner of the competition to replace the first director. Professional circles expressed their dislike claiming that the application of the winner was, if judged by professional considerations alone, inferior to that of the previous director. After months of mutual accusations between the new director endorsed by the new municipality and the founder-director backed by most of the left-liberal cultural and political circles, the new director resigned and in an open letter denounced what she regarded to have been an unfair and mean campaign that was undermining her reputation as a choreographer.

The municipality announced a new round of application only in August when the new cultural year was to begin in September. This time the municipality picked a different choreographer who had been working and who had made his name in France for the previous twenty years. First time the application he submitted turned out to be a half page trifle, later made public, with the municipality reluctant for some time to make the application public thus giving further ammunition into the hands of the liberal-left wing opposition. In the face of criticism the municipality finally declared the application invalid after a long while and called for another round of competition. This time the same choreographer, and the only candidate left for the position by then, handed in a more convincing application material. The old director did not take part in the last round any longer saying that it was by then clear that the Municipality, or the jury hand-picked by it, would never choose him anyway (interview with György Szabó who is the founder of the venue). Around the same time a public event was convened at the Palace of Arts led by one of the member of KÉK (Center for Contemporary Architecture) where György Szabó appeared, but where the newly appointed director later to resign did not show up instead being represented by a friend of hers. The organizers started the discussion with a brief chronology of the events that led to the current situation to which those present were invited to respond.

Meanwhile attendance at Trafó surged, ticket sales beat records and attending a performance, being there acquired a symbolic dimension. One could hear once more

the clarion call of civil society. For visitors and for the organizers this became a political act of resistance in support of a cultural venue, independent from state interference up until the change of government, situation which they wanted to maintain against what they denounced to be unilateral and undemocratic decisions on the part of the state and the municipality. Each performance became in fact a protest against the new government, against its ways of governing regarded as reminders of an authoritarian regime by now long thought to be gone for good.

Not since the eighties had artistic performances managed to attain this importance. A couple of liberal and socialist politicians could be seen again at Trafó, and the best contemporary writers agreed to take part in the usual New Year's Eve literary event that annually took place on December 30. The short stories or poems that these writers wrote for that occasion all played on the image of the prime minister as a dictator. It felt as if the clocks had been turned back to times when a theatre play, a book used to be a powerful political statement, a valid pronouncement on the times, when writers would still be an authority and their opinion respected by virtually by an entire society.

Despite these events, and against the opposition of a left-liberal circle the dance choreographer picked by the municipality took over as the new executive director of the venue in January. The first director after some months toying with the idea of working as a real estate agent, on the account of his extensive contacts, returned as an 'external expert' to help the new director run the place. For that year the attendance at Trafó would plummet, with many fans and staff members deserting the place, feeling that this was not their place any longer. As a visitor put it: *"after they shit in your house you do not want live there any longer"*.

In 2014 the old-time director as the managing director was doing what he had always done. He managed the venue this time not by himself but as an aid to the new executive director. Things looked to be back to normal, true, with fewer visitors. The venue seemed to be left to run its course, with the distant but looming specter that the term of the director was to come to its end some time in the future.

2.3. Mills and Transformers

“The turn of the century are the years of development, of industrialization, Budapest is born at this time, and immediately becomes a really big city, a bit bigger than itself” (Esterházy 2009: 195, my translation).

“Everybody was born at that time; Joyce, Musil, Broch, Rilke, Thomas Mann, Kafka, Einstein, Picasso, Wittgenstein, everybody who mattered was there at their cradle, “tout Paris“. The so-called Hungarian classics come from that time, too; Ady Endre, Babits Mihály, Móricz Zsigmond, Juhász Gyula, Kassák Lajos, Bartók, Kodály. At the turn of the century everything worked out beautifully. Before the world collapsed, everything just worked out beautifully” (ibid.).

“In the nineteenth century, capital cities throughout Europe, and ultimately throughout the world, were dramatically transformed into glittering showcases, displaying the promise of the new industry and technology for heaven-on-earth” (Buck-Morss 2000: 81).

The urban fabric, with its physical and symbolic dimensions alike, if nothing else is a confrontation with, a constant negotiation with the past. At times the past is more readily accepted, more easily amenable to changes that the present demands, and it even may get embellished and praised. At other times it is vehemently rejected and erased. Hence cities textures get woven at the constant interplay of breaks and continuities. And what other more fertile ground could be for this at this moment than post-industrial landscapes where by now defunct industrial spaces have increasingly given way to revamped urban spaces¹⁷ epitomized through such

¹⁷ See this particularly telling description about the ‘ancestor’ of Tate Modern, ‘the old hulk’ as Will Self calls it. ‘I worked in Southwark in the late 1980s, and when the weather was fine my colleagues and I would eat our lunch on the embankment in front of the old hulk. It had ceased generating electricity almost a decade before, and while its soft-modernist brick shell was still perfectly intact, great shocks of buddleia thrust out from the walls, while a fringe of shrubbery flopped over the roofline, mimicking the hairstyles of the period. If my buddleia-tinged memories seem irrational, it’s because the inner London of that era was pretty run-down, with derelict buildings, overgrown plots and a pervasive griminess – the sooty sediment lain down by coal fires, domestic and industrial. Yet something was afoot: there was rumbling under the arches around Clink Street, and Borough Market was beginning its mutation from a wholesale fruit-and-veg outlet into a retail chorizo and frothy coffee one’ (Will Self, 2014, November 21, The Guardian).

buildings as the Tate Modern in London, the revitalized area in Bilbao around the iconic Guggenheim Museum and the many more other ‘ordinary’ (Robinson 2006) instances worldwide. While the nineteenth century Parisian arcades, for example, turned into ‘the commodity graveyards’ of the twentieth century, ‘containing the refuse of a discarded past’ (Benjamin cited in Buck-Morss, 2000: 38), industrial sites built at the beginning or in the mid of the twentieth century are again left to become ‘refuse’ of the past to be later recycled into twenty-first century uses varying from the spectacular to the ‘ordinary’ invariably entangled with both the local and more remote urban-political-economic and cultural processes.

Three of the urban cultural spaces I proposed to look at are established in the ninth district of Budapest, in Ferencváros, where at the turn of the previous century rows of modern mills, granaries and warehouses used to be. The most decisive period of Ferencváros, the ninth district of Budapest, is considered to be the second half of the nineteenth century. In the first quarter crop and grain merchants start to get settled in large numbers in Pest, regarded as an important commercial center. At this time it is wheat at the center of export of products in Budapest. This is greatly helped by the development of the milling industry. In the hope for larger profits these merchants start investing their accumulated capital into milling, making it the leading sector for the Hungarian industry for decades. The rows of the modern mills replacing the boat mills along the Danube become the symbol of the capital by the second half of the century.

The name of the ‘belly of Budapest’ given to Ferencváros is partly due to the large number of mills which makes Budapest the second-largest grain-processing centre of the world by the turn of the century. The first large mill, Concordia, is built in 1867, followed by the Mill of Millers and Bakers of Budapest (the main shareholders being millers, bakers and flour merchants, employing 200 workers at the end of the century), the Gizella (400 people in 1896) and Király (Royal Steam Mill Hedrich and Strauss its modernization reaching into the 1990s, today called Ferencváros Mill), and Hungaria in 1893, today protected as a listed landmark building. The former Concordia Mill functions as the Museum of Mill Industry. The warehouses were built with the help of major tax breaks provided by the municipality between 1879 and 1883. The late 19th century also means a rapid progress in electrical engineering after

centuries of scientific exploration and experimentation when electricity becomes the driving force of the Second Industrial Revolution. Electrical transformers greatly influence the electricity-supplied industry, allowing for the economic transmission of power over long distances, generation to be located remotely from points of demand. The big majority of transformers used today rely on basic principles discovered by the three engineers at Ganz corporations – Ottó Bláthy, Miksa Déri, Károly Zipernowsky. Millenáris (2001), one of the novel cultural-entertainment spaces on the Buda side of Budapest occupies precisely one of the former Ganz buildings.

2.4. Pioneer squatters

The would-be Trafó, the electric transformer in Liliom Street is built in 1909 by Ágost Grestenberger and Károly Arvé while the first generator in the area was built in 1893 in Kazinczy street 21 which today is The Museum of Electricity¹⁸. The electric transformer is modernized in 1934, modified and extended sometime after 1945, and it is in the 1960s that the building closes and slowly falls to neglect. In 1961 the building gets nationalized, in 1978 the Budapest Liquor Company takes over the maintenance of the empty building. In 1989 the Hungarian Credit bank purchases the decayed powerhouse, and then Metra Limited Company buys and uses it for some time as a shop doing some renovations on some of its parts thus slowing its decay. It is at this time that squatters discover the place and move in before the municipality eventually buys the electric transformer in 1994. It is during these years that an agreement takes shape with the backing of the municipality of Budapest on turning the powerhouse into a cultural venue.

The political and infrastructural support of the district's industrial heyday is long gone when around the middle of the eighties the early nineties feeble signs of transformation begin to emerge, before they gain momentum and reach their full impact under the liberal mayor, who runs the district for two decades until losing at the local elections in 2010.

¹⁸ In 1895 the Murányi street transformer appears, in 1896 the Horn Ede street generator, and in 1914 the one in Logodi street opens

At the beginning of the nineties squatting appears here and there in the outer districts of Budapest. One such area is in Liliom Street in Ferencváros. Newspapers write about the French squatters in Ferencvaros Liliom Street 41 and to this day people may recall the funny, carnivalesque look this part of the street takes at that time. One of the more memorable images of the squatters' presence is that of a colorfully painted bus hanging from a lamppost (see photos in the appendix). Set against the grey concrete and weary brick buildings one may get a sense about the impression this sight must have made on passers-by. If one looks at the period preceding the opening of Trafó, the single most publicized event in the history of the building, besides the various changes in ownership, which did not receive much notice, is this illegal occupation of the building by a French anarchist group, later followed by Hungarian squatters. The squatting-interlude not only changed the atmosphere of an otherwise silent and deserted street and perhaps prepared it for its future gentrification but it lifted the house out of total obscurity. And that was how the would-be director of Trafó came to know about it just like many others who for quite some time had been looking for a place that could accommodate artistic performances (interview with Gyuri Szabó, 2010 December 15).

“A place opened in Budapest a couple of months ago. At the beginning I liked this empty building, the discarded burnt out bus hanging from a lamppost, the huge cellar system. But then my enthusiasm faded as I realized that all the squatters, the anarchists, the alternatives are just a bunch of primitive scum. This is a really alternative place for self-realization, which amounts to painting band names on the wall. There was a stuck-up snob monkey – a French guy and the entire squat - like old good anarchists - were continuously adulating him. Yes, these manful anarchists are spiritually on the same level as an average housewife kowtowing when the American relatives come for a visit“. (Czene 1991)

Another more sympathetic account of these days went like this:

“People living in Ferencváros are rubbing their eyes with disbelief. A French artist group with quite a startling look has solved their housing problem in Budapest in an astounding way: they simply singled out an out-of-use building and just moved in there.Most of the people in the neighborhood welcome these strange newcomers, but there are some hostile reactions too. Their exhibition a couple of meters away

from the squat has been burnt down and the “intruders” have been called upon to leave.”(Czene 1991)

This is one of the several points of the district that has undergone massive regeneration, with entire streets and their hidden courtyards getting a full facelift by 2010. Ferencváros presents one of the most dynamic urban developments of the capital for the past couple of decades thanks to its proximity to the downtown and most probably to the lower costs that investment in that area first entailed. While it is the downtown that has attracted most investment and interest in upgrading, the ninth district produced major changes in its physical infrastructure and social aspects alike not least by fiat of a liberal mayor skillfully tapping into the available city funds for pursuing the regeneration and gentrification of the area and the entire district. The squatters’ time is the harbinger of new beginnings, which in the case of Trafó means 1998. However, some years had to pass after the squatters had left for the house to open as a center of contemporary arts and become what it is in fact up to this day.

2.6. The entrepreneurial alternatives in the 80s-90s

Trafó’s appeal and identity rests in no small degree on the way it constructs its past(s). While the fin-de-siècle period with Budapest becoming a world metropolis offers a wider and more distant backdrop, when Paris, Vienna, Budapest and New York could still provide a commensurate experience for being part of the same world, the more recent past of the socialist era has been appropriated and capitalized on as well. The particular experience it offered which Trafó saved and formulated in terms of the oppositional cultural milieu of the 1980s.

It is important to note that the eighties in Hungary were already different from the seventies or the sixties, while the eighties were not by far a monolithic formation, either. This decade, most importantly, differed from the earlier ones in the degree to which the state tolerated opposition and critique, with a significantly more weakened and permissive and internally more fragmented state that, nevertheless, still tried to keep society under its surveillance. The space where Trafó locates its roots is that of the underground cultural scene, which as Szemere pointed out 'was past its peak' as early as 1983 (Szemere, 2001: 74). Even more so by the end of the decade with the

momentum built and exhausted through all sorts of oppositional groupings the underground scene was fast losing its earlier edge, turning into something less alternative and more self-referential. This cultural milieu was a varied and rich landscape, and its complete mapping lies outside the scope of this thesis. I focus only on those spaces that directly bear upon the formation of Trafó, which are mainly found at the intersection of university clubs and clubs established by the young Hungarian communist league.

The founder of Trafó graduated from the University of Economics in 1982. With hindsight he narrated those times to be an effervescent period with a dynamic student scene, where an important difference existed already between ‘totally commercial places’ such as the University of Medicine (SOTE) and the culturally more progressive places like Eötvös Lóránd University (ELTE), the Technical University and the Karl Marx University of Economics, (now called Corvinus University), one of the most prestigious universities of economics in Hungary. In the 1980s it was one of the places where more critical ideas, both in economics and with respect to the cultural scene alike, could circulate and gather crowd of students. As a graduate of economics the would-be founder of Trafó became the new leader of the Közgáz Klub, the university club. This was a busy urban youth spot where some of the new music bands performed, and more alternative cultural activities happened. As Szemere notes the formerly samizdat journal Beszélő (Jail Talk, 1991) in an already 1991 legally published issue noted the university of economics’ underground club (Közgáz) as a site of symbolic political struggle which housed underground music, theatre and diverse art forms (Szemere, 2001: 109). This is how the ad in the 1991 issue of the Jail Talk formulated this experience. *“I remember you very well. We’ve met in the theater, at concerts [...]. We’ve met in Bercsényi, Közgáz, the University Theater, the Kassák Club, the Ikarusz, and the Ganz Mávag. We’ve met at out-of-sight places and later on at festivals, too. You were there when we marched on applause, all the words to those songs, and the secretly or semi-legally propagated texts helped to attain our freedoms today.”* (ibid.).

It was at this university that the debate whether the Hungarian Young Communist League (KISZ) should be the only youth representative took place. Discussions that addressed the 1981 Polish events were held there as well. It was also around this time

that the idea of entrepreneurship caught the wider imagination, and lectures on this subject were held at this university. It was not only reform economists who supported and propagated entrepreneurialism. Its wider appeal could not be explained had it been advanced and confined only within a narrow circle of experts, but without ever reaching wider audiences. As Bockman writes ‘entrepreneurialism as a socialist concept took Hungary by storm, thanks to the charismatic and controversial economist – also known as a “prophet and daredevil” and a “miraculous healer” – Tibor Liska (Bársony 1982: 422 cited in Bockman 2011:162). Unlikely as it may sound now, the concept of entrepreneurialism was indeed used as a socialist concept in the way Liska presented his understanding of entrepreneurialism. However, unlike the Yugoslav approach to entrepreneurialism understood in terms of workers’ councils, the Hungarian officials and economists in fact meant managers when they spoke about entrepreneurs (Tardos 1982 cited in Bockman, 2011). Liska, instead, argued for a form of entrepreneurship without the ownership of the means of production. In his view in the absence of private property people would be liberated for entrepreneurial activity. “There would be a competitive market in leasing rather than owning the means of production, individual accumulation of wealth (without inheritance), openness to the world market, and free market prices” (Barsony 1982, Swain 1992: 110-111 cited in Bockman 2011: 163). Liska who was at the head of the Research Group on Entrepreneurship at Karl Marx University gathered around him those who were working in the second economy, and gave extremely popular lectures on entrepreneurship drawing masses of people to these lectures. These lectures and the larger university milieu, with people searching for new openings, alternatives that were voiced on economic, political and cultural matters must have created indeed a fertile ground for experimentation.

Entrepreneurship, given a boost by the Liska phenomenon, but not confined to it, subsequently departing from his socialist formulation, the appeal of the more fuzzy 'spirit of the enterprise society' I claim resonated with youth culture, and found a fertile soil there, as it was equally an imperative born out of a wider constellation, beyond that of the university. Hungary took up a huge IMF loan (1982) that had to be paid back and economic imperatives, 'reforms' long due became more and more pressing and difficult to ignore. Slowly the appearance and spread of new economic

associations next to and chipping off the huge state owned factories were more and more tolerated by the state. In this context starting a private venture, both as a highly idealized and much coveted condition and as a more mundane practice, often taken up for lack of other alternative, a material urgency to be able to make a living or provide for one's family, and which in the coming decades would become an increasingly painful coercive turning many people into entrepreneurs out of necessity, acquired quite a powerful allure by the eighties.

Its attraction was in no small degree created by the immediate historical and social context where some distance from the state, let alone independence of it, seemed to be possible through establishing one's own enterprise. Such practice could be easily seen to be more free and radically different from a life that in all its aspects was experienced as controlled and centrally regulated, under the command and close supervision of the state. As a consequence, it was not only small business ventures and firms that started and continued for some time already to be mushrooming in the eighties. This mix of entrepreneurial drive and necessity, initiative and rebellious spirit found expression in other fields as well. The already shifting cultural or artistic sphere had been separately experimenting, not without parallel to what was going on elsewhere.

The cultural sphere's earlier imposed and somehow artificial isolation, to a great extent enforced by the state, but which was also actively cultivated by the opposition, not simply isolated this sphere, but it also helped build and preserve (an aura of), a modicum of independence and authority. Often as part of a defensive move on the part of various artists as well, the ivory tower where culture or the arts were supposed to dwell, began to change with the new cultural places that opened outside the circle of established repertory theaters and outside the private homes of artists and their followers.

The appearance of such places presupposed the presence of some people with organizational capacities, someone who were not artists, but who cared for culture and the arts. As an employee of the university club and later of Pecsá, a cultic concert hall, where instances of censorship were still not rare and organizers had to explain why certain bands performed (interview with the founder of Trafó) when questioned

by the people from the ministry of interior, the would-be founder of Trafó became more and more involved in something that later would be called cultural management. At the beginning attendance in the club, Pecsá or FMK was conditional on membership but as marketization was gaining ground it was enough to be able to buy the ticket and attend the gig. They were among the first to start extensively using posters for advertising programs and all in all they as he put it ‘embodied a different attitude’, more in line with the entrepreneurial spirit which was taking shape those days, experimenting with the fledgling service sector. The goal I was told (interview with the founder) was to extend the university youth culture, to show that this could express a wider society's culture, not simply a subculture confined within the walls of the university (ibid.). He believed that this culture represented society's real consumption needs and not something hermetically sealed from the world. As he confessed, it was cultural innovation that attracted him, and less or not at all politics or the reform economics of that time (ibid.).

Trafó was established as the legal successor to the Young Artists’ Club (FMK)¹⁹. KISZ - the Young Hungarian Communist League – (Magyar Kommunista Ifjúsági Szövetség) itself established in 1957, together with the Budapest City Council founded FMK (Fiatal Művészek Klubja) in 1960. They set up the venue with the intention of offering a space for Hungarian artists and intellectuals, and thus to possibly keep an eye on them, monitor their activities. FMK acquired along the years the reputation of an underground cultural hub in the capital well before the time when it got closed in 1998. By then it was probably just a faint shadow of its earlier glory. The venue used to be one of the most closely observed cultural venues before the 90s, and György Aczél the most influential person in the cultural policy of the Kádár era saw it as a safety valve of expression. However, it was still a place which was more tolerated by the political establishment than other similar cultural venues such as the Almásy Hall²⁰, the old ‘Moving World’ (Mozgó Világ), ‘A is Forbidden’ (Tilos az

¹⁹ <http://www.bmknet.hu/kozmuvcdk/5/html/tartalom/t30.html>

²⁰ The Almásy Hall opened in 1983 as the Almásy Pioneer and Youth House and Recreational Center. It was one of the biggest investments of the 6th 5-year plan. Initially (1976) it was planned to be a pioneer house before the decision in 1982 to turn it into a recreation centre (Almásy téri Szabadidő Központ). In many respects it was much more of an alternative place than FMK or PeCSa, true, it

Á), ‘The Black Hole’ (Fekete Lyuk) supposedly more avant-garde and critical of the political and cultural establishment.

“Although it was a good little place, the city’s freest place, policeman did not really step in here, as the place was run by the police” (a former fan’s recollection).

This quotation succinctly expresses the contradiction at the heart of FMK’s existence, its freedoms and limits, in an otherwise far from monolithic context, set to change under the increasingly slackening grip of a state from almost total control to the liberty to virtually say anything. This does not preclude the fact that there were still exhibitions banned at FMK in the eighties, some, for example, under the silly pretext of a leaking pipe.

The Petofi Hall (Pecs), the other place where the founder of Trafó worked at and from where the later venue grew out of as well, as he put it, ‘did not have anything except for its large space’, quality which, however, made it excellent not only for large music concerts but also for dance productions. In his words “the world came to Hungary” in the late eighties and early nineties, which meant that one could conduct business with anyone and certain cultural institutions were pioneers in this. The Dutch Matra Fund, the British Council, the Swiss Pro Helvetia, and the German Goethe Institute were appearing around that time in Hungary starting funding all sorts of cultural projects. It was in fact a Dutch performing arts group that made a lasting impression on the would-be-founder. He started inviting dance groups from the West most of which at that time were of better quality according to him than most Hungarian dance groups perhaps with the sole of exception of the Bozsik-Árvai duo, whose performance in 1998 would open Trafó.

The 1990s, as the founder of Trafó recalls, was the time when in his words ‘classical capitalization’ set off, when more and more firms would appear and go bust, and one

started operating in the eighties during a politically less repressive decade. The place housed the first album of Első Emelet, which in 1985 introduced the Dire Straits concert. The year 1987 was the most eventful when Club 2000 started, Bonanza Bonzai started its club then too, and then in 1988 The Almásy Hall was involved in the year’s scandal when a Dutch group consisting of ten people performed stark naked.

had to increasingly think hard why to start a business. *“Whereas in the 1980s as part of the ongoing economic reforms specific economic forms got introduced, which then matured to a certain extent, this time an entire society switched onto a different economic logic and gear and that made a big difference”* (interview with Trafó’s founder, 2010 December 10).

Trafó thus emerged out of a background of an incipient entrepreneurial ethos, partly a fiction and an ideal, but also a practical consideration, embraced out of necessity and which found various forms of expression in the everyday activities of people. The appeal of entrepreneurship rested not only on its official endorsing which with time only grew. It hailed also from the oppositional milieu as well, where cultural, economic, political sensibilities placed people into separate turfs and silos, professional or lifestyle groups, all of them caught in the web of transformation, and caught by the ideal of entrepreneurship, which each of them could differently pursue. Obviously not independently of the patina, the symbolic capital that an earlier oppositional attitude might confer on any one who was able to believably stake a claim on it, the establishment of Trafó played on its association with that opposition, and in the process the founder implemented his own version and understanding of enterprise. The cultural opposition that grew to experience the changes and which had to make a living in the nineties, not only did not address economic and social questions but also stopped looking for a critique, what Boltanski called 'artistic critique' (Boltanski 2005). Its oppositional stance found novel expressions under the aegis of neoliberal or entrepreneurial urbanism, as the first two case studies gradually show.

2.7. The cargo cult of foreign funding

“The world opened, you could conduct business with anyone and certain cultural institutions prepared the ground for this. The state did not have the money to finance culture, but then the British Council, Pro Helvetia, the Goethe Institute appeared in Hungary funding all sorts of cultural projects” (interview with the founder of Trafó).

The popularization of democracy through the means of culture and not only through politics is an important practice, and many businessmen turned philanthropist practiced it, is often driven by personal wealth and ambition coupled with a wider vision of society. This is what the Soros foundation (Guilhot 2005) did too, as part of a wider practice of slowly building up the autonomy of those reform agents in Hungary which could later function independently and critical of the state, and which subsequently could give the new power elite (Nagy 2013). The Soros foundation's philanthropic activities and the aim to establish the Popperian open society led through the support of the contemporary arts as well. This was possible through the involvement of a larger network of people, mainly from the given profession, who were mobilized for these ends. With respect to contemporary art no less illustrious figures took part in this process than Thomas Messer the director of the Guggenheim museum, Sir Nicholas Serota the director of Tate Modern, Dieter Rone the director of the Museum des 20 Jarhunderts who were all part of an advisory board that oversaw the establishment of Documenta, a directory where the best of contemporary Hungarian artists were to be included (ibid.). The Soros foundation's role in its support and in the shaping of the battle for cultural hegemony against the late Kadar-era's cultural hegemony, the liberal value orientation of the Soros Foundation became hegemonic and canon-shaping within the artistic sphere according to Nagy (2013). The elite of the Hungarian arts were helped and prompted to become part of the global art-world and were also assisted to create that art that could and must demonstrate that Hungarian arts belonged to the European arts (ibid.).

Trafó was not an exception to this process of creating a European and cosmopolitan art in Hungary. Its founder and the people around it built up Trafó as a relay point, a transmitter of European performing arts, especially dance, between Hungary and at

first mainly western Europe. While the Soros foundation occupied pride of place in helping establish a more open society, and the arts were generously supported in this, other foreign foundations were also present and contributed to this process.

In 1994 the Municipality made the decision to establish the House of Contemporary Arts in the former electric transformer house in Liliom Street. The municipality initially wanted to sell the real estate building where FMK was located on the Andrásy boulevard and with the money renovate the electric transformer house at Liliom Street, which would then be offered to FMK. The plan was that the municipality would announce an open call for the position of managing director. However, the Budapest Assembly left the decision to the next board of representatives, which eventually adjudicated the place to PeCSa (Petőfi Hall), the other important predecessor of Trafó, the Youth Recreational Park of the City Council that opened in 1985. The would-be founder, Gyuri Szabó arrived there in the same year after graduating from the Karl Marx University of Economics and after years of being part of the team running the University club. PeCSa first of all housed music concerts, and it did so until 2014, but in the second half of the eighties it organized more and more foreign dance productions, experimental video evenings, performances too that slowly became more widely known largely thanks to the foreign support they enjoyed which financially permitted wider publicity. Contemporary dance was not a privileged genre, and for a while the funding of such productions was only possible thanks to foreign financial support. In the long run Gyuri's aim was to secure state or municipal support. It was precisely the financial support of some foreign foundations that in the end helped procure the much-needed state funding.

It must have been the summer of 1991 as Gyuri recalls that the Dutch state's Matra Fund program announced an open call for Hungarian artistic initiatives to be funded for a three year long period. It was a unique opportunity for an independent artistic production to get funding for such a long period.

The other novelty that the Hungarian party was faced with was the requirement to be able to present a three-year long financial plan. It took them two years, as the founder recalls, to produce a plan that was deemed acceptable.

The other condition that the Matra Fund posed was the possession of a space for dance. The Ministry of Culture and the Budapest Local Council were still pointing at one another as which one was to provide the required building when the Dutch threatened with the refusal of their generous financial support. At this point Gyuri came up with the idea of a virtual institution and this is how the Workshop Foundation was born, core part of Trafó up to these days. The Workshop Foundation (Műhely Alapítvány) provided support for independent artists, it rented spaces for rehearsals, ran educational programmes, sent local artists abroad etc. It started with a 3-year long financial support by the Dutch Matra Fund, by the Theater Instituut Nederland, followed by the Soros Foundation and Pro Helvetia.

The manner of support favored the introduction of a project-based operation. In 1994 the foundation eventually set up its own office. It was at this time that more artists in the city were looking for permanent venues. This search for a stable place was probably fuelled too by the municipality's announcements about the intention to find a new building for FMK. As dance was rather of a stepchild among the performing arts, and since there were more and more dance productions that the FMK building could not really accommodate either, it became a matter of necessity to find an appropriate place. Both artistic circles and the architectural profession circles as Gyuri recounted were set to find a new location, idea for which they got the support of the new mayor who would run Budapest till 2010.

Although opposing voices on the part of the FMK leadership seemed to curb the enthusiasm of the municipality, the intention to find a new venue could not be changed. In 1994 a study plan was put together for the municipality about what to do with the house but because of lack of money decisions were suspended for a while. The study plan argued against its demolition and insisted on the preservation of the building and recommended that the old transformer building be designated for heritage protection.

The plan envisioned an altogether new function, it proposed the opening of a cultural venue. But the municipality mired in recession as it was, was strapped for cash, it did not have the money for that building. It had money but set aside for something else. The city was entertaining high hopes of organizing the next world exhibition. In the grandiose urban development plan, in the capital's separate budget there were plans

for purchasing something equally grandiose for housing the planned contemporary arts center. After plans to organize the world expo were called off, there were few people left with hopes for a new dance venue. Many felt disappointed with and tired of the continuous indecision of both the ministry and the municipality. Many people had enough of waiting, and others started making a living somewhere else out of necessity.

At the time of the cancelling of the expo the proposal for the Lilliom street building with a feasible architectural plan and a realistic estimation of expenses, with settled proprietary rights - which was not that common at that time - was virtually the only choice left. Moreover the money left over after the call off of the expo would have been enough for purchasing any dilapidated building. However, more than a year would pass before the decision was finally made to purchase the former transformer house.

2.8. The Opening Event, 1998

The opening of Trafó in 1998 along the years came to figure as a unique cultural event, which cannot be explained solely on the basis of the appeal of contemporary dance, with dance's renaissance starting in Hungary in the eighties. The anticipation that surrounded the opening, the preceding years spent hunting for a house suitable for dance, the gradual building up of a momentum and an audience for dance, but also for something that came out of the regime change, all this along the years prepared the ground that made the opening (look) unique.

And subsequently the repeated recounting of the same event that passed from one person to the next, also helped Trafó turn into 'the place', a real urban magnet for the more bohemian circles of Budapest. The news of its opening I was always reminded, was noted even by George Pataki, then New York governor, who was quoted greeting the opening of the venue as if the event had had significance in the wider process of the democratization of the society. (There is a certificate from the governor's office that still adorns the walls of Trafó).

Not only the cultural elite flocked there but the political elite as well deemed it important to show up for the opening. Many of these politicians, either MPs or members of the municipal council, were previously and to various degrees involved in the process of establishing this venue and when the building finally opened they could bask in the public recognition, and later perhaps translate this act into useful votes. The premiere was a real public event. Several people I talked to described it as becoming a sort of public matter (*közügy*) in as much as the news of its opening became the concern of many people and many found it important to attend the place.

Not only those who were present at the opening, but current employees as well, passed the same narrative according to which the opening was indeed a special occasion. Those present felt that something special was happening and they had to be there. It was not only the hype about the performance of Yvette Bozsik - the first piece Trafó presented - but more the social event it promised to be. For many artists - and not only for dancers - and non-artists alike, the place came to fill a vacuum in the life of the city and it succeeded in drawing some members of the liberal intelligentsia at a time when, true, there were not any other similar places. Politicians' presence and the anticipation that was built up by the organizers and the artistic circle created a context in which this opening could acquire the prestige it did, and made the venue into an important place for a liberal Budapest. For several years Trafó could maintain its unique position for it had no competitors. All the other new urban spaces like Gödör, Millenáris, MuPa, A38, and the several ruin pubs would appear only years later.

By 2010 Trafó became an urban reference point in the cultural landscape of Budapest. It was a cultural venue maintained by a municipality that was run by a liberal mayor, backed by the liberal party in coalition with the socialists. Not independently of this, the venue came to figure as an alternative cultural space. Here people with an interest in contemporary performing arts could expect to find something to their taste. Since most of the productions were foreign it was easy to associate the place with cosmopolitan values. Its international profile made the place stand apart from most of the other Hungarian cultural urban spaces, with the sole exception of Merlin Theatre, which used to house English language theatre productions before it was closed down in 2010. On a visit to these places one found herself among people many of whom

were speaking other languages than Hungarian. In 2010 this was not a unique thing any longer, but it used to be before.

In the wake of the 2010 elections the place came to be more emphatically identified with the liberal-left wing political establishment, perception that both parties endorsed for their own reasons. What was up until then more easily seen as a matter of cultural and artistic identification become more associated with party affiliation. An interest in some sort of a cultural genre, a taste for a particular cultural production, let alone the wider institutional space where such preferences occur is hardly an isolated practice, or an autonomous, purely artistic matter.

2.9. A small place after all

With hindsight the period from 1998 until 2010 was an exceptional time for Trafó. This cultural venue occupied pride of place in the liberal cultural landscape of Budapest. It was in the vanguard of contemporary arts, especially dance, but it also was a place for music, literature and circus, and its small art gallery located in the basement presented some of the best but less established artists too. One could always count on several high-quality performances each year, on the fact that one could surely discover there some new music bands, a new performer - some special cultural treat. The more than one-decade-long-existence made people take Trafó's presence for granted. It would not occur to anyone that this could be different, that this could ever end. It had been around for long enough so that people did not have think whether they would have another chance to visit the place next time. And when this scenario did emerge it came as a truly shocking realization.

In the aftermath of the general elections in 2010 with the election of the right wing government the institution's position became suddenly precarious. Up to that point the appointment of the managing director by the Minister of Culture had not been questioned. He had occupied this position for twelve years, he had after all played a key role in creating this space and Trafó had built up its reputation during his leadership, which rested far beyond Hungary. According to the several cultural producers, cultural workers I talked to Trafó enjoyed an even wider appreciation

abroad than in Hungary, mainly seen as the merit of the continuity represented by its director. The fact that the place prevailed for so many years was something of a rarity in an otherwise constantly changing scene where small cultural venues would pop up, their front person change and then the place would undergo a radical change or would completely disappear.

Rumors started to circulate that the Municipality stood behind a different candidate and that in fact did not want the current director any longer. It would endorse its own person to run for the position in a competition that was feared to be skewed in favor of the government picked candidate.

Moreover, after the 2010 general elections with the extreme-right now sitting in parliament employees on several occasions admitted to having received threatening letters while many of their previous contact persons in various places had gone or had been replaced in the major reshuffling that was already under way.

The fear about what the current political establishment would decide about Trafó was further fed by those rumors of the past few weeks that spoke about the closure or merger of several cultural institutions. One such reshuffling would see - ironically - PeCSa/Petőfi Hall, the famous pop-rock concert hall with a capacity to house 6000 people, merge with Trafó, with the hall eventually demolished.

Even if the special budgetary freeze imposed by the government in the summer did not affect that time Trafó, the view was that this did not preclude the possibility of losing significant financial support in the future or even being transformed into something totally different. Similarly to repertory theatres Trafó was to house 140 productions during the 2010-2011 artistic year aiming of course to full house productions. Since Trafó was not a repertory theatre to have the same play run for weeks on end, with the same production maximum on two consecutive nights, the pressure to meet the expectations was really high. When Trafó had earlier succeeded in being upgraded to the status of a theatre by 2007, this meant a more secure institutional level guaranteeing a steady annual municipal support, with the new status seen as unequivocally a success. This status guaranteed financial stability and continuity for the cultural venue. However, several years on with the state captured by a right wing elite this status could jeopardize its existence.

The several modifications of the Theatre Law²¹ after 2010 left many of the artistic groups strapped for funds. Coupled with the fact that Budapest and its public transport company BKV had amassed huge debts for the past two decades several cultural venues' existence became completely unpredictable. In one of the several, ad-hoc proposals and part of the wider drive to re-centralization, the state announced that it was ready to offer to bail out the city's transport company in exchange of three cultural institutions owned by the city. Many the (cultural) institutions across the country looked to be sold, swapped, reshuffled between the state and the Budapest municipality in the future, sign that state power and its purview were being redrawn with the power of local governments circumscribed and the autonomy of individual institutions under attack.

It was not necessarily this single, though quite overwhelming, instance of a rush of modifications and changes that created this situation when independent theatre groups had to close and others' future operation looked impossible, but a long process of the making of the regulatory context extremely unreliable, prone to quick modifications and designed to allow for many loopholes, to encourage favoritism, a situation that forced many institutions and their directors to try and search for the most secure way of operating, of being financed. And this most of the time was seen to lie in the securing of regular state support. From earlier socialist cultural venues bid to get rid of state control through subversive artistic productions through Trafó's accomplishment in winning state/city support, and then the category of theatre, in 2010 Trafó found itself yet again in an impasse when the generous embrace of the state might kill it.

In 2011 before one of the evening performances I approached some visitors, curious about what they thought about the venue, whether they thought it was a state or a private venue. Some thought that the place must be privately owned judging from the type of performances, saying that they would not think the state, or the local council would support such shows. But no sooner these voices were contradicted by another visitor, who believed the place must be state funded, as the type and quality of

²¹ http://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A0800099.TV

performances, the number of the audience with such a small room, would not satisfy any private enterprise's rationale for profit. Both seemed, however, to agree that Trafó was bringing high quality productions and that it was a special cultural space of Budapest.

'It's a different place, a bit of an odd bird, pretty much like us.'

'They can always surprise me, plus I know that I can count on something of a better quality.'

'It's not just entertainment, it is something to think about as well. If I simply wanted to have fun I would go to some other place, not to Trafó.'

'Hmm, you know, it is good that is not full of teenagers, so you can expect something serious too'.

'You cannot get drunk here, people do not come here to get drunk'.

'Before, in the 80s I used to go to FMK, and now I come here. I have some visitors from Madrid and I have brought them here with me. If needed I will translate to them'.

'I come here almost every week. I am myself putting together sound and image for different dance productions, so for me it is a kind of professional curiosity as well. My son, who is 11, comes with me as he likes it too. We are from the US, so for us it is quite important to be able to watch English language productions, or dance. We came to Budapest six years ago and ever since we have been coming to Trafó. We go to Gödör too, but that place has changed a lot, it has become so dirty and unkept. We like it. There are a lot of youth going there. Just that people do not care too much about the place'

'We did not want to watch a traditional theatre play this time, so we came here to see something more unusual'.

'I often come here, my daughter too, she is a volunteer at Trafó. I can expect high quality productions. We live in the district.'

'It is stable, it means continuity. It is a good feeling that if I go abroad for half a year and come back I know it will be here. I have been coming here since 1998 and that is great. Other good places exist, but they disappear very quickly. Trafó, not, it stays.'

'In my opinion educated people come here who want some thought provoking and unusual productions, other than what otherwise high quality, but more traditional theatres can offer. Plus they (Trafó) make sure they bring us what is good abroad. They are the only one who offer us the chance to know of foreign productions. They really bring us the world here.'

'I sing in a choir and I and the group, came here to see and maybe learn something from this show tonight.'

'It was my boyfriend actually who had the idea to come here. He read something about the show, or Trafó, I do not know exactly, and we decided to give it a try. We are here for the 3rd time by now. I am studying film and he is in IT studies. It is a cool place, even the lamps are nice'.

The lamps did indeed look a bit out of place especially against the wallpaper with the gilded threads running in patterns that one was more likely encounter in boutique hotels than adorning the walls of a contemporary arts' house. This was a new design, signalling that the venue was entering a more commercial phase of its existence. One person expressed her dissatisfaction with the new look exactly on these terms that the venue was in for a more commercial turn. The retrofitted interior sanctioned the change Trafó had slowly underwent from a more avantgarde place that it used to be to a much more mainstream urban cultural venue.

The changes in the interior of the venue were replicated on the outside as well. The 'rehabilitation' of this area, and more broadly gentrification of this part of Ferencváros started already in the late 80s and peaked in the mid 2000s. As the following diary excerpt suggests while the venue became interesting for an audience primarily outside the immediate neighborhood for whom the squalor of the area could appear and could be experienced as the patina of the place, for the local populace the place became out of reach in a sense, and not for its geographical remoteness.

A cold January morning in front of Trafó 2011. Hardly any passers-by, except for one woman somewhere in her seventies, slowly advancing in the snowy and icy street. She talks to me with a broad welcoming smile, looking a bit puzzled but otherwise happy to talk. She is carrying some shopping bags. She is on her way back from Aldi, the chain that opened not long ago close to Trafó. Upon entering into a conversation

she tells me that she once visited the venue, but she quickly adds, that obviously not for the concerts or any of the programs, as she could not think of what kind of programs she could possibly attend and she laughed at me. She just went in to look around. Then we talked about the neighbourhood, which underwent significant 'rehabilitation' for the past twenty years, and she told me that she stopped coming out in the evenings as in her opinion it was not safe anymore. She added that when she moved here at the age of twenty [this must have been in the 60] the neighborhood was much safer and to my question whether it used to be run down she replied that not as much as people now would have it. (fieldnote entry)

While ensconced in the middle of the ninth district, Trafó, was more of a Budapest place than a district venue, with not much attachment to its immediate neighborhood. The place's identification and success was more dependent on its links with a wider European network of similar cultural venues. Its present cosmopolitan credentials were dependent on this international network.

However, after the 2010 elections, Trafó was compelled more than ever to prove that its existence was not without reason, that it deserved the public money it received. To accomplish this, it was determined to prove that it was more than a building. It wanted to show and demonstrate that it was an important place in the life of the city and of the neighbourhood and that it did not address a limited and alternative audience only, or that it catered primarily for the interests of foreigners. Those working there felt that the place had to increasingly show that it equally, if not more, supported Hungarian productions and that it serviced the neighbourhood.

When the visitor enters Trafó, they find themselves in a small entry hall where they can turn left and go either to the ticket counter or to the cloakroom. Or one can turn right and go down to the gallery. Upon the entry to the right, there is a small security boot with cameras monitoring the building. There is also a sofa opposite the ticket desk, where two-three people can sit down. Some racks with mostly Trafó fliers, programs and brochures line up the walls. Upon purchasing the tickets people move to the café area, 5 steps above, area which is not that large either. There are approximately 10 tables where people can sit. The room can accommodate these people and more who are standing and talking while waiting to be able to get in for the performance.

What is surprising is that the building is much taller than one might expect by judging it from the outside. It extends vertically on four floors at least, with a top terrace recently attached to it offering a panoramic view encompassing the many rooftops nearby and further. There is a studio, and office on the upper floors. But what a casual visitor can perceive is just the performance hall and the café that leads to it, and the gallery in the basement to which fewer people make it. All in all this is a quite small place in a modest building.

Visitors' presence can best be characterized as transient. They are here for a show, before which they get their ticket, maybe have a glass of wine, exchange a few words with friends, watch the show, and after some brief exchanges leave the place.

In 2011 on my visits to the venue I notice a change, and I hear new accounts. What I notice is that suddenly there is an explicit wish, colored with a tinge of regret, on the part of both the workers of Trafó and external people closely associated with them that the place become more obviously a public space, a forum, a meeting point, a place where to socialize, to meet up. Right now as it is, people flee in and flee out. Dancers who use the studio upstairs, after their training immediately leave. Visitors come for the shows and then leave quickly. The girl working at the bar has never been to any of the shows there. Her working hours end at 4 pm, and she just wouldn't come back in the evening.

The offices upstairs where considerable work is being done, where debates and spirited exchanges happen, stay invisible except for the few insiders. Meanwhile the weeks, months of administrative and bureaucratic preparation is a means of performing, imagining the city. The employees are not only sitting in that office, but setting up and taking part in meetings all over the city and abroad, connecting to wider networks of programming, funding and marketing. They are making phone calls, talking in person, writing grants, running projects, looking after the performers and chatting to the audience. There is a community, a circle, and quite small one. And the latest pressure to make it become something else, a community, one for a wider audience makes them more aware of what they have, what they have achieved. This may, however, prove insufficient in the face of changed expectations, which has led to more self-criticism, self-introspection and has been translated into a need for a genuine community, a larger one - but it is far from clear for whom.

The need that Trafó function as a genuine community as expressed by many of its employee is a response to the immediate threat that the building may be closed if found useless. ‘*We are a building*’ shrugs B. This lapidary statement comes somewhere at the end of a long talk with the artistic director of Trafó. The remark is slightly desperate in tone, resigned and perhaps even with an undertone of defeat. This passing acknowledgment of the fact that Trafó may not be more than the well circumscribed place delineated by its walls expresses the feeling that some of the people working at Trafó have for some time, while dedicating most of their time to this place. It is the same B, who otherwise has been working here the longest, with a break when she moved to another new cultural venue during its heyday, and came back to Trafó six years ago, who confesses that sometimes she reminds the younger ones working there to go home and live, as life is happening outside these walls. But when you are here, then the expectation and the feeling is that this is what really matters, and indeed the people who work here are quite passionate about it. Even if it is not the mission anymore that used to be – as some of them concur when thinking of the opening in 1998.

While in 2011 it was still the place in Budapest where one could get a sense of where dance was going, of what was happening in the world of contemporary dance and theatre, the venue was more careful when it came to the most innovative and experimental pieces. The staff showed a deep concern about the possible loss of appeal to its audience, and about the equally possible failure to bring in a new public. I often heard while at Trafó from those who regularly would travel abroad and follow what was going on there that, while the productions at Trafó were more on the alternative side, they would in fact be considered sort of more mainstream in the western part of Europe. 2011 was a particularly strong year, maybe the strongest to date, as Trafó managed to bring back some of the biggest names of contemporary dance who had been here before in different years, but all presenting their more ‘classical’ pieces²².

²² In the autumn of 2010 one was able to see again Louise Lecavalier, Compagnie Marie Chouinard (Montreal) and Batsheva Dance Company (Tel Aviv, founded by Martha Graham) all of them showing some of their older work.

The sense that Trafó maybe not be as important or relevant as it used to be, was in no small part due to the fact that there were increasingly more places all over the city, which were offering culture and entertainment for every generation thus siphoning away some of the audience. Many of these places were more inclusive and accessible, for example, by making entry free of charge, and secondly by housing performances with a wider appeal. The mushrooming of ruin bars, dilapidated and empty houses turned into low-key pubs, were definitely seen as posing a serious challenge to Trafó. The latter attempted to counter these trends through a more long-term plan that aimed at growing and creating its younger audience. An important part of this attempt was Trafó's educational program²³. The program also worked towards turning Trafó into a genuine meeting place, which meant that more people would want to spend some time there before and after performances as well. A future steady audience was being consciously cultivated and groomed.

The radical novelty Trafó could offer at the beginning, and the feeling that it had a mission to accomplish, by 2011 had but slowly disappeared. What was still unique in Budapest back in 1998, by 2011 had become unexceptional. More and more niche urban spaces would pop up, run for a while, they would even showcase some compelling productions, and then they would close down.

Against this general background Trafó followed a different course. To be able to carry on as a permanent venue it had to look for state assistance, which in a way, besides stability and predictability, it also entailed that what was radical, unruly or more experimental simply found different venues.

While many (dance) performances could pass as artistically progressive, mostly they did not address the more direct and pressing concerns of the current society. The language of these performances was universal and abstract. However, sometime

²³ It was called 'Initiation' and had as its task to introduce contemporary dance to secondary schools. The schools (classes) that were selected based on an application procedure attended programs (½ year – 1 year) that prepared secondary-school pupils for the coming performances, followed by the attendance of the show and follow-up discussions. Art critics, when possible artists too, were invited to discussions which encouraged interaction between the pupils and performers. Discussions with the artists themselves and art critics were more and more often held before and after performances for anyone interested almost every week.

during the year 2011, when the political, cultural life in Hungary suddenly turned upside down, or so it seemed, which, at that time, not many could foresee where it was going to get in the longer run, theatre gained more ground, and more Hungarian groups started to perform as well. This was in response to the criticism that was leveled against Trafó mainly on the part of the right wing, that it was too cosmopolitan and that it was excluding Hungarian performers. The danger that the place could be closed down was real enough, and the pressure to conform to what that new elite in power seemed to want, also meant more performances by Hungarian performers with more theatre that was reflecting on current issues particular to the Hungarian society. This occurred against a larger background where the far right was becoming stronger and marching in villages keeping the Roma population in fear. Poverty was becoming more visible, with the liberal-left now in opposition becoming more vocal about social issues. Against this background theatre groups took up poverty, discrimination, anti-Roma attacks as their subject matter. Some of the plays were played in front of a full house, many others barely filled half of the seats only. This change of focus was a reaction to the doubt, to the sudden loss of confidence that Trafó was not or may not be of public relevance any longer.

This shift in sensibilities had another source too. It had to do with the fact that culture and the arts in general by 2010 had lost their former prestige enjoyed during socialism, prestige that derived partly from the absence of the profit motif and by fiat of the criticism and opposition it formulated with respect to the party state. During socialism one segment of culture and the arts, which regarded itself as oppositional, could appear as impervious to both economic and political injunctions and manipulations. With the democratizing and commodification process artistic activities increasingly depended on revenues, and the political risks and stakes had largely disappeared or at least they seemed so up until 2010, making the arts less relevant. While artistic freedom and choice increased, culture and artistic activities became more and more commodified, packaged for individual consumption. This brought about the concomitant fragmentation and dissolution of a more robust public, once unified by its opposition to an authoritarian state, into lifestyle groups and niche markets.

In 2013 Trafó presented an interactive production in which the public was invited to participate. The organizers created the figure of a fictive Városi Ferenc, of a man

called Frank Urban, an average ninth district resident imagined and constructed with the joint participation of artists and residents who volunteered to take part in this play. The aim was to find and build a community through a joint play, a project that ran between 14 September and 20 October 2013. The central location was Trafó. Various stages and events in the life of this imagined person were made up and enacted such as *The Birth of Városi Ferenc*, *The Recovery of Városi Ferenc*, *The Choice of Városi Ferenc*, *The Love of Városi Ferenc*, and finally *Farewell to Városi Ferenc*. Through these events a figure took shape who even got a facebook profile, where the public could follow his life. At the end of the series Trafó ran a half house when it bid farewell to its created character. Neither the audience nor the neighbourhood looked very eager to follow this imagined ninth district person's imagined travails. The demands made by the new conservative government on the one hand and the fear of losing audience due to the growing competition among cultural venues on the other hand made Trafó turn more towards a local audience. It tried to reach its immediate neighborhood, to address the people who lived there. It also made steps towards building a community through its educational series.

At the same time, the influence of foreign state foundations and more recently of the EU also played a significant part and affected the trajectory of Trafó. Without the former, perhaps, the place could not have emerged. As we saw the Dutch Matra Fund (a program of the Dutch Ministry of Foreign Relations) had helped kick start Trafó. At a more general level Pro Helvetia, the Swiss arts council, and the British Council stated mission had been, besides promoting artistic creation, and fostering cultural exchange, to open up various regions in the world as markets for Dutch, Swiss and respectively British cultural practitioners but obviously not only for them. If one visited Trafó in 2010-2011 it also became apparent that the attention and financial support of the respective agencies was constantly changing its geographical and political focus, this time prioritizing developing countries in North Africa, the Caucasus for example, with China receiving increased attention, with the CEE countries losing their former appeal. This shift in focus could be equally observed in the orientation of EU-funded projects as well, where western arts organizations were increasingly looking for partnerships beyond Central-Eastern Europe, to regions and their markets that were becoming of more interest now for the EU, such as China, the Middle East, North Africa. This had its most immediate consequences on what Trafó

was then presenting and what it would be able to produce in the future. One of the interesting and already visible results was that for the artistic year in 2010-2011 Trafó brought to Hungary dance–theatre productions from Lebanon, Iran, Syria, Egypt, Brazil, China and had a series built on Indian sacral music.

The other consequence of the eclipsed geopolitical importance of the CEE region after 1989 was that while up to that point most of the project partnerships had taken place in a way that encouraged Central-Eastern European cultural organization to prioritize mostly western partners, this time there was a turn to building up regional partnerships. At the end of December 2010 Trafó organized a two-day symposium inviting the representatives of around 25 similar performing arts institutions from the region with the explicit aim to create future partnerships with Central-Eastern European organizations.

The fact that Trafó was participating in more and more EU funded projects became visible in the subject matter of the cultural projects that Trafó housed. For example, one of its 2011 January programs on the occasion of Hungary's European presidency, called "Presi-Dances" was in fact a series of three choreographies presenting a Spanish, a Belgian and a Hungarian production in the frame of the Spanish-Belgian-Hungarian EU presidency. There was some nervousness in the air before the event whether high-ranking officials would show up or not. Many of my interviewees used to point it out to me that state officials in the field of culture had stopped coming to the house. Cultural workers complained that the minister of culture did not bother to show up for years, not even at MuPa, which had become one of the most prestigious cultural venues of Budapest and a meeting place for many of the business elites too of the city since 2005 when the Palace of Arts (MuPa) opened. The real estate developer of MuPa treated it in fact as his personal reception area regularly inviting his foreign business partners to its events. *'It is his sort of personal reception venue'* – remarked one of my interviewees. Some Hungarian conductors' concerts²⁴ were world-ranking productions and were the top of the city's cultural life, a major attraction for the different elites. Many of them belonged to the economic elite of the regime-change

²⁴For example, Iván Fischer who in 1983 founded Budapest Festival Orchestra and Zoltán Kocsis director of the Hungarian National Philharmonic, to name but the most renown.

some of whom reached the highest echelons of the Hungarian banking world from the central bank to many of the commercial banks, many of them former students of the Karl Marx University of Economics. Some of them were there at the beginnings of the rise of these conductors-composers when still playing in private homes, when only a handful of people listened to them. And some of them were still one of the most dedicated supporters while these conductors attained worldwide reputation. Since 1998 Trafó developed and preserved a reputation of a progressive, cosmopolitan cultural institution with an audience interested in more alternative artistic productions. It was much less of a prestigious place than MuPa and with no appeal whatsoever to the economic elite. It was more a place where one could meet film directors or writers (Miklós Jancsó or Péter Esterházy for example). As an alternative cultural venue its appeal was different from an elite cultural venue, and as such it also attracted essentially a different audience.

Conclusion

Trafó started as a cultural artistic institution, which as the chapter delineated was the result of several years' work. However, very soon it became clear that in the absence of similar partner institutions it would be difficult to plan long-term. Consequently its founder embarked on having Trafó upgraded to the status of theatre, category that entailed a more certain status due to theatres' much longer institutional tradition. Even if Trafó were to occupy the bottom of this ranking (it came to be part of the sixth category), a different, lesser status than a repertory theatre, the theatre status entailed nevertheless more stability and increased capacity to plan, all the more important in a project-based and increasingly more risky context.

The process of establishing and consolidating Trafó evolved on two fronts. First, it happened along essentially bureaucratic lines and involved extensive lobbying in order to shift urban and cultural policies. First, the goal was to find and secure a building suitable for dance performances, which lasted mostly through the nineties against a disorderly real estate market when property relations were continuously shape shifting and the urban regulatory framework was still running behind already accomplished events. When the would-be founder of the venue stumbled upon an old electric transformer house already discovered by some French artist squatters he knew he had found a place that was good enough to house dance performances.

After the initial success it became obvious that a stable funding framework needed to be devised if the place was to last more than one season. All the years since 1998 in this respect were in one way or another about work to consolidate the place, to turn it into a lasting urban cultural space. In parallel claims were made towards the cultural department of the municipality, the ministry of culture which led to the securing of the category of theatre. As a cultural policy tool the founder and director managed to claim the category of theatre for Trafó. He hoped that within an already existing and hence more stable framework, upgraded to the category of theatre the place could be safeguarded against all odds.

Between the two levels of government, the state and the municipal level, Trafó found its allies at the local level. The city followed an essentially liberal urban policy, which

at least in principle was in favor of such a place like Trafó. When in 2010 the municipality was taken over by a more conservative leadership, Trafó's hitherto course suddenly became uncertain.

Opened in 1998 Trafó occupies a position somewhere between the traditional repertory theaters and the more independent, alternative places, and the many ruin bars that have increasingly appeared in Budapest for the past decade, which do not get state support being entirely private ventures. The fifteen year long existence means a certain degree of institutionalization, which also entails a less experimental or radical Trafó. This is a condition that its longtime director readily acknowledges. The small audience interested in more experimental productions by now can find its much more alternative venues that have opened for the past few years. On the other hand, there are the many ruin bars which line Budapest's inner districts and which many a Trafó staff sees as a threat which Trafó must somehow fend off. They can siphon off the younger audience by simply being cheaper and still being able to offer cultural programs. Such places' ebb and flow point to a wider process of urban restructuring not devoid of real estate speculation often with state approval, which can run the fortunes of places up and down. The observation I used as the motto of this chapter, which stated that the founder of Trafó unlike many others who started some enterprise and then quickly moved on to the next more profitable venture, persisted despite the odds and made Trafó into what it became by 2010 - gains a new perspective.

The director of Trafó belongs to a group of people who have emerged for the past couple of decades. They are usually referred to as cultural managers. They are not artists, but are heavily involved in the managing of cultural and artistic affairs. They are not state functionaries per se either. And they differ from those who were appointed to run various cultural places during socialism, but not to the extent that one may have thought about this in the eighties. Cultural venues are still dependent on the state, as now they need the state subsidy to also counter market imperatives. State subsidy as before can still come attached to strings and conditional on discretionary bargaining. Such cultural managers are one of the new entrepreneurs, the cultural entrepreneurs, not quite the managers of private firms, but not the socialist entrepreneurs envisioned by Tibor Liska in the eighties, either.

Chapter 3 From the Nation's Pothole to the Aquarium

“This is the problem of Central Europe, that you can do this, you party on the best square of the city, and neither decision makers nor diverse business interests can get at you. This is a coincidence, that is why it is so independent.” (Ákos Filep, Gödör managing director²⁵.

The chapter presents the peculiar balance, the intermediary state that a cultural-entertainment space called Gödör occupies for almost a decade, always on the cusp of change, never sure of attaining a moment of stability. This transitoriness is part and parcel of capitalist urban cycles, a stable feature of ever-changing cities that the recent urban socio-spatial restructuring of the past two-three decades of Budapest also presents. Yet, if juxtaposed to the apparent and lived immutability that citizens experienced their life and their immediate urban surroundings before the regime changes in 1989-1990, the current perpetual change and the uncertainty that comes with it for many denizens of Budapest becomes then too much perplexing and hard to bear. This uncertainty, however, as the chapter will demonstrate, has a particular locus and source in the case of Gödör. It can be traced to and located in the concrete practices of various actors. They find themselves in a particular institutional-legal context that shapes their horizon of possibility but which is also becomes altered by their very same practices. These practices and the related discourses in turn create and alter histories of urban struggle and forms of regulation that future struggles will have to consider.

Gödör becomes one of the most popular urban cultural spaces in Budapest between 2002 and 2012. It is open and accessible to virtually anyone by fiat of its many programs being free of charge or quite cheap. Gödör is not simply an entertainment venue but it succeeds in constructing a rather high quality cultural-educational profile as well. This urban space prevails for almost a decade despite its decade-long uncertainty that the team, and primarily, its managing director who runs the venue has to constantly negotiate with national, municipal, and district level authorities.

²⁵ Later referred to as A.F. as well.

While tracing its emergence and looking into the actual operation of the venue, the chapter maps its trajectory and advances an explanation as to how the permanently temporary status and popularity of the venue arouse out of the particular interaction of certain actors and groups. In their attempt to respond to opportunities and situations created within their cultural politico-economic context these actors also shaped this very context while working to turn the situation to their own advantage.

While the chapter presents further protests against the new Fidesz government, which flared up at the news of the sudden relocation of the old team, it also addresses and explains the revival of the trope of civil society. I argue that the answers that this venue advanced along the years were formulated in terms of the hegemonic neoliberal ideology. This, at a later stage, after 2010, combined with the specific legacy of civil society peculiar to Central-Eastern Europe to which protesters resorted to. While Gödör had emerged as a progressive cosmopolitan urban space in the cultural life of Budapest, its progressiveness had limits that can be understood as the inherent limits of a (neo)liberal political project. The chapter embarks on looking how those limits have been made and how the responses Gödör presented have been shaped by them.

3.1. Digging the Nation's pothole

Gödör alias the nation's 'pothole' was a cultural-entertainment urban public space located on the Erzsébet square²⁶ in the downtown of Budapest. It consisted of an underground and a street-level part, the two linked by wide, terrace-like stairs that led into the concert halls underground. The above-the-ground stretch was part of the square where several busy streets converged. It was a busy hub of the city, and the green grass patch in the middle of it was a refreshing sight and a welcoming place. No

²⁶ The Erzsébet square (1858) is one of the first planned urban marketplaces of Budapest (*'tervezett piactér'*), designated for this purpose at the beginning of the nineteenth century. By the end of the 19th century trees get planted and the place is turned into a park. It is here that the temporary building of the German Theatre, and then the National Saloon are constructed, with the latter damaged so badly during the WWII that it has to be demolished. In its place a then modern bus station gets built in 1948-1949, which is turned into a Design Terminal in 2004.

wonder then that on warm days the place was flooded by throngs of people either lying on the grass, going for the programs inside or just meeting up friends.

Gödör used to be Budapest's most popular albeit rather run-down public cultural-entertainment venue until 2012, the year when the Gödör Club complying with the government's unilateral decision vacated the building on the Erzsébet square. The new team to manage the same space had to invent a new name, eventually renaming the venue Akvárium. They had also had to come up with a new logo²⁷ as the old one belonged to the old management, which compelled as it was to move out, relocated to a different part of the downtown of Budapest under the old name and logo. If one were to pass by Erzsébet square these days, one would encounter the new Akvárium logo, which, however, has no relevance to the visitor who comes to Budapest for the first time and encounters what still looks like a popular and well-kept venue.

Gödör's bizarre nickname, meaning 'pothole', can be traced to the venue's rather inauspicious start. The place opened in 2002 as the protracted outcome of an abandoned project that had left behind a construction hole gaping large in the downtown of Budapest. The Nation's Pothole as it came to be known aptly indexed the political impasse that the two rival political blocks found themselves in, and one of the early signs that the Fidesz-led conservatives were adamant in their political projects. The National Theatre which was to be built here was relocated when construction work had already started and was eventually built further away on the Danube-bank. The circumstances in which this happened turned the Pothole into the paramount embodiment of the then existing political deadlock and thus the Pothole became the mark cut deep through the city's body politic. Many a city dweller saw it to be the expression of the political antagonism between the two rival political blocks and more generally as a telling example of what much of the political elite stood for. The balanced antagonism, there were two relatively equal sides, which existed between the two rival political blocks, and the constant negotiating that happened

²⁷ "The press conference was designed in such a way so that Gödör wouldn't know about it, they knew it for three months that the Gödör club was the intellectual property of UNI-QO that you could not just take it like that. They did not know how to deal with this, you can not leave there the logo while everyone is kicked out". (Founder of the venue)

between the liberal-left and the conservatives at every four years with the national and local elections, respectively, dominated the political landscape of that time, and it seemed to last, if not forever, then at least into the foreseeable future. However, this balanced antagonism came to an end with the 2010 national and local elections.

In 1998 exactly the year when Trafó opened, a case discussed in the previous chapter, the National Theatre looked set to be built according to the 1997 winning design for the Erzsébet Square in the downtown of the city. The decision to build the National Theatre here in fact marked but only one interim stage in a century long intricate process fraught with many setbacks, accidents, discarded plans and cancelled design competitions as to the whereabouts and design of a national theatre. As if to fit the narrative, this time it did not happen much differently, either.

The Hungarian parliamentary elections that took place in 1998, brought to power a conservative government led by prime minister Viktor Orbán and with it a reversal of the earlier plans that envisioned the future theatre on this square. With the final construction drawing completed and with construction work already on the way the building of the theatre was brought to a halt. In the wake of a ministerial decision the building of the National Theatre was designated to be in a more peripheral part of Budapest on the Danube riverbank. Together with The Palace of Arts (MuPa) the theatre came to form the cultural block of the emerging urban mega-project called The Millennium City Centre, a new business area of the city occupying the former shunting yards of the Hungarian State Railway Company.

The government explained the relocation of the future theatre on grounds that it would cost less and that it was environmentally and traffic-wise a bad idea to leave it in the downtown – deemed to be already a too busy and polluted traffic hub of the city. The protests of the architectural profession, which enjoyed the support of the left-liberal side did not matter much, neither did the already approved plans, or the already begun construction work. With a ministerial decree earlier decisions could be reversed and professional considerations could be sidelined.

With the National Theatre relocated and with a construction hole waiting to be covered, on April 3 2000 the conservative government (Zoltán Rockenbauer as minister of culture) and the municipality, then in a liberal-socialist coalition, (Gábor

Demszky as Budapest's mayor) signed an agreement with respect to the redevelopment of Erzsébet square. The National Cultural Heritage Ministry (Nemzeti Kulturális Örökségvédelmi Minisztérium) called for a design competition (építészeti tervpályázat) on April 17 2000. The design competition in line with the Regulation Plan (szabályozási terv) of the fifth district referred to the entire Erzsébet square. It emphasized that during the first phase and in line with the particular governmental decree an underground cultural center and park be built on the – at that time – still construction site on Erzsébet square. UNI-CO ltd. a private architectural firm took an active part in shaping the design conception.

Five architectural firms answered the call. The jury expressed their preference for plans that highlighted the 'agora', the public open space aspect. The Ministry did not pick any of the applicants as the exclusive winner, but bought their plans for further elaboration. The Firka Studio, one of the five applicants, was invited to develop their plan, which was bought by the ministry as 'special purchase' according to the statement made by the ministry's press office. The ministry planned to complete the 2,5 billion forints worth investment's first phase by April 15, 2002.

The fate of the square looked set to be sealed and at long last settled. An underground cultural-entertainment venue connected to the above-the-ground green area through wide stairs came to be seen as the best solution. It covered the construction hole and at the same time incorporated and thus made use of the already carved out underground spaces. At this point the nation's pothole seemed to be covered and transcended.

Upon the opening of the new venue in 2002 UNI-CO ltd. was commissioned to operate and to culturally manage the venue for half a year. For this UNI-CO established the non-profit Gödör Club with the aim to culturally manage the venue. The upkeep of the building was to be the responsibility of the state and its estimated cost was around 100 million HUF a year. The returns from the underground garage under the centre had secured this sum until 2005. The sum went to the Ministry of Education and Culture first, then later to the Ministry of National Resources.

Then a non-profit firm as part of the ministry took over the operating of the garage while at the same the venue's state subsidy was slashed precisely on the account of the

profit made by the garage. The missing resources had to be replaced somehow from the state budget, and the upkeep of the building became incidental, increasingly done only by the UNI-CO ltd. either from the income derived from the cultural programs or from the architectural firm's own resources. A firm independent of Gödör Club did the catering function and paid a monthly flat rate to the UNI-CO. The real estate belonged to the municipality, but it was the state that was responsible for the maintaining of the venue since the Horn government (1994-1998) had wanted to build the National Theatre there. Although the theatre eventually was not built there, the maintaining of the area stayed with the state (Király 2011).

This situation of in-betweenness of the place - somehow lost among different levels of government – started to show after a while. Gödör as the entire area came to be called increasingly came to look rundown and neglected with many of the design elements broken, with garbage left scattered all over the place.

The already dilapidated state only further deteriorated after the 2006 street clashes that swept through Gödör and left it even more damaged. This happened in the wake of the plummeting legitimacy and popularity of the then ruling socialist government which was exacerbated by the then prime minister, Ferenc Gyurcsány's speech that he addressed to those present at the party convention, but which, under conditions still unclear, got leaked out. In this speech the prime minister was heard saying that they, meaning the socialist-liberal government, had been lying night and day. Cut off from its immediate text and context and its targeted audience the message was immediately picked up and used by the right-wing opposition, tapping in the already existing and mounting discontent with the government and also feeding and giving fuel to both Fidesz, the main opposition party and the emerging and quickly growing extreme right. Street clashes followed for several days after the police and those who stormed the TV headquarters had engaged in a fight with each other. Even today the question of who were responsible for the violence of those days is still debated, the difference in interpretation having become a question of party affiliation. The socialist-liberal side speaks about violence incited and purposefully provoked by the right wing opposition with the police caught totally unprepared, while reluctantly admitting to the police brutality that happened that day. Meanwhile the conservative version claims that it was innocent people brutally beaten by the police on governmental orders.

Some of those days' clashes took place around Gödör. One of the memorable images of those days was the sight of a military tank near the square at Gödör. After these days' events the square looked even more run-down and badly in need of some repairwork. The municipality had not taken possession of the estate since 2002 and it did not intend to as the then deputy-mayor responsible for city development acknowledged. The state signaled its willingness to take over the land after the 2010 elections, however. In October 2011, well after the national and local elections, the new prime minister appointed a governmental minister responsible for special investments (kiemelt beruházás) in the capital city, such as the building of the new FTC football stadium and the directing and overseeing the final works on the Erzsébet square. At that time the commissioner said that according to the plans the construction of the second phase would end by the second half of 2013 and it would cost approximately one and a half billion forints.

Between the street clashes in 2006 up until 2012 the Gödör team tried to maintain the venue and solve the most urgent problems, which, however, could not prevent the gradual deterioration of the square. With the change of government in 2010 renewed pledges were made towards the solving of this situation, with the fifth district, the municipality and the respective ministries - now all led by the conservatives - making announcements in this respect.

By January 2012 the Gödör team submitted again by now their last proposal concerning the future operation of the venue. The answer came only on January 17 according to which in the future a new team was going to manage the Erzsébet Square Cultural Center and Park.

On February 1, 2012 the new operator took over the place and with it some renewed state support came that helped complete some of the long-due repairs. On April 9 2012 a governmental decree of the Ministry of Public Administration and Justice stipulated that the second phase of the development continue as part of the Erzsébet program. The second phase would mean an extension by a thousand square meters of the underground space that would include a five-hundred seat theatre and a performing hall capable of hosting between 200-280 people. Both the fifth district and the Public Administration and Justice Ministry had already expressed their intention in the summer of 2012 to take over the operating of Gödör. The fifth district

mayor said the office was inclined to take over the running of the venue and properly maintain it given the unsightly condition of the entire area – area that dominates the fifth district. The Parliament, however, eventually decided on the transfer of the real estate from the Municipality to the state, to the Ministry of Public Administration and Justice from August 1 2012, which also meant that the national state took over the programming from Akvárium. This also mean that the state would excercise direct control over the entire operation of the place.

This move followed the recent trend where many of the assets and responsibilities hitherto belonging to the districts or the municipality now were increasingly getting transferred back to the state in a more general drive towards re-centralization and re-nationalization.

The Design Terminal located in an adjacent building was already maintained by the same ministry. The Design Terminal which from January 1 2014 became the National Design Center, was in fact located in a building that was constructed in 1949 as part of a bus station, which later operated as an international station for the Eurolines bus network till the beginning of the 2000s. In 2003 a governmental decision stated the building would become a design center. The Dizájn Terminál Kht. was established by the state as the organization responsible for the running of the design center. According to various estimates the building cost between 700 million and 1 billion HUF (Hungarian forints). The firm that won the construction of the design center was HÉROSZ Építőipari Zrt. The entire design and reconstruction process took ages due to a combination of bureaucratic red tape and negligence. The protracted reconstruction process of the design center was pretty much in line with all the other urban developments in that all of them would run up higher costs than initially estimated, took longer than planned, the parties responsible were hard to identify and the sphere of competences often impossible to disentangle.

When the state took over the operating of the venue in 2012, it happened amidst a frenzy of backdoor deals and unilateral decisions that the still relatively new conservative government was pursuing. Decisions, however, as it had already been the case, might turn out to be just an interim phase, a minor diversion only to be modified again. The government then in power with many of its contested and controversial measures gave the impression that it was ineluctably heading towards its

target. The distant goal was still hard to discern, but probably because not everyone had the vision required to see that goal. What became slowly, however, discernible, was an unrelenting drive to reshape and redefine all the cultural spaces by replacing their previous directors and staff, changing their repertoire and the image they projected about themselves and the world around them, and not least with respect to those in power.

This ineluctable drive towards some new order and vision was even more striking, and it was also welcome by many voters, if juxtaposed to the period prior to the 2010 national elections which to some degree struck one as totally haphazard and accidental lacking foresight and a sense of planning, with things not happening rather than happening, or happening in a manner that posed the least possible resistance or opposition. Back then I would often hear from diverse people, irrespective of party affiliation, how much they would have liked a clear roadmap, a strategy, a long-term vision as to the future of Budapest instead of what many came to perceive as the incapacity of the earlier socialist-liberal coalition to govern.

3.2. Permanently temporary

The initial half a year that the Gödör club was supposed to manage the venue eventually came to be almost a decade, a situation that most likely no one had foreseen back in 2002. For the next ten years Gödör came to operate on the basis of short-term contracts and in a legal space left rather ill-defined at the intersection of state, municipality and district jurisdictions. This meant unequivocal property relations and also left the obligations that arise from them open to interpretation and to much ambiguity. To this ambiguity the manager of Gödör always juxtaposed the supposed clarity of a contract, preferably a long-term contract backed by competition and professionalism, all of which in his eyes enough to permit long-term planning and vision and the better functioning of the venue.

“What is ideal for a steady operation? You sign a long-term contract, which is then respected by everybody. There should be competitions, and a professional jury even if

you are 'self-maintained' ('önfenntartó'). We never got the real legitimation". (Interview with Ákos Filep, 2012 March 4)

During my inquiries Gödör would always come up in the narratives formulated by my interlocutors, especially among the staff and the fans, as the most popular public space of the city due to two features mainly. People considered it to be both an affordable entertainment spot and a green area with an absolute central location.

Yet, despite its unparalleled popularity it was unexplainably neglected as if the city or the state had not particularly cared about it. When I asked what he as the manager of this venue would have liked to happen for the place to function better, AF replied that a clear decision on the part of authorities responsible about the future conception after the first half a year would have helped a lot. They would have welcomed an idea about how the state or anyone responsible imagined this place, and criticized the muddling through that went on. And he also stated that he would have preferred the state to reach a decision via an open competition and put the matter up for public debate.

"It would have been good if the state dared to call a competition by 2004 and decide whether it wants a cultural or a business use and then announces a competition for this, and if a cultural use then again through competition the completion of it, so if we could have participated in this then we could have done it, the possibilities in this place are much bigger than what we have ever reached, then international contacts, residencies etc." (Interview with Ákos Filep, 2012 March 4)

"I was in a temporary state, and it is not that they finally decided." (Interview with Ákos Filep, 2012 March 4).

To my question as to why he thought the state or municipality did not want to change anything, the reply that I got was the following; the philosophy was that once Gödör was working the socialists and the liberals did not want to go against it. *"They overslept for the first three years and the place grew up meanwhile."*

At one point at a City Hall public meeting one of the deputy mayors presented his idea that he could make a better Gödör club for 160 million HUF, they checked the 2004 program and this is how much it cost, but when he asked for that money he was immediately turned down.

“Once you introduce a place which does not cost the state a thing then it is going to be damn hard to convince anyone to pay for this. It was only the City Hall that did a study and it showed that if you want a cultural venue then this means a lot of public money, and budget money is sensitive money”. (Interview with Ákos Filep, 2012 March 4)

Among the many scenarios that surfaced for a brief moment only to be discarded immediately, if the right amount of opposition to it arose, for example, was to simply sell the establishment to a private investor. The square is close to several high-end hotels, and one of them was interested in making further investments nearby. What is interesting is that despite this scenario's utter plausibility in terms of financial gains given the prime location, this course of action was eventually discarded. According to this scenario the state was to have transferred the ready establishment to the municipality, which would sell it, and the two were to equally benefit from the transaction. The woman section of the socialist party successfully vetoed this plan according to several people I talked to. (Interview with AF, interview with one of the deputy-mayors of Budapest, a former socialist MP).

To illustrate how uncertain and unpredictable their situation was AF recounted how it happened that in January 2006 the state secretary decided that they were immediately to leave the place, as the Budapest Municipality was about to take over the area as the state and the municipality had agreed on earlier, only the decision to be cancelled, and Gödör getting awarded the next year.

3.3. Independent by accident

As the leader of Gödör stated it was perhaps indeed late for authorities to switch to a new way of running the venue as this may have upset an otherwise not too well functioning scenario, but which was nevertheless working with most parties accepting the terms of the game. This state could go on for a while, and it did. It was quite a cozy and well-cushioned situation for the left-liberals who were in power between 2002 and 2010 both at the state level and at municipal and district levels alike. By not

changing anything, by leaving Gödör to run its course as a cosmopolitan venue they could thus possibly count on some votes at the next elections.

And this was equally a state, which despite the fact that it was far from perfect, must have suited the club, too. These people who were running the venue, after all, were free to run the venue as they wished, in addition to tapping into a vast source of creativity and energy that the visiting performers and the public meant. They were thus presenting, disseminating and selling a particular understanding of arts, culture and entertainment, and were also providing a type of education. They felt and believed that they were fulfilling a civilizing mission. The club could draw the best bands, the best performers, and various civil organizations to perform and appear there and thus reach not an insignificant number of youth. The place came to be a focal urban magnet of the city. It played quite an important role in the life of many young people, as I will later illustrate.

Most importantly, however, for the Gödör Club the venue symbolized independence from the state, feature that the club dearly guarded and upon which it carefully build their identity and appeal. As A.F. described the venue's trajectory "I did not want to become the 13th theatre" (Interview with Ákos Filep, 2012 March 4). Unlike Trafó, the urban space the preceding chapter delineates, whose trajectory ran towards securing state support, and thus gain a sense of security and permanence through eventually attaining the status of theatre for which the state was much needed, the Gödör Club in fact as its director saw it, did not get much state support and/or did not have to put up with much state interference, either.

In practice this meant that the venue, as already mentioned, did not get much material support as the support it was supposed to receive came intermittently. This uncertain support coupled with Gödör's precarious position among the state, municipal and district competences and their ambiguous obligations and responsibilities towards the venue, turned the latter into a no-man's land, where as the director put it;

"This is the problem of Central Europe, that you can do this, you party on the best square of the city, and neither decision makers nor diverse business interests can get

at you, this is a coincidence, that is why it is so independent.” (Interview with Ákos Filep, 2012 March 4)

Viewed as a sort of shortcoming that is peculiar to Central Europe, but which is implicitly assumed to diverge from and fall short of the Western practice deemed to be a model, the place’s independence appears as an entirely contingent outcome, a mere accident that was made possible precisely because rules are not what they ought to be. The key to a cultural venue’s independence, as A.F. rightly formulated the diagnosis, is the equal distance or independence from both state and market incursions. Ironically, this balance Gödör attained as an anomaly, and for an uncertain period of time, which, however, lasted for a decade.

He added; *“You cannot run, do Gödör if you are not independent. So you need to be financially independent, too, so that only those can go on stage whom we want”*.

“What is on the stage no one said anything for the past ten years. At the beginning there were some opinions which said that this was an alternative place for drug addicts mainly, otherwise we were thought to be a success”.

The fact that the director of the club had his own architectural firm allowed him to maintain that financial independence he talked about, notwithstanding the state support, which intermittent as it was, it still provided the conditions, the venue itself, which after all allowed the club to exist in the first place in the very heart of Budapest. Several of the staff members believed that it was in fact the private architectural firm’s profits that secured their wages. As one of them stated; *“he [the managing director] was forking that money out of his own pocket to pay us”*.

A.F. during our talks emphasized that he was independent, and he emphasized that he was neither ‘a liberal’, nor ‘a communist’, nor a ‘Fidesz fan’ (Fideszes), but a Gödör club person, and that he first of all stood for the interests of this place. The uncertainty and the continuous decay notwithstanding, in his narrative the manager of Gödör took pride in the fact that the place was not the outcome of a deliberate top-down planning. *“It just happened,”* said the leader of the pothole. What had come to take shape along the years was definitely not something anyone had carefully planned, pace the initial design plans, which were praised for exactly the public space aspect, for the agora character. A.F. perceived the gradual making of Gödör as an organic development. He

stated that *“architecturally I think you cannot forge it at the beginning, you can not design as an engineer an agora”*. (A.F.) (He was meanwhile well aware of the EU program called AGORA and was wondering how it was working where it had been tried out).

When reminiscing about Gödör's beginnings, he recounted how the venue would open only at weekends with one concert only, which went on around half a year, then later they would put on an exhibition, would bring in an architect and thus slowly extend the program and repertoire. Design was a very strong component, and gradually they would welcome more and more genres, take in more varied content. In the end they were already cooperating with universities, they were planning to run workshops, as they did it with the University of Arts.

When I asked him what success meant for him with respect to the place he replied; *“...to me success is when the graffiti artist cleans the column, when the public comes, and the friends are there. The success is that a junkie musician can stand on their feet again or that anyone can appear on the stage”* (Interview with Ákos Filep, 2012 March 4).

3.4. Tucked under concrete

The team had to vacate the old place by February 2012 after they had been notified on January 17, and managed to open the new club in November. In 2014, at the time of writing, the new venue still seemed to run half-steam, rarely packed as it was the case in the original place.

What initially the old team took objection to was the fact that there was no competition prior to the decision as who was going to run the venue next, and that they were given practically no time to move. They asked three months and instead were given just a couple of days. In addition there was no substantive answer to any of their proposals, either, in which the Gödör team detailed their ideas regarding the future of the venue.

“We negotiated with them for half a year before the end and it was obvious that they wanted money but the negotiation went on, they wanted to make money out of it, and

they thought that the Gödör Club should be able to maintain the Design Terminal, the Erzsébet Cultural Center as well, and we told them it would not, could not work that way if Gödör kept its cultural profile. Now the Akvárium is running, it looks to be a success but it is more commercial and more profit oriented for sure and even like this a lot of state money is needed to maintain it.”

After the Gödör club had to vacate the premises on the Erzsébet square in February 2012, they established their new Gödör not far from it, near one of the most dynamically changing streets of Budapest, in a passageway opening from this street.

For the past one-two decades the Király street has witnessed the rapid upgrading of many of its buildings, and from a row of dilapidated dwellings the street has morphed into one of the most spectacularly gentrifying streets of the city right in the heart of the party zone of Budapest. It is lined with increasingly high-rent, new and renovated apartments, local designer shops and more and more hipster hotels on the one hand. Equally one can see fenced and barred shopwindows, decaying, empty buildings, while restaurants open and close, and more modest eateries pop up marking the birth of street-food in Budapest.

Opening from this street more passageways and inner courtyards unfold and in the evenings they pulse with throngs of people. The most popular is the Gozsdu yard, in the former Jewish ghetto which has been revamped into a party zone, made up of a series of interconnected inner yards full of restaurants and bars flooded by mostly better-off consumers, a significant number of them tourists. The newly revamped apartments above it are one of the most expensive in the city, with many flats still empty waiting for prospective tenants able to pay the exorbitant rents.

In a more quiet passageway that leads off the street, under new apartment houses, the visitor will come across a tucked away place called Gödör. The old team moved here, renting the halls below the new apartment blocks from a private investor. When they moved in the place was just bare concrete that had to be turned into a lively cultural venue. There is not much sunlight to warm the place as it is under residential buildings. It is still more of a concrete subterranean corner under the manicured gardens of the surrounding new blocks of apartments. The presence of some bushes

and plants, and some herbal boxes tell us of the desire to enliven the gray and barren concrete surroundings and bring a bit of nature's charm to the city.

The past three years under the conservative government had witnessed a plethora of changes that restructured all state institutions. Cultural venues of Budapest were not an exception. These changes varied from small, barely noticeable to more large scale and visible interventions, move that was invariably imposed and forced upon these places. Several theatre directors were replaced. One could hear several stories about former theatre directors taking up all sorts of jobs in London as they could not find anything in Hungary once they earlier worked under the socialist-liberal era. Being a theatre director during the socialist-liberal times for a while looked to be the worst possible letter of recommendation if one wanted to work under the new Fidesz era.

With their former directors replaced, changes often affecting much of the staff too, many theatres' repertoire shifted so as to suit the neo-national political project with the stated aim to bring an end to the liberal-cosmopolitan dominance. The ousted socialists and liberals saw the new demands that the new government imposed as a particularly radical inversion of the preceding and what they were fond of describing as a predominantly non-interventionist official approach that characterized the socialist-liberal reign between 2002-2010. During this time cultural institutions appeared to be left to their own fortunes, without the state wanting to dictate or having the capacity to do so. Gödör's case demonstrates one way in which this *laizess-faire* policy worked.

The conservative turn in comparison so far had proved to be more adamant that cultural venues comply with its expectations, that these became its mouthpiece. The managing director of Gödör Club concluded with an interesting comparison ; "*the state badly wants places to bear their name through an investment... The Pompidou Center. Why did it become a Pompidou?*"

On second thoughts, he added; "*It is funny, the Vienna thing [Museums Quartier] where they debated what to build for years, and then they did not build it, the blocks got downscaled. You see a lot depends on the human factor*". (Interview with Ákos Filep, 2012 March 4)

As Girard noted, the building of the Pompidou Centre went against all planning authorities, whose discourse or speech was 'no more institutions' and 'no more Paris institutions' (Girard, 1987: 10 cited in Evans 2003: 423). Pompidou, however, decided to go ahead.

3.5. Civil society redux

On January 25 2012 not long before the old team had to vacate the Erzsébet square venue where the old Gödör operated, I attended a literature program at Gödör. Rather well-known women who had contributed to an anthology on their experience as women gathered that late afternoon to popularize, and speak to their audience about that anthology. They shared their thoughts about their role as women, who happened to be writers, poets, former underground-musicians and who in this anthology openly and honestly wrote about themselves in terms of female sexuality, about their experience as and in relation to mothers, daughters, other women and fathers and men. Gödör was one of the stops on a longer tour, which had taken them beyond Hungary, to Romania, Slovakia where large part of the Hungarian diaspora lived. In Hungary when they toured the country they proudly recounted how they went to some small villages as well. This was a conscious choice to a large extent provoked by the current situation.

As they repeatedly stated during that evening they were glad to see that people in small villages stayed on even after the word 'lesbian' was uttered on stage. As the participants remarked they were content to see their audience was open to and eager to find out more and were happy to hear these stories. The literary value of these stories varied I must say. Nevertheless, given the current political climate, with the new conservative government turning a blind eye to the far right marching in villages with a Roma majority, this place and this event seemed and wanted to be the very antithesis of this. At the same time, I could not help feeling, that notwithstanding this preoccupation, this space was too remote and detached from what was happening elsewhere, and not simply geographically. It was 'progressive', indeed, and liberal, as Hungarians who self-identify as liberals mean it, expressed in the way it addressed issues, and the issues that it addressed.

While listening to their readings enlivened by animated talks and often, small arguments among invited speakers, I engaged in discussions with visitors. One of them was a student who was in her early twenties. She came because she admired one of the readers, a singer and permanent Gödör employee, who had been part of the cultural underground in the 80s and who kept and built upon that reputation up to these days. She still performed as a singer when her former bands came together and played again, but she also took part in other projects, such as this book anthology. During my talk to the singer she expressed her concern about what was going in the country, especially in the countryside where the far right party Jobbik, who had got into the parliament in the 2010 elections, was growing in its influence especially in the countryside, gaining more and more ground and support there. She passionately talked about the urgency of going to villages and speaking to people living there, thus trying to do something by way of informing people and this way possibly improving the conditions there – how exactly was this to be achieved it was not too clear to me, I must confess. By going to the villages this group responded to a wider call. After the lost elections, a recurrent (self)-criticism of and on the left-liberal side was that it had given up its more egalitarian goals, and that it has ceased concerning itself about those in poverty, and that it largely forgot about the countryside. The debate on the stage was a response to this, no matter how weak and timid one.

And this weakness I argue derives from a larger context than that of the circle that worked on the anthology, or the Gödör club. This event and the subsequent similar ones, were quite telling while they also signaled the failure of a once existing left-liberal coalition that was defeated in 2010. These events in fact pointed towards the limits of liberalism as a political project within the wider process of neoliberalization. The people who went to tour with the book anthology in some villages, went there in the belief that they could present an alternative to that of advanced by the far-right. It was in 2008-2009 that six Roma people were murdered, and by 2012 it became clear that the far right was, nevertheless, fast gaining in popularity. The far right had built by then a strong presence in the more peripheral regions of the country, and become considerably more involved than most other political parties thus directly effecting the fate of those people. At the end of 2012 the situation was far worse with Jobbik garnering more and more sway everywhere in the country.

One of the students I was chatting with said that she came there that night as she wanted to see the former underground artist in life. She wanted to see the flesh and blood person and as she put it 'get beyond the virtual version'. She confessed she admired her openness, her courage to be what she was, her daring about showing her weaknesses and imperfections too. The student to my question as what she did, replied that she was a free-lancer anthropologist. I cannot say I knew what she meant, so I pressed on to find out. She said that she was observing people without subscribing to any preset theories, as she put it 'not in school dictated fashion'. She was in fact a chemistry student, who had applied to the university of arts, but was rejected so she was studying chemistry. Another person I engaged in a conversation happened to be an arts student. Later the two girls engaged in a discussion - they must have had something in common after all. The other person I approached that evening was one of the jazz musicians, a saxophone player, who was waiting for his band's turn. We engaged in a conversation and during our talk it turned out he had been playing in various bands, and this was his second time when he played in Gödör. He said they were paid a certain fee, detail I heard at other times too, and that he was happy with this, as this support was more than what less established musicians at other places would get, where often they were happy for the mere chance to perform. He said it was a great thing such a place existed where one could drop by at any time, and find something going on. He thought it was a great thing that many of the programs were for free, which meant that virtually anyone could benefit from the existence of this place. He also acknowledged that the place had its shortcomings, first of all that the acoustics were horrible, by far not what a concert hall needed. He also mentioned some other anomalies, the half ready rooms, the broken toilets and expressed his hope that maybe the new management could redress these problems if given more money, which he said it was more likely in their case, since the new team enjoyed the support of the new government.

That evening there were around 30 listeners loosely gathered around the stage, some sitting around tables, others sitting on seats in a row of chairs. During the readings people were walking by and going to the counter at the sides to get their drinks and then taking a seat at one of the tables and conversing with their friend. The series of programs that day began at 6 pm. It was a laidback atmosphere, quiet and cozy, perfect to talk to the people around you, no loud music to blast your ears.

The former underground artist, whom the girl came to see, used to be a member of an iconic underground band in the eighties. She was visibly upset about the political situation, specifically about the new governmental measures that were striking one blow after the other at its political opponents, at the opposition of any kind, including this cultural place. In her opinion this place embodied the very antithesis of what the new government stood for. This was an alternative, and as such a space of freedom, and the fact that the new government resorted to such measures whereby earlier directors and personnel were unilaterally replaced only fed this perception among those directly affected by the recent changes. This was in 2012, when people were still stupefied by and incredulous about the authoritarian turn of the state, thinking this was just a momentary mistake that could be soon corrected. In 2014 this shock had largely been replaced by resignation on the one hand, and the conviction on the other hand, that this was indeed a repressive state as the relentless authoritarian measures had killed any hope that this was just a political aberration that liberal democratic forces could quickly redress. But for few protests in 2012 one of them organized by the Gödör club, the new Orbán regime was holding fast to and consolidating its power.

In our discussion that night on January 25 2012 my interlocutor kept talking about freedom, not a very likely topic of conversation at two o'clock in the morning, freedom from fear, the freedom to do what you want to do as an artist and as a thinker in opposition to a repressive state. This was so much redolent of the eighties! And it was a reminder of the eighties in another respect too. It was hard for her to understand or accept how it was possible for other, private cultural venues to get state support, while Gödör, a public place after all did not get 'a single penny', as she put it, from neither the state nor the municipality. It was not exactly a single penny, but the intermittent state support that came through the money the underground garage earned, she did not perceive as a state subsidy. A state subsidy in the eighties at least meant that a cultural venue did not have to worry about how to pay its costs, its personnel etc. since the state took complete care of this. Under the current conditions a cultural venue even if nominally is a state institution, its public subsidy is not guaranteed. Dwindling state resources on the one hand leave such places short of money. On the other hand, as the case study shows, there is a blurring of lines between what is public

and what is private, and the unclear situation leaves room for much discretionary solutions, to individual deals.

She repeated it to me many times that A.F. realized, and he was one of the few in this, she said, that creativity is the biggest asset that can help such a place exist. She said that the director was not simply open, open to any new ideas, but that he was willing to allow people to freely do what they thought it was the best. She recalled how amazed she was when she was told to do whatever she wished when putting together a program for the venue for the first time. She could not believe such a thing existed. She recounted the way 1968 was celebrated here at one point. Unlike at House of Terror which enjoyed full state support and where in her opinion the whole thing was staged and faked, Gödör gave free reign to those invited to think about ‘What have I got to do with 68?’. Artists were free to respond to this in any way they wished, following their own creative impulse. She proudly recounted that even the Ambassador of the Czech Republic attended the event, which she regarded as proof of the place’s importance in the cultural life of the city.

Yet she could not understand how he could not manage to get the unequivocal state support for Gödör. She reminisced about how he had virtually kick-started this venue from zero, breathing life into it. She again remarked that it was his genius in letting in creativity, and running the place using and channeling this creativity without wanting to control it in anyway.

She was very proud of what the venue came to stand for, for the increasing social projects Gödör housed, especially looking after some of the drug addicts encountered on the park above the venue, how they were brought down and received care and attention, plus all the civic projects that the place had started lately, which was an altogether different face of Gödör from where it started; from a mere entertainment venue organizing pop and rock concerts, Gödör became a urban cultural space with strong civic credentials.

During our discussion and apropos of the literary anthology discussed above, anthology she also contributed to, she recalled how their group went to a village, where the extreme-right’s presence was frightening people, and she talked for more than an hour to these young people, and then she quoted a public intellectual to have

said 'ezek a szegény kis náci gyerekek' as she came to realize that indeed 'these poor nazi kids'. She expressed her conviction that only culture can help people avoid extremism and challenge racist views. She expressed her firm conviction that Gödör club would carry on albeit in a different form and probably in a different location, as it happened.

3.6. Let it speak!

In response to the governmental decision on 17 January 2012 to replace the management of Gödör, decision deemed to be undemocratic by the people working for the venue and by many of the denizens who were nominally liberal-left (bal-lib), on 29 January 2012 the old team organized a farewell party to mark what they and many citizens of Budapest perceived as the end of a period in the life of Gödör, and for some, possibly the end of a liberal city.

On that Sunday the attempt to create a proper ending amounted on purpose to something more than bidding farewell to the old Gödör. The program series that started at 3 pm were suggestively called the 'Ode of Joy. Press-freedom'. With the allusion to Beethoven's Ninth Symphony, which had become the European anthem, the organizers presented themselves as European, and pro-EU in opposition to the often anti-EU rhetoric and nationalistic stance that the new government was propagating. This program by the name of 'Ode of Joy' was in fact in its second edition, the first one having taken place approximately one year before. As the old management was to vacate the place by February the organizers decided to schedule the second edition earlier as part of the farewell days. With references to and quotations mostly on the freedom of press, from 1848, 1956 and 1989 respectively the organizers and the performers together with the audience created the space and occasion to construct the event and through it strengthen their claim on this place, and reinforce their political identification as defenders of freedom against a repressive state, a narrative and relation not without precedent. They could at the same time express their critique and this way stage a small protest against the government whose plethora of laws adopted for the previous twelve months, the left-liberal opposition saw as a series of infringements of human rights.

The most vociferously defended at that time was the right to free speech and free press. This was not accidental, for more reasons. One of them was more immediate, and it had to do with the fact that the only radio station associated with the opposition looked set to lose its radio frequency. In the attempt to silence all voices critical of the government the latter set out not only to replace the directors of theatres and other cultural venues, but to establish its control of the entire media as well. In the aftermath of this the “Let it speak!” association was created, action, which coincided and further built upon the hunger-strike of a former employee of a Hungarian TV channel established with the goal to reach as far as the neighboring countries’ Hungarian minority. Two of its employees were on a hunger strike to express their protest against what were clear instances of censorship following the major overhaul and recentralization of diverse media outlets. Gödör as well, was before a major change, with the old team soon to be replaced by a new one with closer ties to the current government. The other, less immediate but deeper cause for formulating this protest on these terms, and otherwise the most resonant and long lasting in the subsequent protests as well, had its roots more around the regime change in 1989 and had to do with the ideal of civil society which gained momentum at that time and which came to occupy a central position in the political imaginary of Central-Eastern Europe after 1989. It was this ideal that came to be invoked and narrated that day.

While this was a narrative that used to have a powerful hold on the imagination of the Hungarian population at large around 1989, by 2012 it turned out that the narrative of civil society could exercise a strong appeal among a handful of people only. That day at Gödör some intellectuals, a small group of middle-class people on the liberal-left who were known to support and visit these cultural venues and were familiar figures in the cultural sphere, showed up only.

The ideal of civil society was narrated that day through a rather selective focus on certain issues formulated in terms of rights, the right to free speech and free press, with no mention of social rights. This event was to be one of the many but rather short-lived public outcries against the measures adopted by the recently elected government. The unilateral governmental decision that forced the Gödör team out of their Erzsébet square location combined with the wider mood of those days, pushed the Gödör team towards becoming more openly critical of the government.

Not so long before, the venue was just a popular cultural-entertainment place, notwithstanding the fact that it expanded its profile along the years, and went well beyond providing music and concerts only. But so far it never openly criticized the political establishment or any of its measures for that matter up until it came to their eviction.

The earlier struggle that the club fought confined itself to the legal-regulatory framework, to the right contract to be signed, and this was for the director of the club a matter of professional question left to experts to solve. These recent events, however, could not be solved in the language of law, or through other forms of negotiation, as the club had tried before their eviction. This time the club struck a more confrontational and more outspoken political stance. After it became clear that there was not much left for them in the way of reversing the governmental decision, the Gödör leadership became more vocal in criticizing the government. Among other steps, a petition was advanced demanding public competition to operate this public space in the future. During the day, between programs, the public, rather modest in size, would repeatedly see on the screens above the stage the petition itself. This was reinforced by the choice of speakers and content. The owner of Klub radio addressed the public, so did some of the more well-known public figures who were part of the political opposition before 1989. All of those present expressed their support of civil society in the speeches they gave, which they thought it had to be defended as it had come under the threat of an increasingly authoritarian state. The events culminated in an evening party.

This was just but one instance, part of a series of events when the political opposition, including political parties and diverse professional associations, invoked the ideal of civil society with an explicit reference to the regime change in 1989-1990, subject, that the right wing government exploited too, in a different way.

Both political blocks lined up again with respect to 1989-1990. The conservatives rejected what came after as a liberal-left treason of that seminal moment and a complete failure, and claimed for themselves the regime change that the 2010 electoral victory finally brought. The liberal-left presented itself as the defendant and representative of civil society against a repressive state, which existed before 1989 and which was taking shape this time under the current conservative government. In

this struggle Gödör emerged as one of the expressions and loci of civil society. The employees of the venue raised their voice for what they had come to build along the years and what they perceived as a progressive cultural venue, something that they thought was rightfully theirs, not in small degree given the time and resources, and a considerable part of their lives they had invested here in this venue.

Hopes about culture, and derivatively cultural spaces have metamorphosed into veritable millennial hopes, just as the slogan of civil society. The idea that culture can be a bulwark, a limit imposed on state power in some individual cases was part of the lived experience and of the myth of those who had been part of the former cultural underground or part of the opposition in the eighties and had worked and experimented with establishing themselves and their field somehow secluded from state influence. These very same people did not disappear into oblivion after 1989, but some of them persisted and emerged as recognizable figures in their field after 1989, be that in the sphere of culture, the economy, or politics. Many of those who were part of the artistic milieu and of the earlier cultural underground scene carried on and re-packaged their erstwhile oppositional experience. They capitalized on that experience and used that cultural panache to carve themselves a niche cultural market under the new capitalist constellation. As the singer's example has shown Gödör became a cultural venue that accommodated these former artists where the former anti-establishment culture lived on this time, first under the liberal-left period, constructed as a more alternative cultural venue, second, after 2010 during the conservative reign, as an alternative to the state-sanctioned places. Thus one could state that the 'underground came above the ground'²⁸ with Gödör as a matter of fact occupying physically both the above and the under-ground before its relocation in February 2012.

The ideal of civil society caught the imaginations of the people one more time. It flickered for a short while and then it petered out. Those present at the farewell party, some of whom were active members of the emerging civil society in the late eighties invoked that tradition and hoped to offer a convincing vision of the future which would appeal to more and more people. The struggle for Gödör was presented as a

²⁸ The OSA, or the Open Society Archives organized a series of public lectures in 2012. One of them organized on 27 September had as its title *Underground above the Ground* asking what happened to the underground culture of the eighties when it came to the surface in the nineties.

struggle against the state, against its undue interference. The ideal of civil society could mobilize entire people in the eighties. Back then literary figures, various artists, oppositional political personalities alike could convincingly point towards an alternative. Their position occupied in society singled them out, and wide respect surrounded them and made them into believable, even iconic, figures of civil society. Their ideal came with the promise of a believable alternative, which was a society seen as a space of freedom vis-a-vis the state. Then many people saw this promise to be within their reach. In 2012 only a handful could still think so.

Margaret Somers speaks about the 'under theorized' concept of civil society in political discourse, about what she deems to be 'the limited categorical discourse of modern political sociology' which builds around two concepts that structure the social organization of modern life. It is on the one hand the modern administrative state and the market economy on the other, which are posited along the divide between public and private, "the great dichotomy" of modern political thought (Bobbio 1992 in Somers, 2008: 230). Writing in the wake of the Katrina disaster when the poor of New Orleans were left to provide for themselves with no state to rely on, and too poor to buy themselves out of the calamity that was waiting for them, Somers cautioned that the social disaster that marked this moment had been carefully prepared along the years. What led to that disaster was in fact a liberal market society where the state and the markets were construed in such a way that poor people had no chance to avoid such a disaster.

Liberalism as a political project, according to Somers, theoretically and practically locates freedom in civil society within the space of unrestrained, spontaneous market exchange undertaken by rational and self-interested individuals as a private/economic endeavor. She proposes instead to think of civil society not simply as she suggestively puts it "outside the folds of a coercive state' (Somers, 2008: 230), as it was done, with great élan with respect to the Central-Eastern European changes, but also with respect to the market. The sphere of social life and free associations, of participatory public life that civil society stands for, according to Somers remains a viable option only insofar as its relation to both the state and the market is taken into consideration. She argues for a conceptualization of civil society as part of a tripartite structure in which civil society occupies a third sphere between that of the state and

the market. This sphere can become a free and robust enough space only insofar as it is equally protected from the incursions of both state and market forces.

The opposition that took shape around the regime change in Hungary, at least the one that came to prevail, was unfortunately less or not at all concerned with the possible incursions of the market (Szalai 1999, 2005 etc.) while quite alert to those of the state. Oppression and aggression that was experienced was seen and constructed to come from the state. The "absorption of independent social life of 'civil society' by the party/state, involving the replacement of social ties by statized relations" (Arato, 1992: 36) was the definition that Arato gave of totalitarianism. And it was precisely the freeing of social ties from the state, creating social, economic, cultural and economic relations independent of it that the Central-Eastern European revolutions struggled for. But as Arato averred the civil society that emerged out of the opposition to the party-state, and its later manifestation that came to dominate the democratization-marketization process in fact did not clarify its relation to the market, and left it essentially under-thematized. "They have not sufficiently differentiated between the task of establishing viable market economies (whatever form of ownership replaces state property and control), on the one hand, and the project of strengthening civil society vis-a-vis the state and the liberated market forces, on the other" (Arato, 1992: viii).

The way Gödör operated for many years and the way it framed its protest against the state, I argue, repeated, or carried on the terms that Arato singled out as the object of his criticism. The club's relation to the state and to the market was not addressed during that one decade. Under the terms of a (neo)liberal urban governance state resources have been drying up while market mechanisms are not able to provide the conditions under which such venues such as Trafó or Gödör can operate. Cultural venues with a strong cultural profile, which are not fully commercial places, cannot survive according to market principles only. The state needs to step in if it wants such places to continue to exist. The mix of private and public functions, however, blur the lines between what the state and the market has to shoulder. And the inherited distrust of state presence, combined with the current reality of a more and more authoritarian state, make it virtually impossible to formulate demands that would want a state able to regulate the markets without at the same time posing a threat to society.

3.6. Genuine tenants

“Gödör did not use to be this open, at the beginning we, the Roma were in one corner and would not mix with the gádzsó....in the cafè corner gypsy musicians would be all right by themselves among themselves. And then after a while there was no mention any longer about skin color, and we would often drop by” (Interview with Kati, a Gödör employee, 2012 April 3).

Kati²⁹ is one of the Gödör staff, a Roma woman in her late twenties. An active member of the Gödör staff, she is responsible for the film programs and also takes part in organizing other civic programs at Gödör. During one of our discussions I asked her about the more memorable moments at Gödör, and she recounted to me one particular event, an interactive installation. She told me in very vivid details how the Gödör team practically built a gypsy house in the old style, which was made of mud, made up of a kitchen, a bedroom furnished with all the basic equipment needed in a household. She was quite excited that the house was already alive at the premiere, and content that the people were feeling at home and the place started to really live. This happened in summer and she recalled that one of the visitors brought a kilo of sour cherries, she washed them and placed them on the table, somebody else brought some palinka³⁰, which was too served on the table, they also brewed some coffee and everyone was welcoming everyone as if the place belonged to them. She commented:

“this was an interesting play, it turned out it is damn simple to party together for one week, to drink a beer, to speak.....Living together for Roma and non-Roma is a critical point even among friends, honestly, it is about whether you dare to feel at home in a Roma home, with a Roma family...so this was a good play and it turned out we were very happy...the motto of the installation was “I’m too at home here and please bring something too, add something to this home, bring an object, a gift”....the house was continuously full,... it had a fortune telling corner.....the place was very popular...and the highlight of it maybe was towards the end when one morning I wanted to lock the house at 4 am and I see an entire gypsy family sleeping in the

²⁹ Her name has been changed

³⁰ It is a type of Hungarian alcoholic drink

house. I tell them I should close the place, but then they point to their sleeping child and tell me that their train home is further ahead so maybe they could stay a bit more...and frankly I was the one to have felt bad, that we had only one bed. Well, you see this home had genuine tenants (frankó lakók)."

For Kati and the Gödör staff, and for many others who visited this place, Gödör must have often felt like this, a bit of a home, a place where you can tell you are welcome. Somewhere where you would pop in virtually any time, rest a bit, meet up friends, discuss various matters, and engage in debates of the civic programs that are organized. It was a place where one could have fun as well, could party with friends and with people one did not know alike. There was the unspoken bond that once you were there you met your peers, people who had more or less the same interests and values.

Along the years it became a cultural venue with a strong civic program, and this strengthened its educational aspect becoming more than a simple entertainment space in the heart of the downtown. The fact that employees were given free rein to design the programs they were responsible for meant that there was room for exploration and experimentation. The fact that a variety of people could join, not only those who had already made their names, but unknown artists as well, propelled the venue into a progressive direction constantly moulded by various groups and attracting crowds of mostly young people, but not only. The more boheme and liberal older generations visited the place as well.

The installation and Kati's recount of it encapsulated a rather paradoxical wish, paradoxical in its magnitude of hope that came attached to it. It was a wish out of all proportion, in a way, but at the same time the expression of the dynamics and the expectations, which could only appear as a paradox, in which cultural venues are increasingly caught. It is tempting to call these 'millennial expectations' insofar that they seem to offer the promise of salvation, a genuine redemptive moment amidst failing promises. As Gödör demonstrates some cultural-entertainment venues start as simple urban facelifts, last-minute solutions, and as such they are temporary fixes, at best. They cannot in the least address deeper structural urban problems, and not only because they do not have the material resources. The goals and the wider ideology that bring them to life do not create the means of attaining structural changes. They

must meet up to the imperative to be financially successful and increasingly to help, and to be a community, a home of some sort. And the pressure exerted is not simply external. It becomes a matter of personal pride and a calling to have been able to make a difference in the life of some struggling denizens. All sorts of ills that cities are struggling with, as these examples show, cultural places are called upon to address and to remedy.

There is nothing new, however, in the paradoxical wish that urban infrastructural investments, and that an intervention in physical infrastructure will ultimately alter and ameliorate social conditions as well. Buck Morss writes about Haussmann's modernizing urban projects 'as a classic example of reification, urban renewal projects attempted to create social utopia by changing the arrangements of buildings and streets - objects in space - while leaving social relationships intact.' (Buck-Morss, 2000: 241) As the first two case studies have shown, smaller, less prestigious cultural venues while struggle to make do on the meager state support they get, they, nevertheless, are also increasingly called upon to ameliorate social conditions, or become 'communities' and 'homes'. They have to ride out to the neighborhood and pick up the debris that urban socio-spatial restructuring has left behind. They are called upon to pretend they are genuine homes, places that can promise a respite from the daily concerns. And their make-belief plays may make us believe what they want us to - for a short while at least.

Conclusion

As part of a shift of responsibilities and sensibilities from the state onto the individual and the community, cultural centers like Gödör are suddenly saddled with new tasks, one of them being that of becoming a veritable community, paradoxically separate but also identical to the neighborhood. In addition they are also expected to become financially sound enterprises, which are solvent and productive, able to survive on or without the meager state support. This, who knows, may just happen provided they become 'creative' enough to produce and thus replace the necessary, otherwise diminishing or already completely missing state funds. Cross-financing is one such technique mixing more lucrative functions with civic and cultural programs that either cost the public very little or they come for free. Gödör just did this for years on end thus making sure that the programs could reach an audience as wide and varied as possible, where the ability to pay should not prevent anyone from visiting the venue.

As Gödör's example demonstrates the city, some parts of it more than others, is constantly on the cusp of change. A building, a street, a square may be irrevocably erased after it has barely attained some permanence, a moment of balance and stability often deemed as such only with the benefit of hindsight. Yet, even that precarious balance may give a sense of stability for some people no matter for what a short while.

The director/manager of the venue speaks about the first ten years as a constant struggle to win recognition of the place. Recognition that in his opinion the relevant decision makers could have bestowed on the place had a long-term contract been signed. This would have provided the legal guarantee, which in turn could have made long term planning possible, which then could have lead to the stability and consolidation of the venue.

'The Pothole' was the felicitous outcome of a failed project, whereby instead of a national theatre the city ended up with a busy cultural-entertainment venue resembling more and more the many ruin bars that pepper Budapest's inner districts rather than a prime real-estate in the heart of the city - to the chagrin of many a liberal elite. However, despite the inauspicious start, once the venue got built, half built more precisely, a decade passed and the place became the most popular venue in the city.

As the staff recounted it was also a democratically run space where programming happened through the equal involvement and participation of everyone and with decisions made by any of the members.

What largely stayed behind the curtains, hidden from the public and taking place among 'leaders' or 'decision makers', was the managing director's negotiation that was framed in terms of 'clarifying' the rules of the game, and if possible for keeping these rules for a long enough time to be able to plan ahead and to plan carefully. The struggle and negotiation, which went on essentially between the director of the venue, and the persons who happened to be open to this negotiation at the municipality and at the relevant state ministries, happened without the participation of most of the staff.

The struggle framed in terms of 'clarifying' the rules, was centered on the signing of a proper contract. As the managing director saw the signing of a proper contract would stipulate all the necessary obligations and responsibilities of all the parties involved, thus leaving no room for equivocation, for avoiding or loading responsibilities onto other parties. Once this was ready, then the assumption went that the programming could continue undisturbed without the undue interference of the state, or of particular persons, for that matter. Good programming, as many in the staff saw, thus could then guarantee that the place reaches its full potential. To sign a long term contract once with all the conditions stipulated, the managing of the place would be a straightforward business, guided by purely professional considerations - belief buttressed by and closely tied to another conviction that state subsidy should come aplenty and unconditionally.

As in so many other cases, illustrated in the other chapters as well, it is first of all in the proper fixing of rules, and the abiding by those rules that several of my interlocutors saw to be the solution to the anomalies they encountered, and more generally as the true sign of an established democracy. Their conviction was that if proper contracts are in place, once the rule of law prevails than nothing can stand in the way of a genuine market democracy.

Chantal Mouffe claims that there is a tendency within liberalism 'to privilege the juridical terrain' and to rely on the law to settle all kinds of conflicts (Mouffe 2000: 106). Thus, she argues, political questions become of a moral nature, which makes

them liable to rational treatment. ‘The theoretical trend to conflate politics with morality erases the dimension of antagonism which is ineradicable in politics’- she states (Mouffe, 2000: 110). She speaks about the ‘constitutive incapacity’ of liberalism to think in truly political terms. The political in liberalism according to her always appears as another type of discourse, whether economic, moral and/or juridical.

The ideology of civil society as Eyal aptly observed was rationalistic which only a society of contract rather than command could realize (see Eyal & Szelényi & Townsley 1998). One of the five affinities that according to Eyal et.al. brought the dissidents and technocrats together in the late eighties was their interest in the rule of law. Early on Vaclav Klaus already called for ‘fixed, clear rules’ (Eyal, 1998: 97). As Gödör's trajectory has shown the belief in fixed and clear rules ran throughout the 2000s and set the terms of the struggle and negotiation. As with former industrial managers during communism who did not accept the plan at face value but started negotiating it with central planners (plan-bargain) while afterwards the negotiation happened between managers and technocrats (budget-bargain) (ibid.), in Gödör's case the negotiation took place between the managing director of the venue and various politicians and policy makers at state, municipal and district levels. Is not this negotiation after all what neoliberal urban governance is all about resting on less hierarchical, but no less opaque networks, arrangements and ill-defined responsibilities (Swyngedouw 2005)?

As the following two case studies, which center on two larger urban projects (advanced by the state and the Budapest municipality respectively as public-private partnerships), the next two chapters further demonstrate, neoliberal urban governance while boasts to be more participatory and inclusive, relying on horizontal networks rather than on hierarchical command, in practice it turns out to be exclusionary, elitist and highly discretionary with much of the negotiation and the fine-tuning of the contracts of the public-private partnerships, happening hidden from the public.

The seeming incapacity of the state to solve certain problems - that the left-liberal governance was accused with - in this case the status of a cultural venue, then is better to be approached in terms of governance beyond the state (Rose and Miller 2002, Mitchell 2002, Jessop 1998). This, however, does not mean the state's disappearance or withdrawal but a changed articulation of markets- state-(civil)

society relationship. The retreat of the state and the prolongation of government in fact are the two sides of the same phenomenon. Governmentality as Swyngedouw avers is 'at once internal and external to the state' and this derives from the tactics of government that rest on and imply 'the continual definition and redefinition of what is within the competence of the state and what is not, the public versus the private, and so on' (Foucault 1991: 103 cited in Swyngedouw 2005:1997). The trajectory of the Gödör club undepinned as it was by ambiguity and uncertainty as where state responsibilities and obligations started or ended, and the negotiation on the part of the club as to where their scope of activity should lie are a reflection precisely of the workings of neoliberal governance whereby the relation among state, civil society and economy is under constant redefinition. The realm of civil society as a 'fuzzy terrain' (Swyngedouw 2005: 1996) articulates with both the state and markets and as always it remains 'pivotal' for the simple reason that it is here that social transformative and innovative action emerges and it is here that social power relations are contested and struggled over.

The call in 2012 to defend Gödör largely fell on deaf ears, and not without reason. These early protests against Fidesz framed as they were in terms of the defense of a civil society were built on the experience and discourse of a liberal intelligentsia combining with the hegemonic neoliberal project of the left-liberal governing coalition up until 2010. With their fixation with the 'rule of law', speaking the highly abstract and technical language of economic growth and individual competition, the bulk of society was left on its own with its worries, fears and hardship with no one to talk to. It was the far right represented by Jobbik and the main conservative party, Fidesz that brought in again the language of inequality, of solidarity and of poverty. Gödör in 2012 could not yet speak that language. Protests in the winter of 2014 may already speak this language that is able to think in terms of class, poverty, inequality and solidarity.

According to the neoliberal governance thesis there is a greater role for private and economic agents and civil-society based groups, and an 'externalization of state functions through privatization and deregulation, decentralization', accompanied by the upscaling of governance (the nation state delegating regulatory and other tasks to higher scales), and down-scaling to local practices and arrangements alike. "The

difference between state and society, politics and economy” then as Lemke (2002) argues “does not function as a foundation or a borderline but as element and effect of specific neoliberal technologies of government“ (Lemke 2002: 59), which is constantly under redefinition. The emergence of new actors on the scene of governance is a sign of fundamental transformations of statehood, of the restructured relation between state and civil society actors. What we see is not a reduction of state sovereignty but a change in the techniques of government that relies on diverse actors. The institutional operation beyond the state according to Swyngedouw produces a form of governmentality that is only apparently outside the state, and this ambiguity often gets mobilized by the state "to deal with its legitimation crisis" (Swyngedouw 2005: 2002) by invoking the new forms of governance such as the EU for example, to legitimize and push through forms of intervention that are unpopular among its citizens.

To conclude once more, the weakness of these attempts such as Gödör's to offer an alternative to the reponses advanced either by the governing Fidesz or Jobbik, though, was a function of the wider neoliberal governance within which places such as Gödör played their part in enacting a certain understanding of civil society. They stood for civil society, for a narrow segment of the cosmopolitan middle classes in the capital city. Their powers, their scope of activity was determined through the negotiations with the state and local government. The independence that this place wielded was over a restricted urban space, the very downtown of Budapest where mostly young middle class people came. In the aftermath of the 2010 elections, the Fidesz controlled state had increasingly prioritized punitive workfare measures over more distributive, egalitarian welfare ones. In this the state struck an alliance with the far right against the poverty-ridden Roma and non-Roma, the two locked in a tension-fraught bondage. People like the Gödör team, and the various initiatives that got a stage there were willing to address these questions. However, their practices so far had not prepared them for this. The power and scope of their activities depended on and was created during a (neo)liberal urban governance and along the left-liberal parties were deeply involved in creating the circumstances that created Jobbik, the far right party. Urban spaces like Gödör are cosmopolitan cultural-entertainment venues that are an expression of a global urbanism and as such their role and scope hardly prepares them to be and work more than a token palliative.

Chapter 4 MuPa spearheading an urban mega-project. Private-public partnership uploaded

4.1.1. The ersatz city

'The Austin Company of Cleveland designed not only the plant at Nizhni Novgorod but the "Worker's City" that surrounded it, complete with community housings nursery, public bath, Palace of Culture, and crematorium". (Buck-Morss 2000:166)

'The fact that Stalin's First and Second Five Year Plans amounted to the largest technological transfer in Western capitalist history was not something either side advertised, nor did they care to remember this collaboration during the Cold War years.' (Buck-Morss 2000: 168)

"The city centers are the flagships of TriGranit's developments. With these investments, TriGranit creates project, which leave a lasting impression on a city's legacy. These developments, spread out over several hundred thousand square meters, harmoniously unite the different functions of the business district, including residential, cultural and shopping mall components. With our developments we create value and new downtowns. The main considerations for our site selection are the prominence of location, good supporting infrastructure, and the multifunctional development possibility. Through the design we take the needs of the location and the expectation of the inhabitants into the highest consideration.

TriGranit's first city center model was the WestEnd City Center in Budapest, which includes a shopping mall, a hotel and an office building. Another good example of the city center prototype is the Millennium City Center located in the heart of Budapest. With the "city in the city" real estate development concept we created a cultural, business and residential district on the Pest side bank of the Danube with a unique atmosphere. Next to the high quality office and residential buildings, here in the Millennium City Center can be found Europe's most modern cultural institute, the

Palace of Arts, and the National Theater.”³¹

The pursuit of grand projects on the part of politicians and the tower-building mania of chief executives is increasingly gathering momentum. In Budapest with a conservative turn in politics in 2010 and reinforced in 2014, the mania seems to be growing on the side of politicians chasing grand and petty projects alike, or rather grand hopes which now and then turn into petty projects.

There is nothing new under the sky - the saying goes. There is nothing new in constructing palaces of culture, I would want to immediately add, but then I suspect there must be more to it. For a start, there is a small slippage, a gap between the two quotes above, one speaking about “the worker’s city” and the other about a “city in the city”. The workers are gone from “the city in the city”. Instead, what we are being told, is that the creative class have descended upon the “city in the city” and places of culture, for that matter.

The real estate company Trigránit presented in the quote above, which is a veritable gimmick were it not but only a usual self-promotional gesture, produces 'city centres' and not simply through the performatives deployed here. This promotional gesture on the company's website offers a good sense of the company's ethos, of the products the firm specializes in which are not less and not more than the ready-made ersatz cities, these city-center-like urban developments. As the reader dutifully reads on the company's website, it appears that the company has not only developed the West End City Center, which in 1999, the year when it was built, was marketed as the biggest mall of Central Europe, and the Millennium City Center in Budapest, about which later, but it prides itself with similar other projects such as the Silesia City Center in Katowice and Bonarka City Center in Krakow, Poland; Emonika City Center in Ljubljana, Slovenia; the Esplanada City Center in Bucharest, Romania. While the firm is far and wide expanding and virtually taking over the production of ersatz city centers in the old capital cities of Central-Eastern Europe, constructions which are often not more, but then in other respects much more, than extended shopping malls complemented with offices and hotels, it is also further exporting these models to

³¹ www.trigranit.hu

Russia and China. Here too cultural-centers invariably spearhead sometimes immense projects³², albeit still modest compared to the urban totality of the faux city of Macau (Simpson, 2014).

But it is not this particular real estate firm only that is frenetically altering, molding, adding, chipping off the urban fabric. By 2014 several development projects are planned or have been completed by the municipality, the state and diverse private investors in various forms of cooperation, with private public partnerships increasingly taken up and advanced by localities, with the aim to create smaller pockets of development that take one part of the city and construct is as somehow central for that area or neighborhood in Budapest. These developments are often found next to the intersection of roads, busy tram stops, or squares - virtually in all the 23 districts of Budapest.³³ They are less publicized urban projects than the Warehouse (CET or Whale) project to be detailed in the following chapter, the Gas Factory project or the City Hall project (plans of which were put on hold for an unspecified length of time), which the former liberal municipality of Budapest singled out as projects of ‘outstanding importance’. All, however, reiterate, propagate and reinforce the same model, at a more localized district level but with the same ideology or message. They are revived spots of the neighborhood offered as proxies of a successful and competitive city-to-come; as such, particular loci of civic pride and citizen engagement. This practice looks to be as a matter of course conceived and promoted solely by way of physical upgrading. At this pace Budapest is set to become a collection of such place-bound urban developments and nothing else, except, of course, what is left out of this frenzy, which is (the rest of) Budapest.

³² <http://architecturelab.net/nanshan-cultural-sport-centre-and-art-museum-opened-its-doors-to-shenzhen-public/>

³³ The already completed Corvin project, the Kelenföld development project, the development of the Üllői-Határ road area, of the Örs vezér square, of the Újpest-Angyalföld Városkapu and of the Flórián square (interview with Schneller Istvan, the former chief architect of Budapest, February 28 2013).

4.1.2. Spearheading the Millennium City Center

This chapter has as its focus the urban politics of the production of a cultural venue which locals shortly call MuPa, moniker that stands for The Palace of Arts, an elite cultural place which comprises a concert hall, a museum and a theatre.³⁴ I elucidate the production of this elite cultural institution in its relation to and as the key element of a large urban development, an urban megaproject (UMP). I approach the pursuit of UMPs as the paradigmatic urban policy of neoliberal or entrepreneurial urbanization. Such projects do not only reflect and embody political, economic and cultural changes but actively cause them (Swyngedouw, 2002), which makes them particularly useful for revealing and explaining recent changes that cities undergo. Such urban projects also embody the redefinition and re-imagining of cities peculiar to entrepreneurial urbanization.

This chapter thus captures a shift in the meaning and rationale of entrepreneurship away from a mere incipient alternative to an established rationale of urbanization that has become hegemonic and thus more compelling. Pursued and understood as an alternative to the existing socialist practices, which the first chapter dealt with, in this chapter entrepreneurialism appears in terms of a wider and more pervasive rationale that cities increasingly follow. From the more modest and quaint practices of the ‘petty entrepreneurial state socialism’ (Bodnár 2001: 162) which still tolerated and knew about divergent forms of entrepreneurialism (see Bockman 2001) a more coercive rationale and path has given way that cities have to pursue called ‘entrepreneurial urbanization’.

Through this shift and extension, which marks a qualitative change, it emerges that from the time of imagining and then opening Trafó, covering the 80s-90s, to the building of MuPa in 2005, changes took place in the urban politics of Budapest. I approach these changes by what has come to be referred to as neoliberal urbanization in critical urban studies. Approached as a process, neoliberal urbanization I argue can be discerned through the consecutive establishment of the four cultural venues,

³⁴ The Palace of Arts consists of the Bela Bartok National Concert Hall with a capacity of 1699 people, the Ludwig Museum, and the Festival Theatre with 443 seats.

through the shifts that happen from the one to the next, through the dynamics and shifts that these projects express. The urban socio-spatial and political-economic restructuring of Budapest has articulated with particular local meanings and legacies, as the altered expression and manifestation of 'entrepreneurship' signals it, incorporated, built upon these and gathered momentum, it has, so-to-speak, 'upped the stakes'. The process of urban restructuring and the associated urban politics has become much more speculative and more market-aware and market-led for the past two-three decades and this has found expression in the production of these cultural spaces as well.

Urban entrepreneurial governance has entailed a changed relation between the state, the city, citizens and residents, the economy/the market, and the by now widespread private-public partnerships well capture these changes. Forged with the aim to implement diverse urban projects their unquestioned imperative is to attract investment, produce economic development 'with the speculative construction of place' as these projects' 'immediate political and economic goal'³⁵. The production of MuPa was brokered through such a partnership between the state and a private developer. It was the first-ever private public project in Hungary, and was promoted as a guarantee to the success of the project, that is, to being beneficial to economic growth and competitiveness.

The chapter traces the fortunes of the public-private-partnership that led to the construction of the Palace of Arts. It does so by looking first of all at the dynamics in the relation among the private developer, the state and architects, the latter translating between and negotiating with the state and the private developer. The chapter provides an explanation that understands and links individual decisions with respect to larger dynamics, both local and global, and to wider structural shifts.

The two previous cultural venues that I have so far detailed in the second and third chapter respectively, are clearly eclipsed by an undertaking of bigger proportion (a ten hectares area adding a total of 450.000 m² urban space) and, more importantly, of a

³⁵ "The new entrepreneurialism typically rests, then, on a public-private partnership focusing on investment and economic development with the speculative construction of place rather than amelioration of conditions within a particular territory as its immediate (though by no means exclusive) political and economic goal" (Harvey 2001: 354).

different rationale. Both the private developer and the state that strike the public private partnership have much bigger stakes in this project. It is not the logic only, imperatives and the practice itself of smaller cultural centers and of more bottom-up initiatives that are surpassed, or rejected here. For a while at least, also the by then quite widespread production of single shopping malls as well, following the repetitive logic of a prototype as Bodnár notices it ³⁶ is left behind. The private developer makes an even bigger bid and claim over the city, slicing a much bigger chunk of public land and turning it into private property through the production of an urban megaproject (UMP). This is not simply a quantitative leap only but a shift that expresses and reinforces a different, more speculative form of urbanism. In this relation the state too comes to play a different role as it enters the private public partnership with a private developer, where it emerges as more pliable and more conditioned to negotiate with or serve the private developer. As Jessop et.al. note ‘serial reproduction goes beyond the built environment and appears in and translates into institutions and practices of urban governance’ (Jessop & Peck & Tickell 1999: 142), and the practices that constitute private-public partnerships are an important marker of such governance.

Before I proceed to looking in more detail at the particular scripting that this project presents, at the arena that the production of MuPa creates with the profound power struggles and position-taking of key economic, political and cultural elites, I present an understanding of the politics of megaprojects, of their rationale and their key features in terms of ‘emblematic examples of neoliberal forms of urban governance’ (Swyngedouw 2003: 548). I argue that the production of the Millennium City Center and within it that of the Palace of Arts can be explained in terms of global urbanism that encourages and that is propelled through the pursuit of urban megaprojects.

³⁶ The Pole center, for example, promoted as a “European-quality shopping mall” and as a “administrative-shopping-entertainment center for the family” was conceived as a prototype for another twenty-five multifunctional centers to be built in Eastern Europe. (Bodnár 2001: 145)

4.1.3. Urban megaprojects everywhere

'The urban turned into ruin in the devastating restructuring of the 1970s and 1980s. Rebuilding the city – as in the aftermath of war – became the leitmotif of urban policy. Large-scale and emblematic projects were the medicine the advocates of the new urban policy prescribed. Accommodation of the EU's encroaching office expansion in Brussels, the Guggenheim museum in Bilbao, the new financial district in the Dublin's docklands, the science-university complex Adlershof in Berlin, Copenhagen's Orestaden project, and the 1989 World Expo in Lisbon, among many other examples that are dotted over the map of urban Europe, testify to the unshakable belief of the city elites in the healing effects that the production of new urban complexes promises for the city's vitality' (Swynegouw et.al. 2002: 521)

The landscape that the quote above captures, while it notes changes taking place in Western Europe, it is not unrelated to similar changes taking place in the US where the property boom of the 1980s led to the large scale redevelopment of several cities, prominent of which was the redevelopment of Baltimore's inner harbour back in the 1960s which later came to be regarded as the symbol of 'renaissance city'. This kind of 'hypermediated' development was based on a formulaic mix of residential, commercial cultural, industrial uses (Falk 1986, cited in Hall & Hubbard 1989: 7).

These trends and shifts were not at all apart and unrelated from the quickly changing Central-Eastern European cityscape, either. This region, too has been markedly transformed through the several restructurings that often entailed the erasure of many of its city parts and their histories. The quote above notes the 1989 World Expo in Lisbon. It was around this time, for example, that the idea of the Budapest-Vienna joint World Expo emerged only to be later discarded. Nevertheless, despite the fact that it had never materialized, it did have an impact, most visibly, on the area destined to host the expo by preparing the plots for the future projects. The Millennium City Center is in no small part the protracted embodiment of this earlier discarded project.

Central-Eastern European cities have had their 'urban clean slates', their constructed and produced ruins, city-parts thought to be ruins beyond repair, and thus to be redeveloped and reconstructed, process that otherwise went on already in the 1980s and unfolding these days – true, subsumed under different logics and ideologies.

Berlin, for example, stranded between East and West, in this respect is quite a seminal example of radical re-imagining and reconstruction most recently after its reunification (Mayer, 1997, Cochrane & Jonas 1999, Colomb 2012, Molnar 2013), following the havoc wrought by the war and then the indelible imprint of socialist engineering that east Berlin had to get rid of if the new Berlin wanted to become a competitive global city.

Against this backdrop the kind of responses to political economic restructurings in the form of new urban complexes that first appeared in 'the West' is by now gathering momentum outside the core capitalist regions as well. An approach, however, that would try to explain this by way of a simple copycatting cannot possibly do justice to the manner in which global dynamics articulate with space specific logics to produce a variegated but highly related geography of uneven development. The urban restructuring processes of the past three-four decades have produced urban regeneration schemes based on large-scale urban megaprojects (UMPs) (Altshuler & Luberoff, 2003, Flyvberg 2003) which in turn have come to be seen as hegemonic 'tool[s] of urban renewal' (Lehrer & Laidley, 2008) pursued mainly by city elites, with many others caught in their trail, as an expression of hegemony working, with the by now omnipresent and largely uncontested aim to foster competitiveness and economic growth. What has given particular sway to this new urban policy is that they have come to be promoted, received and constructed as veritable examples of success simply by fiat of replacing earlier, discredited modes of city building. And by a big leap of faith, or promotional gimmick, they have come to stand for the new, progressive and a more democratic mode of governance.

4.1.4. The rationale of urban mega-projects

What is most relevant to the present explanation is the conceptualization according to which the pursuit of UMPs as a new urban policy actively '*produces, enacts, embodies, and shapes*' (Swyngedouw et.al. 2002: 551, my italics) the new political-economic urban regimes. UMPs are not simply the answer to and consequence of political and economic changes 'schemed elsewhere' but according to this understanding they act as catalysts of urban and political change, driving processes that influence the local, and impact not only locally, but at various other scales as well. It is such concrete interventions as UMPs that shape and express transformations in spatial, political and economic configurations. In other words UMPs '*are productive of and embody*' (ibid. my emphasis) processes, which 'operate in and over a variety of scales, from the local to the global scale' (Swyngedouw et.al. 2002: 551).

Another important point that Swyngedouw et.al. make with respect to UMPs is that cities' pursuit of competitive advantages are tied to and dependent on 'the improving and adapting the built environment to the accumulation strategies of city's key elites' (ibid.: 568).

As Swyngedouw further points it out, the pursuit of economic growth through UMPs are essentially area targeted revitalization projects, which are increasingly choreographed by diverse economic, political and cultural elites, and which have entailed particular changes in governing schemes, which are not necessarily conducive to more democratic relations. David Harvey speaks about 'the political economy of place' where the most sought-after entrepreneurial interventions 'are those that are localized and tied to quick turnover time' (Harvey 2001: 362).

This political economy of place in turn is tied to a new system of urban governance, a 'quasi-governmental institutional framework'. Despite claims to wider participation and inclusivity, by fiat of alliances between the public sector and elite fractions of civil society, this form of governance have given rise according to Swyngedouw to more discretionary forms of management, turning governance more centralized and autocratic, 'favoring direct appointment, increasing the role of lobbies, family ties, business connections and the practice of clientelism' (Swyngedouw et.al. 2002: 570).

This new approach in urban policy, Swyngedouw adds, reflects a 'New Economic Policy' (NEP) at the scale of the urban which is 'the policy platform of conservative liberalism.' (Ibid.: 570) Thus the state's presence, involvement, and incursions cannot be explained only as an anomaly restricted to the former party states of Central and Eastern Europe, and not even as a feature particular only to the current conservative Hungarian governing party. As a key feature of conservative liberalism (Swyngedouw 2002 cf. Keil 2002) it is part and parcel of older liberal democracies.

As area-bound policies with a focus on relatively fixed territorial structures megaprojects' success depend on the creation of profitable economic activities, which often means the production of increasing rent income. This strategy is so ubiquitous according to Swyngedouw due to the fact that they are among the few options left for municipalities to pursue in the current context. In this context increasingly understood in terms of financialization (Crouch 2011, Hackworth 2007, Fine 2011) municipal revenues become more and more tied to and dependent on financialized relations, which the increasing power of rating agencies on state governments and municipalities attests (Hackworth 2007). This dependence manifests itself in the imperative to pursue more and more lucrative, that is, speculative directions, which leaves localities with almost no revenues to draw upon and thus leaving 'the revaluation of urban land as one of the few means open to local governments to increase tax returns' (Swyngedouw et.al 2002: 522,). It is not however, per-se the physical supply of land that secures place competitiveness but 'the supply-side in its more integral, social sense' (Jessop, Peck, Tickell, 1999: 146). It is not simply the narrow, built environment issues that matter, the supply of land as such, as these authors point out, but the creation of place into a superior place product through speculation in spatial structure.

Another key aspect of UMPs is that they are promoted, produced and perceived as somehow outstanding and exceptional (see also Grubbauer 2013). The outstanding feature is created and orchestrated not only through the visibility, the very design that the building(s) eventually embody, often with resort to iconic buildings, but through the publicity and the public PR stunts that politicians and developers engage in, through the official and less official discourses, and many of the narratives that surround such projects, and the overall urban imaginary that it feeds (on). But

“exceptionality” is a fundamental feature of the new urban policy in a different sense as well, which has to do with the primacy of project-based initiatives over regulatory plans and procedures with the real danger that ‘a democratic deficit emerges’ (Swyngedouw 2002: 577).

This new convergence between the neoliberal post-socialist state and the neoliberal, but older democracies is particularly interesting as it complicates the usual comparative gesture which critiques the newly emerging liberal democracies for their democratic deficit. If as Swyngedouw remarks UMPs get completed under ‘condition[s] of exceptionality’ (Moulaert & Rodriguez & Swyngedouw 2003: 264 cited in Grubbauer 2013: 186) from the existent regulatory framework, which often means the sidestepping of legal norms and democratic checks the current Hungarian political-economic context which allows for a lot of exceptionality of this kind does not look like an anomaly and cannot be solely explained in terms of a residue of the socialist past. Which does not leave, however, the current neoliberal onslaught as the only and sufficient explicans. The relation, however, between the former socialist countries and the older liberal democracies, the latter mostly posited as models to be emulated, then becomes hard to sustain without trying to explain the contradictions and the much more complex relation that binds these two theoretical constructions and empirical variations, the latter framed along a Manichaeian dichotomy between two exclusive worlds which still survive in theories and everyday imaginations and practices alike despite the end of the Cold War.

To recapitulate the main points, I approach the production of the Millennium City Center as an example of an urban mega-project, which is as much a response to and a cause of changes in the city at various scales. It is the expression of transformations in spatial, political and economic configurations and the cause of these changes. Second, it is the expression of an elite view of the city. Third, it rests on the speculative production of place increasingly to be seen as the only answer to the increased pressures of financialization of the past three decades. Fourth, the mega-project is exceptional not only by virtue of attempting to produce a visually exceptional new city center but by relying on exceptional means of governance that override regulatory procedures in favor of project based solutions. Fifth, as such, it is not

necessarily conducive to a more democratic regime but it tends to turn more autocratic and more tolerant of clientelism.

4.1.5. The political economy of place

Mega-projects are often undertaken by declining cities with the purpose of creating 'pathways to globalization' as in by the now emblematic case of Bilbao (Del Cerro 2007). Cities thrive and prosper and certainly decline too, they all undergo changes and many of them do so at the periphery of global circuits, conditioned and disciplined by their well-embedded slot that they have come to occupy along the years within the global urban system.

Once part of the Habsburg empire and later the twin capital of the Austrian-Hungarian monarchy, the present day Budapest at best enjoys a modicum of regional prominence among its immediate Central- Eastern European neighbors while always striving to catch up with its once (semi)-twin, Vienna. Within a European or let alone global context Budapest, with a population of 1.7 million is a city of no global pretenses. It has no key control and command functions in high finance, information (Sassen 1991, 2006a, 2006b, Fainstein 2001, 2008), but can boast of a docile and cheap and in the 1990s a rather highly qualified labour force (Greskovits & Bohle 2012) with which to carve some advantages in the production of certain goods and services. These are both by now widespread urban entrepreneurial strategies (Harvey 2001) that cities deploy. The peripheral status does not mean, however, that Budapest falls outside the global transmissions and interconnections of ideas and economies, of urban policies, which inadvertently carry the message of the ineluctable imperative to compete or otherwise perish, for that matter. On the contrary, the imperative is even more urgent and constraining here at the periphery of Europe where there are few available options for the state to discipline footloose capital.

Apart from the two abovementioned entrepreneurial strategies (one that depends on the possession of command functions, the other on a cheap and docile workforce) the first of which is not a very likely option for Budapest, elites have increasingly pursued as noted in the introduction the selective urban development of the city. The policy of the production megaprojects based on the selection of one part of the city, and its

conversion into an attractive place for business and/or for leisure is in fact another important sigil of current entrepreneurial urbanism as well (Harvey 2001).

Among other things this policy rests on practices and discourses that create and raise the appeal, what Harvey calls the ‘collective symbolic capital’ of the city, which can be capitalized on by urban development through the realization of ‘monopoly rent’ which far from being a political economic concept only (Harvey 2001) restricted to the practices of real-estate development is as much tied to culture. This becomes particularly clear in the case of much recent culture-led urban development which has cities redefine themselves and restructure through a recourse to their built, social and cultural environment - as the meteoric rise of the ‘Barcelona model’ (Degen & Garcia 2012) well captures this.

Consequently the success of the Millennium City Center as a real estate project is heavily tied to the (monopoly) rents it can secure, which is dependent to an extent on how well it can capitalize on its uses of culture. No wonder, that the Millennium City Center has largely come to be known for its entanglement with the construction of its two cultural venues, the Palace of Arts and the National Theatre, whereby cultural venues as expedient tools were consciously deployed to raise the appeal, that is, ‘collective symbolic capital’ of the entire urban mega-project. While this chapter builds upon the emergence and trajectory of another cultural urban space, by fiat of this venue being part of a larger urban development project, it presents a shift in the production of cultural spaces away from that of the two previous examples. Any attempt to elucidate its meaning cannot be done apart from considering the megaproject that it spearhead and that it helped to market. It is in relation to the megaproject that it becomes obvious that a shift has occurred within urban development, and related to this in the way culture is deployed. When compared to both Trafó and Gödör '*culture*' has indeed been turned into a more expedient urban policy tool more tailored and harnessed to the goal of urban development.

The city's future is directly articulated with the visions of those who are central to the formulation, planning and implementation of such projects. That is why focusing on the interplay among the developer, the state and the architect allows to locate important tendencies at the level of the city and it also reveals a platform where the global gets inscribed into the local insofar as megaprojects are the ‘localization of the

global and the globalization of the local' which 'become crafted in place specific forms' (Swyngedouw, 2002: 552). It is such a place specific form that I now turn to. Before separately considering the role that the architect, and the developer respectively, I offer a general picture of the MCC (Millennium City Center), I present the major moments in the trajectory of the mega-project, then I consider the emergence of the National Theatre as a foil to the construction of the Palace of Arts.

4.1.6. The MCC/The Millennium City Center

The Millennium City Center is located on the commercial side of the river just south of Budapest's big ring road, at the terminus of a regional commuter train and near the road to the airport. Originally the 1996 World Exposition, jointly hosted with Vienna, was to be located on the site, with plans for it already in 1981 (advanced by Hungexpo³⁷ the institution responsible for organizing fairs) and later in 1987 backed by the then chief party secretary Károly Grosz even making a promise regarding a future Disneyland on this territory on his visit to the US. The Expo never materialized despite the millennial visions to finally incorporate Hungarians into the Western world with the world expo. As one architect quipped: 'It is as if they had tried to make us believe that if we have a world expo after the world passport, then we, Hungarians could by all means perceive ourselves as part of the (western) world (Vargha 1997). Originally called "Bridges to the Future" the slogan of the Budapest-Vienna would-be expo was rendered meaningless by history through major events such as the fall of the Berlin wall, the Timisoara Revolution in Romania. At the time however only the possibility of a B-category world expo (centered on food, agriculture) came up as an option, and not the more prestigious A-category type, of which the Seville Expo was a telling instance. What materialized in the aftermath of these cancelled plans in the end was some of the new parts of the university district on the Buda side of the Danube facing the Millennium City Center on the Pest, commercial, site of the capital. In addition as Greskovits (2010) observed; '[...] the promise of publicly subsidized

³⁷ Its director as a member of the directorial board of the International Associations of Fairs for eleven years was familiar with World expos worldwide.

infrastructure mega-projects helped to consolidate alliances among state-owned firms and their foreign partners, and contributed to the emergence of a more internationalized domestic bourgeoisie whose acquisition strategies (albeit far from devoid of corruption) still considered privatization and public projects less as a zero-sum game, than for example the Russian oligarchs' (Greskovits 2010: 103).

The developing of the Millennium City Center finally commenced at the beginning of the 2000s on what was still the last large vacant parcel of riverfront land in Budapest, a uniquely large and contiguous area still underutilized at that time. It used to be one of the most derelict and neglected parts of the Pest side of the Danube riverbank before the stretch between the Petőfi bridge and the South-Pest railway bridge emerged out of under-use as a possible future exhibition area. It could either serve the expo itself on the occasion of the 1996 World Expo, or alternatively it could be used towards the financing of the Expo-plots zone. In 1991 the first steps were made to reclaim the derelict site of an area of 8 hectares (197, 684 acres) which was proposed as the site of the exhibition pavilions.

Despite the cancelled expo the freight railway station, which for a long time was thought to be immovable, was dismantled and the area was cleared for future developments. In 1994 both the district and the municipality accepted the detailed regulation plan for this area with a view to the future world exhibition, plan that was kept later as well, despite the fact that the exhibition project was called off and in its place an entirely new development was proposed and eventually constructed (Interview with Schneller, 2012). As the then chief architect later confessed in an interview there were months-long negotiations about the necessity of a planning competition for the area given that 'this was a unique stretch of land in Europe' – exaggeration, otherwise, proper to a local. It was close to the centre of the city and it was virtually ready to be developed since there were no functioning factories and no residents to be evicted, either. For fear of the municipality reducing the density of the built-in area, however, no planning competition was organized (Váradi & Petőcz, 2005, interview Schneller, 2012).

This stretch of the city between Petőfi bridge and the Lágymányosi bridge was for a long time even regarded as a damned site as no one seemed to want to invest there. In the wake of the decision to prime the land, the freight depot of the Hungarian State

Railways Company (MÁV) had been cleared (Finta 2001) and new infrastructure had been built for six billion HUF with the hope that with the coming world exhibition many developers would find the area a good investment opportunity.

By the time the exhibition was cancelled only three sites had been sold and the remaining area went to the Treasury Property Directorate, which called for an international tender for the 12 sites. Trigránit, a real estate development company won the competition but when the new socialist government was elected the Treasury Property Directorate declared the bid ineffectual and announced a new tender. Trigránit's subsidiary, Duna Sétány Székház, won the bid for 3.59 billion HUF for the second time in the absence of any other competitors and it bid for the entire area. However, the tender again was declared ineffectual. As a response the winning company filed a complaint to the Treasury Property Directorate. After a prolonged silence, and whilst the government and the city were negotiating the setting of the new location of the future National Theatre with the city finally vetoing the building of the theatre in the city park, the Treasury invited Trigránit to a negotiated procedure. Meanwhile, the government assigned the location of the National Theatre on the most valuable plot of the former exhibition site. Since the theatre's site had been taken separately from the ensemble of sites to be realized the final purchase-price was modified to 2.38 billion HUF. TriGránit finally got the site in 2000 from the two owners - the Hungarian Treasury, and the Hungarian Oil Company (MOL). The developer of this new city center with a total built-in potential of 450,000 m² was Duna Sétány Székház Kft, a project company of TriGránit (Szentpéteri 2005).

As typical of megaprojects a rather grandiose design for the area was presented, which surpassed the 1997 original design proposal which back then already envisioned a multiple use project of some offices, hotels and housing units with the plans laid out in the 1980s already containing a 3000-place congress center. This time an even more ambitious vision was taking shape. According to the design proposal put together by a well-established architect, who had already proved his skills through some of hotels built during socialism, at the initiative of the developer a convention complex with a congress centre with a capacity variously set between six and ten thousand people, with a 1300-seat hotel, an aqua park and a casino was to be additionally built. According to initial plans the development would cost 40 billion HUF (in 2002) and it

would be ready by 2004. On the basis of a draft-contract the state was to later buy from Trigránit the congress center, the aqua park and the casino. It would also pay Trigránit for the incurred costs, the value of the plot and the money spent on designs. The Hungarian Development Bank was said to provide the needed capital and with this the state's share in the area – without accounting for the National Theatre and its area – was said to reach 105, 000 m² out of the entire 430, 000 m² land to be built in. Trigránit would keep the would be multifunctional facility where the MOL site used to be, the two hotel wings of the convention centre, 2-3 other hotels a bit more to the north, and on the northern tip of the site 2 luxury housing units. Thus the National Theatre together with the so-called 'Cultural Block' - at the beginning still imagined to house The National Philharmonics, The House of Traditions, The Modern Hungarian Arts Museum - and the Main Building (one-hundred-fifty-thousand square meter) made up of a Congress Centre, an Aquapark and Gastronomy center, a ten thousand square meters casino and two hotels of two hundred rooms each were all envisioned to boost, or rather deplete, the state's coffers. Negotiations between the Hungarian Development Bank (MFB) the developer and the state, however, came to a halt in the aftermath of the national elections. The Duna Sétány Székház, the project company of Trigránit, threatened that unless state support was given no convention center would be built. Instead luxury housing would be constructed as this was a more profitable investment (ibid.).

Virtually one decade after these plans, at the beginning of 2014 only the National Theatre and MuPa were standing as constructions with a clear public function. The recreational part of the development made up of an aqua park and a casino did not exist, and apparently plans for an aqua-park were altogether given up. What was deemed to be its probably most significant and financially as its most profitable element, a congress center, was still missing, with renewed pledges made in 2014 towards its construction. On the Northern plots, between Petőfi Bridge and the Haller street junction two luxury residential buildings could be found, the Duna-Pest luxurious condominiums. South of them office buildings were built (one of the targets speaks of 100, 000 m² of office space) with the northern wing occupied by the headquarters of the K & H bank with underground garages serve the parking needs of

the scheme. The K & H banking group signed the contract with Trigránit in 2008, and construction ended in 2011. The investment cost around 100 million euros³⁸. Trigránit sold its offices in The Millennium City center to the Chicago based Heitman groups (more precisely Heitman European Property Partners IV) who thus acquired 74% ownership in the four office buildings with the exception of the one owned by the K&H group for the value of 45 billion HUF³⁹. The I, II, III Millennium Tower and the H office space for rent is seventy thousand square meters. Pre-leases had been signed and thus anchor tenants were secured with Morgan Stanley and Vodafone. However, the crisis that started in 2008 did impact on the occupancy rate with vacant office space still in 2014.

4.1.7. Performing the public interest

The development of the Millennium City Center, coming in the wake of the failed world expo, which had been a financially completely misguided project (for a account see Greskovits and Borszéli 1990) had at its center a private developer, or rather a web of interconnected project-companies pointing to one person, locked in a complex relationship with the state, with the public to a great extent relegated to the position of a spectator. As with almost all Manichaeian narratives the project's itinerary was more convoluted than a simple dichotomy between the state and capital could explain. Focusing on the building process of the Palace of Arts, that is, MuPa, allows me to identify those processes and actors that shaped the trajectory of this project, and to an important extent the path of urbanization in Budapest. Thus, I show among other things, that the state-developer relation is not simply one between private capital and public money as clearly separate domains or spheres of interest.

The most common narrative presents the late eighties and early nineties as the time when the need for capital reigned supreme and trumped all other considerations, and

³⁸ It contains building K of fifty-four thousand square meters which the bank purchased, and building H of nine thousand five hundred square meters office space which the bank rents from Trigránit (HVG, 2011, 21 November).

³⁹ IB Ingatlan és Befektetés, 2011, 12, 21.

only later and only gradually did the question of privatizing public land become more controversial and a matter of some (public) debate. The Millennium City Center marked in this respect a noteworthy point, as its trajectory played out these contradictions in a way that it became a matter of public awareness and concern, not in small degree due the tug of war of party politics. The question of public interest framed on this occasion in terms of defending and preserving important public assets came to the fore as these questions entered a wider field of struggle, a cultural war that the building of the National Theatre set off and which percolated into the building of the Palace of Arts. Hence the more cautious preparation of the Warehouse project, to be analysed in the next (fifth) chapter, when city officials and the developer took great pains to secure the public that the private-public partnership was the best way for the municipality to remain the owner of the developed site, condition that was equated with the public interest without much reflection.

According to one version it was the developer himself who made the offer to the government to develop the former expo plots (Szentpéteri 2005). Later this was interpreted as a sign that it was from the very beginning the developer who called the cards and thus set the terms of the relation between the state and private capital. This very early conception already contained allusions to a cultural block without specifying exactly what it was meant by it. The first Orbán government (1998-2002) struck an agreement with the developer (Arcadom established by TriGránit) to quickly build the National Theatre, and simultaneously it sold the remaining expo plots to Duna Sétány Székház belonging to the same developer (Arcadom) for 2,385 billion HUF. The firm, later, stressed the fact that they had already participated in two open calls with the intention to buy the former expo plots, but on both occasions, first during the socialist government in 1998, then during the conservative one in 1999, the state reneged on the decision to sell the plots, although the company had given the best offers and had won the open calls. Only later did they then manage to strike an agreement, not in an open but in a closed competition. Thus the TriGránit group bought the plots on March 30 2000, with the exception of plot number 11 at that time belonging to the Hungarian State Oil Company, plot which the same firm later also purchased. (Szentpéteri 2005)

To dissipate accusations to have shortchanged the state in its partnership with the state, Trigránit prepared a material to be made public and in it provided details of the contracts with respect to the Palace of Arts. Most of the accusations were aimed at what was seen as the higher future costs that the state would have to eventually pay for MuPA. According to the statements on the part of the private firm, the modification from the original rental period of ten years to thirty years, and the concomitant modification from 31 to 97,7 billion HUF reflected the operating costs of the extra 20 years that the private company would incur within the framework of the private public partnership construction. The company argued that it was a huge mistake to compare the initial project's net costs of 31,3 billion HUF with the 52 billion HUF gross state collateral containing the operating costs of ten years, plus the additional interest to be paid, and all taxation liabilities, not to mention the reference to the 97,9 billion HUF that covered the operating, maintaining and upgrading costs of 30 years. It also stated that the company could have secured a much higher profit had it simply chosen to keep its money in a bank at an 8% interest rate and at the end of 30 years walk away with almost 340 billion HUF compared to the 97.7 billion HUF that it would realize at the end of a thirty year long period, let alone other more profitable ways of investing one's capital⁴⁰. The company summed up its stance stating that its philosophy was based on long-term calculations, foregoing short-term windfalls for more lasting gains. As such, the development company hoped that the Millennium City Centre, a 'city within a city' extensively building upon cultural and tourist elements would become a sort of prototype that they could sell to other cities that have an interest in developments of this kind.⁴¹

Similarly to the private firm, state agencies made attempts at countering the criticism that the state had shunned its responsibilities. Thus, the ministry of culture sent a written answer to the cultural organizations critical of the MuPa development. Interestingly the argument offered was that this kind of private-public-partnership construction, although unique in the Hungarian context at that time, was quite

⁴⁰ asz.hu State Court of Auditors "Jelentés a Művészetek Palotája megvalósításának és működésének ellenőrzéséről" 0660 2007 January.

⁴¹ Művészetek Palotája – Press material/Sajtóanyag 2005 January 26

conventional in the west and working quite well (Vargha 2007). Several other measures were advanced in the attempt to prove that the state's interest was safeguarded throughout the development process. For this three project firms were said to have overseen the building of the facilities with the presence of a representative of the ministry of culture with the right to veto in the board of supervision. The Arthur Anderson law consultancy firm did the legal auditing and the ministry of culture had an independent international engineering company audit the technical cost appraisal. In 2006, however, the state court of auditors (Állami Számvevőszék) stated that between 2001 January 1-2006 July 31, the role of the state in this development was not sufficiently thought out (see also Berlinger 2011), and that the investment proceeded on the basis of ad-hoc goals and that the nominal value for operating and maintaining the edifice for 30 years amounted to 335,2 billion HUF budget expenditure⁴² However, as Berlinger (2011), shows the numbers with which the state court of auditors worked with are open to deliberation depending on the way various rates are interpreted, and noted that participants in the contract avoided transparency and competition. This, however, did not challenge the finding that the state failed to act in the public interest (Berlinger 2011).

As it has already been acknowledged with respect to other mega-projects the share of risks and benefits between the public and private sectors are far from obvious in the mixing of public and private sectors (see Fainstein's analysis of the Atlantic Yards project in New York, 2008). Much of the criticism of MCC urban project targeted precisely the ambiguous interlocking of state sources with private capital, against the private developer reaping much of the profit at the public's expense and at the weakness of the state to command the upper hand or to defend public interest, with the caveat that the definition of interest is far from an automatic response (see later). The legal-institutional framework of the project happened through regulation by contracts and agreements rather than through planning, with the regulative planning measures overridden or circumscribed by contracts of a more short-sighted vision. As usual with bigger mega-projects the development was being completed in several stages, with still no exact end in sight in 2014. The entire development process was

⁴² asz.hu State Court of Auditors "Jelentés a Művészetek Palotája megvalósításának és működésének ellenőrzéséről" 0660 2007 January.

compounded with setbacks, detours, which made any claim to transparency and accountability rather a tenuous task to perform in a context where public participation was not required. Given that many contracts concerned the private developer, details were kept secret. And this secrecy only fed into the widespread feeling that there was something going on around the project that it must have served specific interests. This fed into and led to calls that the entire regulative framework should be put on a new basis calls endorsed by the chief architects of the capital as well, hope which in itself sounds very much out of reach, and, what is more, quite problematic. It provided fuel to those who would want to see the city as a clear slate, which as history had shown was dangerously tied to a much more authoritarian vision able to put an end to the present cacophony of voices.

In the absence of a clear framework for obligations and liabilities loopholes were found and made, and then defending one's position ran on slippery paths. Both the state and the developer made attempts, more often than not as mere token gestures to clarify the situation while it was virtually impossible to see through the web of deals, contracts, often kept away from the public, that were made through the entire megaproject. In this situation neither the state nor the developer appeared as and was in fact accountable to the public; this part of the city was thus lifted out of the democratic polity and turned into a private fiefdom. It became a state of exception, and exceptional urban fragment, which was an exception to the general rules that a democratic polity should be guided by. Such exceptionality, however, is not to be regarded as peculiar to Budapest, or to CEE, for that matter. It is rather a general feature of megaprojects that they are often undertaken under exceptional circumstances defying regular planning procedures (Swyngedouw 2006).

Such projects may subsequently become both a precedent and a warning and those involved in new urban developments, be that the state, civil society or private capital will need find ways to incorporate the earlier lessons in their actual practice. With CET (or the Whale as of late) for example, to be discussed in the next chapter, the state, or in this case the municipality, did not sell the warehouses, and the private-public partnership it struck was propagated to the public by the socialist-liberal side as the only means by which the municipality could keep the valuable land and the buildings on it, and secure the necessary capital through the involvement of a private

developer (Interviews with socialist deputy-mayors Imre Ikvai Szabó and Csaba Horváth May 21, 2010 and June 2, 2010). This partnership, however, under the new government was later ended. The new leadership at the helm of the municipality called for the end of this partnership on grounds that it was done under unfavorable conditions for the municipality.

4.1.8. Constructing exceptionality

The Millennium City Center wanted to be exceptional and unique. Both the state and the developer had the interest in turning this urban development into a unique cityscape. If a place, a building can be rendered the more special and exceptional, the better. Hence the construction of often outlandish, ‘iconic’ buildings becomes a practice that cities increasingly resort to. It is not only the material manifestations that can contribute to the much desired exceptionality, to the much coveted distinguished quality. It is through more discursive means as well that this can be accomplished. Much of the talking up of urban mega-projects, the public and media appearances of those propagating them, even the websites where blueprints are explained through hyperbolic language, all contribute to creating first the visibility, and second, constructing the outstanding quality of the place, and thus distinguish the place from the rest. For this to happen the excavation of particular histories and traditions is summoned, of more distant pasts, more distant linkages are preferred than the ones immediately preceding the current age.

No wonder then that the development of the Millennium City Center led to the excavation of the past and to the construction of a narrative that linked the new city center to an earlier industrializing and developing Budapest one century earlier. The Millennium City Center was through this narrative constructed and placed where once mills and granaries used to stand. The Budapest mill industry used to be the second biggest in the world after Minneapolis around 1867 during the booming of railroad construction and export-oriented flour mill industry offering special opportunity for the fledgling iron and engineering industries in Hungary turning Ganz Works of European importance (Berend T. Ivan 2013: 150-2, Bodnár & Veres 2013).

Whereas once mills and agriculture related industrial activities around them testified to Ferencváros's boom during the second half of the nineteenth century and the beginning of the twentieth, now the mix-used mega-project on the riverfront purported to accomplish a 21-century type of urban regeneration. And it did so by consciously capitalizing and playing on the mental associations that many Budapest and Hungarian citizens had when recalling and when were induced to recall the fin-de-siecle rise of Budapest. An appropriate structural heritage was recreated that many a tourist could not be entirely oblivious to, as the renovated mills were turned into museums, next to the Zwack factories consolidating their liquor business and taking up wine production as well, with the many tourist brochures carefully designed to draw attention and with this sell an enhanced image of the city building on that heritage. In between the fin-de-siecle and the millennium in 2000, this part of the district came to house the shunting yards of MÁV, the Hungarian State Railways, once a thriving industry of a socialist political economy, which, however, by 1989 had become entirely obsolete. The appeal to turn this period of history into heritage and a marketable asset was still to be created as the socialist past was of a less patina and appeal than the fin-de-siecle Budapest to the existing elites.

The contiguous plots that the developer purchased from the state, their location on the Danube-river bank with a spectacular view of the meandering river and the bridges arching across it, these features were highlighted and repeated again and again in the plans envisioned for this part of the city, and in the pronouncements made by architects and developers (Finta cited in Vargha 2005). These gestures were all meant to sell the project, to imprint on our minds and imagination how unique and special this city part was going to be. The buildings that eventually got built were later critiqued precisely for their rather mediocre quality (Vargha 2005) and for having failed to make the best of the favorable location. The new buildings in their style and content were supposed to embody a rather outstanding city part as befits such a unique location. Apart from the two cultural venues built, the other constructions turned out to be pretty uninspiring. The two cultural venues themselves did not excel architecturally either, but the symbolism attached to them, the urban politics that shaped them and their cultural profile helped them become a point of reference in the cultural-political life of the city.

The material constructions of a mega-project, the physical aspect, is a significant part towards staging the uniqueness of the project, but as long as the buildings constructed turn out to be pretty average, the claim towards uniqueness cannot be sustained no matter the hard work put in framing the whole project as outstanding. The rather mediocre quality Millennium City Center's buildings had undermined this claim, and to this extent they meant a failure. The developer possibly failed to realize the monopoly rents that this unique location could have produced had it really turned out that unique.⁴³ On the other, the failure to realize monopoly rents points to the limits of this strategy, to the fact there are more peripheral regions that cannot possibly become that outstanding for that amount of capital to move in on the basis of a redeveloped area.

These days any place, beyond the architectural means to render it somehow special, needs to be appealing for foreign capital for reasons that do not stop at the physical features of a rather circumscribed place. And no matter the size of the project and the mix-use aspect, this in itself is still a narrowly conceived strategy to attract capital. Being not so outstanding often is for the better in case of such peripheral regions, more beneficial to a larger segment of the local population. First more local companies may want to relocate there and be able to fork out the money necessary for renting that just a bit more exclusive place. Secondly, everyday citizens too may find living in such a rather ordinary place a better option. Creating an outstanding and unique place needs to consider the local needs and limits to such an endeavor. And if the developer does not rein in its appetite the state should be willing to once it is capable of doing so.

For the unique or special character of the Millennium City Center to be created and convincingly conveyed several agents took part and had a stake, not only the developer, but quite importantly the state, who was equally bound to advance and (talk) up the prestige of the development given its role in the entire process.

⁴³ 'Monopoly rent arises because social actors can realize an enhanced income-stream over an extended time by virtue of their exclusive control over some directly or indirectly tradable item which is in some respects unique and non-replicable' (Harvey 2001: 395).

There is a circular and cumulative element (Fainstein, 2000, Harvey, 2001) in the dynamic of urban investment, which if orchestrated well can indeed enhance the fortunes of a project. With the Millennium City Centre because of the absence of an alliance that prevailed across governmental cycles, some sort of ‘urban growth machine’, which could accomplish the harmonization of investment process dynamics which also entails the provision of key public investments at the right place and time such a synergy did not happen. Harvey (2001) notes the imperative to create a synergy within the urbanization process that allows for monopoly rents to be realized by both private interests and state powers. The choicest piece of land is often strategically kept back and it is only after the rest of the project is completed, that developers, and the governments with which they need to cooperate will realize the monopoly rent. The building of the two cultural venues, however, does not point towards such a conscious design to establish that synergy whereby plots are carefully singled out and developed in such an order that can secure the highest possible rent. However, with the congress center still not built, maybe the state or some private developer is weighing the odds and waiting for the right moment to develop.

But the question is not simply a claim over land and the possible monopoly rent. Or the question of monopoly rent is not by far an economic question as it has been noted. It is equally a claim over collective identities, histories and narratives, to formulating particular visions (Harvey, 2001) and in this the state had to still play a key role while apparently having forgone its claim on spectacular financial revenues. The Millennium City Center has been as much about the calculi of political economy as of matters of culture. Hence it would be a mistake to assume that the loss is solely that of the developer’s or that it is a mere financial loss. The criticism leveled against the Millennium City Center for having been turned into a bland and lackluster composition of several but equally dull buildings (Szentpéteri, 2005b, 2005c) is not without significance, and not simply from an architectural or aesthetic point of view, where of course, it does matter, whether there is a quality building built or not that can meet certain architectural standards. It is also about a vision about the city, an idea about what this city is to be like, what principles should drive it, and who can have a say in all these matters. However, as an urban mega project, with the elite component supposed to be a dominating factor as Swyngedouw emphasized (2007),

the question must be asked whether non-elite fractions of society had any say in the matter.

One of the criticisms leveled against this particular UMP (Szentpéteri 2005a), was that the two cultural elements built saddled the state with a huge burden siphoning away funds from the wider cultural sector. However, their construction was a sign in fact of business savvy on the part of the developer upon resorting to an already well-lubricated urban tool in North America and Western Europe, barely building momentum in Central-Eastern Europe at that time.

4.2.1. Divided visions

MuPa together with the National Theatre constitute the two cultural blocks of the urban development, the Millennium City Center. The National Theatre finally opened in the year 2000 to mark the beginning of the new millennium and with it the reign of the conservative government. The Palace of Arts opened in 2005 and it was the urban rejoinder of the liberal-left, the cultural venue opposite the National Theatre.

Despite the two cultural venues which have become an organic part of the city's cultural scene, parts of the Millennium City Centre were for a long time still rather desolate mainly because of the absence of veritable streets and of people going there, apart from the offices erected there. It was in fact the absence of real public space that kept the place so desolate. The few bushes planted were rather feeble attempts and faint reminders of a park, and the cafeterias on the groundfloor of offices catered to those office workers at best. As there was still enough open land to be built in, there were talks about some sort of a street of gastronomy lined with chic restaurants offering a variety of national cuisine, a by now global and well-lubricated urban policy tool. Another important reason for the relatively desolate atmosphere was the fact that the suburban railway still ran above the ground, along the Danube bank, blocking direct access to the river. This aspect was one of the several issues in the cooperation between the private developer, the municipality and the district, which was not dealt with to date as none of the parties involved were willing to assume the financial burden in this matter.

The two cultural blocks of the mega-project came to acquire a strong symbolic content due to party politics, where politicians found it politically opportune to interfere in the building process of theatres and cultural centers. In the wake of this, the two cultural venues came to be viewed as stand-ins for a left-liberal and a right wing block, respectively. The Palace of Arts which got built in the wake of the National Theatre, and as such it learnt from the 'mistakes' of the former, more or less immediately came to be framed, mostly by the liberal-left side, as a successful and progressive venue for cultural production. It could claim this by avoiding the obvious pitfalls that the state had permitted itself to commit when it unanimously disregarded competitions and open calls during the design and building of the National Theatre. For the National Theatre, however, it took much longer to correct the narrative of the discretionary politics that created it, only to be again tied to such politics after the 2010 elections - with the new director again elected and appointed against the wishes of the theatre profession. These two cultural edifices - facing each other at the tip of the new civic (or millennium) center of Budapest right on the Danube bank - came to stand for the two at that time more or less equal political blocks (left-liberal versus right) and for the worldviews espoused by them, reenacting and deepening the division between these two sides, drawing sharp lines between the self-proclaimed progressives and the more traditionalist-nationalists. In light of this, party politics played a significant and determining role in the urbanization process of Budapest carving up unexpected places in the city, helping produce new divisions, both material and symbolic, and new practices and narratives that buttressed it.

4.2.2. Constructing the National Theatre

Building edifices with a pronounced symbolic content is not always a straightforward process. The history of the National Theatre figures in the Hungarian cultural imaginary as a narrative of failures - either the building assigned to house it burned down or plans to construct it were several times discarded. The idea of constructing such a cultural edifice emerged already in the aftermath of 1848 as part of the nation building momentum all over Europe and it re-surfaced many times afterwards but it always enjoyed but a temporary solution before 2000.

Although the first design competition for the National Theatre on Erzsébet square took place in 1989, the first democratically elected government did not embark on its construction. In 1995 the then socialist government decided to build the National Theatre and the government and the liberals-led city together planned to start construction in 1998. A second design competition was announced for the theatre to be built on Erzsébet square in the downtown, and in 1997 Ferenc Bán was declared the winner with a vast majority. However, in 1998, in the aftermath of the governmental election, construction on the Erzsébet square was brought to a halt. In October the same year the new conservative government announced the change of location on grounds of reducing the construction costs. A new ministerial commissioner was appointed to oversee the building of the theatre. In 1999 March 9 the prime minister Orbán Viktor appointed György Schwajda governmental commissioner who thus would answer directly to the prime minister and not to the Ministry of Culture. The ministerial commissioner announced that there would be no competition and he commissioned an architect to design the National Theatre. On 26 March the president of the Chamber of Architecture resigned. On 26 August 1999 the government brought the decision to build the National Theatre on one of the sites of the failed expo in Ferencváros. The governmental commissioner presented the mock-up of the National Theatre designed by the handpicked architect. In the wake of objections by the Budapest and National Chamber of Architects seven architects were then invited to compete. Meanwhile, the public procurement for the building of the theatre was won by Arcadom. Their offer of 6,7 billion HUF plus the VAT was seen as rather unusual given that the result of the planning competition had not been made public by that time. The winner of the design competition was Vadász & Co, yet on

the basis of the governmental commissioner's decision, another architect was to continue the planning of the theatre. The architect of the winning design restated on several occasions that he would not like to give his name to someone else's plan, and that he would not like to shape the architect's design either. Meanwhile, the latter went on planning and in July 2000 the design was submitted to the nineteenth district council for planning permission. The Chamber of Architects and the Alliance of Hungarian Architects expressed their objection to the way the government had overridden the official result of the competition. On August 1 2000 the government established the National Theatre Public Limited Company, which soon acquired the building permission from the district council and in a few days construction started on one of the former expo sites. Yet, on 5 September the same year the mayor of the district stopped the construction work, as the permission was not yet legally binding. On September 12 the government earmarked 10,3 billion HUF for the building of the theatre for the year 2001. Through summary proceedings the Public Administration Office of Budapest made the building permission legally binding and on September 14 Arcadom began construction. The unanimous position of the architectural profession and their recommendations were dismissed (three appeals filed were rejected by the Public Administration Office of the Municipality) - event that would be remembered as the complete disregard of an entire profession on the part of the ruling conservatives. On 4 October the Budapest Chamber of Architects excluded the architect from its ranks and the Ethical Commission of the National Chamber condemned her for signing the contract with the National Theatre Public Utility Company prior to the result of the competition. The architect took the case to court. In 2002 on 13 of March the head of state awarded this architect with the order of distinction. On March 15 2002 the National Theatre had its opening ceremony. In 2002 March 12 the government spokesman announced that the National Theatre cost 12,1 billion HUF in 1998, which amounted to 15,4 billion in 2002 when the theatre was completed. If one added the competition organized under the previous government, the construction work at the first location and then the rehabilitation of the Erzsébet square then the total cost was somewhere between 20 and 30 billion. At least, this was the official version which was contradicted by claims that the actual cost of the theatre was much higher and as one former higher ranking state representative intentionally let it slip costs pertaining to the theatre were masked as

costs of other developments.

4.2.3. Producing the Palace of Arts

The rationale provided for the construction of MuPa contained allusions to economic imperatives too, as it was the case with the National Theatre. However, the meanings of this showed considerable differences that were formulated by another government and reflected a different way of relating to the place to be developed. The project also embodied a different architectural approach. The building of MuPa, although emerging as a foil to the National Theatre, in both practice and in its symbolism, in the intentions rival political blocks had, was not a denial of the ‘national’, as it was not its explicit signification either. The practice and meanings advanced by the architects, rather, presented a careful negotiation between the ‘local’ and the ‘global’, offering a particular balance and allowing for a dynamic relation between the two.

Arcadom Rt. the project company of Trigránit private limited company began the building of the Palace of Arts (seventy thousand square meter) in March 2002 and finished it on 14 March 2005. It was the first private public partnership ever in the region (asz.hu) and it received accordingly widespread publicity. It was presented as the most rational and effective way to build such a cultural center. Most importantly the decision was rationalized on the part of the state by arguing that it would not burden the state budget, and thus jeopardize the meeting of the Maastricht criteria. As Hungary was to join the EU in 2004, adhering to the Maastricht indices was deemed to be of paramount importance. For the then ruling liberal-left coalition the EU accession constituted one of their most significant policy directions, and their pro-EU stance after the 2010 conservative electoral victory become one of their most ardently defended identifying traits, feature which was increasingly setting them apart from the right-of-centre block and even more so from the far right.

Initially the building of the cultural block was calibrated at the cost of 31,2 billion HUF. The private developer provided 30% of the money and for the remaining 70% the firm took a bank loan. However, the sum was modified in the aftermath of an individual parliamentary motion stipulating an upper limit of 52 billion HUF with the

state as a guarantor, amount to be paid back by the state during ten years. The 20 billion HUF, the difference between the cost of building the cultural venue and the 52 billions was said to cover the cost of the banking service, the tax burden on the developer, the risks associated and the VAT (asz.hu).

A public statement was made and major papers helped publicize it. The managing director of the firm stated that the contract was the guarantee for both the state and the developer that no matter what the fluctuation in the EURO/HUF exchange rate was, or the changes in the interest rates, neither party could gain at the expense of the other. Notwithstanding this statement, not even the parliamentary cultural committee could analyse the contract, as they could not participate in the budgetary discussions concerning the 2001-2002 year either (Szentpéteri 2005). During the following years new changes again took place concerning modifications of responsibilities and deadlines all properly sealed in the private contract. The sum now stood close to 100 billion HUF to be paid back within 30 years. This was quite a rise compared to the first estimates of around 30 million.

The Millennium City Centre mega-project, which is not yet completed to date, with its prolonged iteration, was certainly less about deliberate planning, as the particular case of MuPa well reflected. This feature, however, is not at all confined to the post-socialist state, and as such not a shortcoming in the form of a legacy of the socialist past, where central planning reigned supreme, but, as noted earlier, a staple feature of neoliberal entrepreneurial urbanization. This entailed till 2010 a decentralizing state which was not driving anymore from a superior position urban developmental processes but that needed to negotiate with other levels of government at the lower rung and in principle more independent of central resources. On the other hand, this did not entail either a strong local Budapest government – nothing even remotely similar to a ‘local growth machine’ as a more or less stable alliance pursuing economic growth across different governmental cycles, and purposefully driving it, nor an autonomous and strong municipality, either. And there was, neither, a more democratic governance in place that decentralization was supposed to bring contrary to opposite assumptions. Consequently the production of this urban megaproject was much more of a convoluted and opaque process wrought with unexpected turns and stops, and many a contradiction.

Those involved in it, nevertheless, tried to perform, narrate and make sense of their practice according to the position they occupied with respect to diverse rungs and within the larger scheme of things. The completion of one part of it, at least, insofar as the building of MuPa is concerned, was narrated and conveyed by the two main architects as a beneficial outcome (at) the confluence of small and lucky coincidences.

During the next two parts I present where the designs of MuPa were made, how the architectural firm that designed MuPa envisioned and constructed the local. Afterwards I present their narrative of the building process formulated in terms of lucky coincidences (Bodnár & Veres 2013).

4.2.5. Where designs are made

Andrássy boulevard built before the turn of the previous century, and modeled on Champs Élysées, is the most emblematic and opulent avenue of Budapest. By 2014 more and more ground floors of its palaces were occupied by haute couture shop, telltale signs of Budapest becoming more and more wired to transnational capital flows, a sure ground of profit for these luxury brands, portending exclusivity and exclusion. Behind the glossy façade of these grand buildings, however, visitors upon closing some of the heavy doors on the outside din, easily found themselves in a bygone era the moment they stepped in and inhaled the mouldy damp air which still lingered in the inner courtyards and the staircases adorned with patches of peeling walls. This was still the typical experience of Budapest buildings, true, the neo-renaissance buildings here were clearly more opulent with many of them completely renovated compared to other parts of the city.

The Zoboki & Co. architectural firm was located in one such building. The moment the visitor entered their office the contrast between its sleek and trendy style, but with the visible patina of the older pieces of furniture, and the damp staircase was hard to miss. This zig-zagging course between affluence and decay and trendy grittiness was exactly where Budapest showed its true face furrowed with immense contradictions – in this by no means unique within the space of global urbanism.

At the time of my visit in 2010 it struck me as the perfect location for an already locally successful but still expanding and rising architectural office. Zoboki Demeter & Co were five years after the completion of MuPa and just about at the start of projects in the town of Shenzhen in China and later Saint Petersburg in Russia, in both places invited to design cultural-entertainment complexes similar to MuPa, albeit on a bigger scale.

The outside grittiness did not detract from the dynamic trendiness of the office. It in fact contributed to the image the architectural office perhaps wanted to convey, that of trendiness and of dynamism, of a firm not yet at its peak but fast moving towards it. The drive, the ambition of a relatively modest (maybe for the Hungarian context not that modest) but committed and clearly rising architectural firm found its perfect site on the Andrásy boulevard. The palpable yet subdued signs of decay of the inner courtyard had the benefit of adding a certain sense of patina, which the exclusive location differently, but it did only help accentuate.

4.2.6. Constructing the local

At the very beginning of our talk with the architects who designed The Palace of Arts and as a rejoinder to my opening remarks on the Guggenheim museum in Bilbao the architects of the Palace of Arts firmly stated that with MuPa they did not intend to design a piece of iconic architecture, construction which they jokingly indexed as an object “catapulted from outer space into a familiar geographical location” (Demeter & Zoboki interview, February 23, 2010). The Palace of Art was not an example of iconic architecture that would stop by-passers and arrest their gaze, and it did not aspire at becoming one - the architects admitted. As they claimed it did not even occur to them to create a building that struck one as if ‘it had been catapulted from outer space into a particular geographical location’.

Instead, the two main architects stated that they and their team aimed at performing a more mundane task to the best of their métier and with attention to the local context. As they saw it, before MuPa Budapest did not have a proper concert hall, its Concert Gebau or Royal Albert Hall. However, there existed a local audience attuned to high

quality music, which for many years would attend classical music concerts in the Music Academy on the Liszt Ferenc square.

“The medium, that is, the audience weaned on first class classical music had existed, it just could not take any form, it did not materialize in a house, a building” (interview with the architects, Nora Demeter & Gabor Zoboki, 2010 March 23)

The architects built MuPa’s concert hall with this already existing audience in mind, who they said had outgrown the tiny music hall of the Music Academy. For its architects the designing of MuPa’s concert hall was firstly conceived as an answer to a specific local need. The local audience of classical music had existed and was a regular visitor to the centrally located Music Academy on Liszt Ferenc square. It was a rather small but dedicated audience, which the new concert hall was about to serve in the future. This audience according to the architects had to be convinced to visit the new location from now on, which was no small task given that the Palace of Arts in 2005 when it opened was in a still rather desolate and nondescript part of the city. It was largely still perceived as being rather out of one’s way, and out of the cultural circuit of the city.

‘The Hungarian audience is conservative, there was an audience who thought that there cannot be culture beyond the Liszt Ferenc square, there was a negative PR that with the outskirts culture is not compatible’ (interview with the architects, Nora Demeter & Gabor Zoboki, 2010 March 23).

The narrative formulated by the architects positioned them first of all within the local milieu. They claimed that they built the new cultural venue to meet local needs, more specifically to serve a local audience's fondness of classical music. On the other hand, as it later emerged this happened with an awareness of and understanding of the existence, the rules of a globalized cultural constellation. The narrative constructed by the architects deployed the by now well-known juxtaposition that sets apart the local from the global in terms of local architects attuned to the local needs versus star architecture with outer-space like constructions which serve a global, distant audience and which supposedly does not communicate with the immediate surroundings. In this juxtaposition the audience of the small Music Academy was presented as apart from a supposedly more global, and more remote spectatorship.

The top-class concert hall of the multifunctional cultural venue came to occupy pride of place. The building of a high quality concert hall in fact was not only a strong statement about the elite character of the venue, which was subsequently enforced and enacted when the venue became part of similar institutions across Europe (ECHO-European Concert Hall Organization, for example), but of its more global aspirations. An elite view of the venue was enacted where theatre and concert hall directors congregated to raise the prestige of their respective cultural venues that thus become part of an exclusive cabal.

“It is never the audience that spreads the news, it is the circle of similar places, the directors of the Barbican, the Concertgebouw, the Kennedy Center, the Royal Festival Hall come here, we go there, and then the place in retrospect gets acknowledged” (interview with the architects, Nora Demeter & Gabor Zoboki, 2010 March 23)

As Friedman notes ‘above it all, in the global circuits of high culture, intellectual arenas, media elites, and diplomatic spheres, there is a global identity, a cosmopolitan identity [...]’ (Friedman, 2009: 300). By building a high quality concert hall, the architects advanced also a claim to draw a more global audience, and as such, bring together the local audience with a more transient one, alter the relation between the local and the global. Hence, the architects’ remark, which otherwise echoes similar others, that Bilbao’s or Guggenheim’s audience is not of Bilbao, while not quite fully applicable to the Palace of Arts and its audience, as there are many locals who show up there, is not totally beside the point, either. By 2014 if one visited the venue during the Budapest Spring Festival, one could not help notice that most of the audience did not speak Hungarian. The Budapest Spring and Autumn festival, the Wagner days have become internationally listed music events, and then a considerable part of the people who attend these are not from Budapest, or Hungary, for that matter.

After the renovation of the music academy, one of the most outstanding Art Nouveau landmark buildings in the city, the infrastructure of the globalized classical music scene widened even more in Budapest and the local audience was increasingly rubbing shoulders with the growing number of visitors to the city, and possibly becoming more global/cosmopolitan in its turn, process which, however, did not start

only with the building of MuPa, but which nevertheless added a certain momentum and embodied it in a novel construction.

Even if MuPa was not “a Marsian’s beautiful PR action applied to planet earth”, a significant part of the audience was definitely more global. And while with Frank O’ Ghery’s Guggenheim museum the city, as again the architects of MuPa put it, was orchestrated as an attempt to fill in an economic gap through a cultural product, this logic that the architects seem to dispute with respect to the building of MuPa, was not that anathema or antithetical to the context that brought the Palace of Arts to life.

4.2.7. A Chronicle of serendipities

At the very beginning when the two architects⁴⁴ were invited to design the cultural block, neither the state nor the developer had an idea, as the architects recalled and repeatedly echoed by several other architects about what sort of cultural edifice to build, not even the state, represented by the ministry of culture, in its capacity as its future owner. The state and the municipality was later often criticized for this and was often castigated for being unable to set down the rules of a wider framework within which urban development could proceed in a more regulated manner. As one architect quipped “the leash was thrown among the developers”.

When the government had sold the sites later known as the Millennium City Centre, apparently, the condition that the developer should also develop a cultural block as part of the larger mega-project was a prerequisite. Originally the future megaproject was to contain several functions as earlier stated. Back then at some point the site assigned for the cultural element purported to include a museum of some sort, offices and a hotel. The Zoboki & Demeter company won the design competition for the building of a cultural complex. In their account the architects praised the idea of a multifunctional cultural building. They attributed the multifunctionality to the previous North-American experience of both the developer and the project manager behind the project. As an unknown practice in the Hungarian context at that time, if

⁴⁴ Nóra Demeter and Gábor Zoboki

we discount some of the cultural venues built during socialism with a different intent and rationale, for the architects this meant a professional challenge that they were happy to take. After the three elements of the proposed multifunctionality became clear, namely, the museum, theatre hall and concert hall to be included in one single block, the idea that the concert hall be a world class design slowly emerged. Since the technical know-how about how to build such a concert hall as the architects recounted, did not exist in Hungary at that time, the architects took part in a North-American tour. The architects visited several architectural firms, concert halls, acoustics firms and at the end of it the professional team that would build the cultural centre formed, with the Russell Johnson led ARTEC, one of the world's top theatre design acoustics company later to design the concert hall. The two of them realized that if the imagined quality was ever to be reached they needed a much wider range of perspective and knowledge about similar cultural venues.

It is precisely this quality as well as the existing local music tradition and its audience that helped the concert hall later acquire a more international reputation and make it into a stop in the global circuit of cultural production/consumption. Financial calculations that the developer must have had did not affect the concert hall's quality. The financial constraints were shifted onto other parts, onto the outer shell, for example, which while acceptable, did not match the quality the concert hall.

The design phase and the building phase as the architects admitted did not evolve according to a logical sequence, but with decisions and designs made by the architects sometimes becoming meaningless in the wake of agreements, deals and decisions already made on the part of the developer and the state.

'By the time we really got involved in the tasks, a lot of important conditions had already been settled'.

'And we were happily drawing a house which turned out to be ten or fifteen thousand square meters bigger than what it had been decided on, we won a design competition for something nobody really knew what it was, there were pre-plans, but for nothing, the business negotiations had preceded the architectural development, which we did a bit post-facto, the concert hall was not in fact part of the initial design competition,

then we got to the second round where the theatre already figured among the plans, but there were still plans for offices for this plot...'

'It took 1-2 years for something to materialize, we did an unbelievable amount of design plans, but by that time a lot of forms, contracts had already been filled'.

One of the architects remarked during the interview that at times it felt as if one were asked to make a piece of clothing without being told whether that should be a shirt or a skirt in the end, but which should serve its purpose by all means. Despite the odds, the architects regarded the project as a successful undertaking and a useful learning process which proved essential when the firm was to later take part in similar projects in China and Russia for example. In the architects' account this was possible thanks to an architect who just happened to be an aficionado of classical music, another who had an eye for objects of art, an equally astute music conductor, the founder of the Budapest Festival Orchestra, who became the permanent resident orchestra of the venue, and last but not least a private developer and the project manager of the MuPa project. The latter were important not simply because they had the money. As the architects remarked because they had come to accept the necessity and the expediency of what a top concert hall may entail in the long run.

The architects saw themselves occupy the gap between the state and the private developer. The fact that there was no clear plan and no one knew what exactly to build permitted the architects to play a key role. For the architects in a sense this was a fortuitous opening which emerged and which presented them with a challenge and an opportunity to shape not simply the design of a cultural center but equally to try and figure it out what kind of cultural center would best serve the needs of the project. At the beginning they responded to the call for designing a cultural center. What sort of cultural center? No one could answer at the start. The architects were thus compelled to imagine and think out the would-be cultural venue. It is not that they had to design a well-delineated cultural place where the state, for example, clearly stated what it wanted to see. Along the way, as they recounted it, upon sensing an opening, realizing that there was no exact idea to which to anchor the design, the architects seized upon the idea of a more complex cultural development (Demeter & Zoboki interview, February 23, 2010) to match the exquisiteness of the site, to excavate the potential on the riverside location. The architects saw their position in terms of a fortunate stroke

of serendipity, in that ‘a developer open to suggestions, a project manager with valuable experience, and a minister of culture equally responsive and able to communicate the idea persuasively to the then prime minister happened to meet and were able to reach an agreement’ (interview with the architects, Nora Demeter & Gabor Zoboki, 2010 March 23).

4.2.8. Where is the global?

Globalization, a ‘veritable promotional gimmick’ as Harvey quipped, however counter-intuitive this may sound, is in fact a process of local transformation whereby the content of the local is altered. And this transformation happens by way of global events, global products and global frameworks ‘being packed’ into the local (Friedman 2008: 300). Urban mega-projects often are some of the most visible local instances of the global. The packing in of global events and frameworks into the local make these projects key sites of negotiating the global within the local. In this negotiation different agents have different conceptions, visions and practices and possibilities whereby they navigate between local histories and geographies and global ideals and logics and formulate their responses. Both the developer and the architects of MuPa brought a certain understanding and knowledge about what the local meant and what it could or should be in this cultural space.

These two perspectives at the most abstract combined both the calculi of political economy with that of culture. In both cases there was a constant reference to other places, other models and other projects, as business calculation and as professional or architectural questions, part of a transnational (policy) network and trade in models (Healey, Roy and Ong 2011, Peck 2010). As an urban megaproject, however, it was not simply the Millennium City Center being informed and being partly the result of practices originating elsewhere. It was equally the case that what took place here became a model for other places to follow. The architects who designed MuPa, precisely due to their experience and to the solutions they applied here, were chosen to take part and design, as Zoboki-Demeter & Associates Architects, what came to be the Nanshan Cultural Center in Shenzhen China. As a replica of the Palace of Arts the Chinese cultural space became a further instance of serialization and a new stop in the

global circuit of cultural production. At that stage the Hungarian architectural firm moved out of its local instantiation and became for the Chinese officials a model to be adopted. Did it become global? It would be interesting to know what the Chinese officials thought of it, where the Hungarian architectural firm stood in their urban imaginary. As this instance of 'trade in models' shows, this is a more dialectical process to the constructing of the local and the global, where the two poles are more entangled than a simple juxtaposition would allow us to fathom. The global and the local is not exactly a relation between the two poles at the opposite extremes. This image is precisely what makes it so hard to bring the two under the same house and understand them not necessarily as opposite extremes. The global then becomes more easily amenable to an understanding whereby the global is (packed) in the local and packaged by the local, and hence the possibility that the global can be altered and influenced at a local level.

The Palace of Arts slowly became a cultural tourism destination (Szemere 2015), and attained a wider audience and an international rank, despite the absence of a clear cultural conception at its origin. Initially the architectural firm had won the competition for an entirely different cultural building, for something that was rather cryptically referred to as the 4M (Modern Magyar Művészeti Múzeum), supposedly a modern Hungarian art museum that was imagined to display various already existing collections across the country after they had been specifically relocated to the new Budapest museum. In the end the Palace of Arts came to house the Museum Contemporary Art, the Ludwig Museum, a concert hall and a theatre hall, all with a strong international profile, marking the aspiration to reach out to the global and bring it in.

The lack of planning and foresight that marked the making of the Palace of Arts, and the Millennium City Center, was not a simple anomaly, a minor shortcoming. Those who criticized it regarded this deficiency in terms of wider trends. *'There were no people on the part of the commissioning state who could have been able to formulate what it was that the state wanted to see'* - the architects stated, their opinion reflected and echoed many other similar judgments, that other architects, planners, cultural producers etc. had variously voiced.

“As long as the state and the city do not intervene to this extent into the urban restructuring of the city and allows the private developer to develop ... the toolkit needed is missing, this system is the refuse material of the communist planned system, which now got liberalized, there is chaos now, a mess, there was no conception for the Millennium City Center, the reins were thrown into the claws of a private developer who proceeded along his own axis guided only by the input output logic” (interview with the architects, Nora Demeter & Gabor Zoboki, 2010 March 23).

"As long as the state withdraws to this extent from questions of real estate development, because let's admit, everything can be traced back to real estate development, 10% today of the national economy is given by the real estate industry, for some reason the state exempted itself from its obligation for the past twenty years, free capitalism started and the state cannot hold together its developments, as if there were no watching eye" (ibid.)

While the state and the municipality were still the owners of some real estate, at the beginning of the new millennium, its development organs such as the Hungarian Railways, and all the public utilities were pursuing their own business without a body that could hold these together and thus impose a more unifying agenda. To ‘the missing watching eye’ the architects countered with a French example. They held up the example of SEMAPA in Paris created at the initiative of the Paris municipality in 1985, now a local development company with an exclusive public shareholding structure made up of the Paris municipality 66%, Department of Paris 26%, and Ile-de-France region 8%⁴⁵. For them this was an example where a state organ held together diverse developments and coordinated them among different levels of jurisdiction. The other comparison they drew for its careful planning and design process, and for being a welcoming space where people happily linger, was that of SFMOMA, the San Francisco Museum of Modern Art designed by the Swiss architect Mario Botta. *“They had prepared for 5 years for the thing, and did not try to solve something retroactively. The Hungarian likes solving things quickly; now there is money so let's do it before they decide that there is no money for this after all.”*

⁴⁵ en.semapa.fr

While the architects regarded the absence of careful planning to be a serious shortcoming and heavily criticized this, they, nevertheless, saw the building process of MuPa as more authentic and organic. As they saw it, this was not a replica, an implementation of a general trend which was later to be put in place through place marketing. For them it was more organic than this. And this also meant that some things were not yet functioning too well.

“There are recipes for this, how to make people go there earlier for the performance and stay on after, how to make a forum out of these places, more commerce like in London and Paris”.

“When a cultural institution is renovated than trendsetters come in and change the place according to these trends, here there were no trendsetters”.

The architects pointed to the fact that there were yet untapped potentials in the building, such as the few (two, a simple and a more exclusive restaurant) and inappropriate places to dine, so sit down and hang around, aspect that visitors and those who were working there found it wanting, even if for other reasons. For the architects this feature was an important means by which people could be made to come earlier to the performance and stay well after. Places where people ate were also places where people met and chatted and lingered, which was a good recipe to make the area around the venue more lively and bustling. The supposedly domesticating effects of transforming rough areas into pedestrianized streets and squares with cafes, restaurants etc. is a key ingredient of much of current urban policies, promoted to be conducive to creating lively and vibrant places, pace the heavy criticism it receives for their exclusive and exclusionary practices, for in fact ending or circumscribing public space instead of enhancing it (Low & Smith 2006, Zukin 1995, 1999 etc., or from the perspective of creative producers see Kratke 2010, Colomb & Novy 2013, Vanolo 2013).

Had the building been part of a more carefully thought out project, perhaps some other, a more famous architects would have designed MuPa. In that case, *'if it is Daniel Libeskind who designs MuPa, then the visual dominates'*. In this case, however, it was a Budapest firm which had to try to figure out, to find out what was going to work here and for whom. But they could not help remark that a global architect

would have done good to Budapest and to the architects here. (Interview with Zoboki & Demeter).

It was around that time that in Rome Zaha Hadid was designing the MAXXI National Museum of XXI Arts⁴⁶. The architects remarked how the banking world was outrageously financing it. This was the dominant trend in the building of cultural institutions where financial institutions were bankrolling cultural venues especially if a global architect was on board. What the architects found wanting, however, in the present Hungarian climate was the fact that they saw no statesmen who cared about architecture.

“Clever politicians said that if there is one public investment then this would bring about its real estate development structure. City development is not like they imagine it here on Tartar land”.

“One cultural venue, in isolation, will not solve the problem of the area”

“Architecture is a handmaiden. The architect has to position himself somewhere. Great men are needed who can see in architecture strength, and long term thinking”.

After my interview in 2010 a new government was elected, which by 2014 proved that it did see in architecture strength, that it wanted to use it. And it did it mainly to buttress its own hold on power without regard, however, to any divergent opinions, to professional considerations and their autonomy.

As Evans states '[t]he role of architects in the monumental buildings erected to house private collections of monarch, aristocrat and merchant, has been one of client control' (Evans, 2003: 430), and while, indeed, architects are less and less the autonomous artists they are still imagined to be, working in a heteronomous profession and environment, where they endlessly negotiate, or parlay others' visions, this does not invalidate the claim that 'today the pinnacle in the jobbing arkitecton's (masterbuilder) career, is the public monument - the museum' (ibid.). If one throws a glance at

⁴⁶ 1998-2009, opened in 2010

Zoboki & Co.'s architectural career the Palace of Arts and the Nanshan Cultural Center in Shenzhen⁴⁷ are their two most important projects to date.

Conclusion. *City builders in the making.*

While the narrative of small serendipities may strike a particular resonance, as it captures one key layer of this process, as to how it was experienced by some of those involved, it remains nevertheless, a partial account without the consideration of a wider backdrop which adds a different twist and significance to this understanding (Bodnár & Veres 2013). The often lucky coincidences, ad-hoc responses and murky decisions which are difficult to untangle, are set against the ‘post-socialist state’ in the process of redefining its scope within a new phase of capitalist political-economy, which is ‘post-liberal and post state-interventionist’ and which comes in the wake of both the western welfare state on the one hand and of the actually existing socialist state on the other (Postone 2000:14).

What at the beginning struck as an unusually politicized project, it rather means the interference of political parties, the political party machinery at times virtually encroaching upon all aspects of the development. ‘Even if the premium mobile of service-led growth is the world economy, the unfolding of the process involves initiatives and responses within particular places’ - states Fainstein (2001: 19). However, as Fainstein is quick to add perceived interest is neither an automatic response to economic position nor a totally independent individual answer, but it rather ‘constitutes the very subject of exploration for the researcher’. Interest in this approach then is to be conceived rather as ‘a structured position’ that is constituted at the intersection and in the interaction among several forces, not simply economic, but also ‘communal’ and ‘ideological’ that comes to bear on at a specific historical moment. Hence eliciting interest has a strong interpretative dimension as there are several factors that need to be considered. Value traditions, ideology and personality

⁴⁷ http://www.zda.hu/works2_flash.php?work_id=87&open_menu=114&ln=&menu_id=181&gallery_id=208&parent=117

are named by Fainstein as part of the underlying causes of urban development (Fainstein, 1994, [2001]: 14). And this is what this chapter has done. It has traced the motivations, goals and visions that propelled those involved in constructing this building, while also linking these personal aspects, tracing their possible roots to wider processes, tendencies and compelling urban imaginaries. The developer, the architect and the state representatives brought to the table different interests and visions; not necessarily antagonistic, neither completely identical. The way the project progressed and its final outcome, at least with respect to what occurred so far presents shifting alliances, changing dynamics that led to the pursuit of a megaproject with a strong cultural element to it. Its two cultural buildings, The National Theatre and the Palace of Arts, while reflect two visions, they are quite compatible within the larger urban megaproject, which tolerates a lot of discrepancy, incongruity and can do without a unifying vision.

MuPa, especially when juxtaposed against the National Theatre's provincial outlook and the more overtly discretionary politics that made it, was immediately constructed first of all within the liberal-left narrative as a progressive venue, wired to the global cultural production circuits, the latter aspect not least determined by the diverse profile of the three cultural institutions, the concert hall ready to accommodate not only classic music but jazz and world music, the Festival theatre focusing on dance and the Ludwig Museum of Contemporary Art.

The National Theatre despite the indelible mark left on the building itself by the local politics which produced it, it managed to shed this initial stigma by 2010, not in small part due to the innovative repertoire that its maverick director put together. With the change of directors, again unilaterally appointed by the government, the conservative government through the National Theatre again espoused a different understanding of what a national theatre should be like, what sort of plays it should show.

Spearhead by the National Theatre and The Palace of Arts The Millennium City Center became a veritable expression of culture-led urban development. On this occasion the cultural edifices proved to be much more instrumental than Trafó or Gödör, and more tied to capital considerations. It was a more protracted process but hardly a carefully orchestrated one. The several ad-hoc steps and measures, cannot be explained with the scale and magnitude of the entire project. The process of 'the

urbanization of capital' is deeply entangled with economic growth and the speculator-developer a promoter of urbanization, is a key player in this process.

This relation is also institutionally regulated and expressed in the form of institutional support achieved through planning or zoning controls, which are there to partly reduce risk and uncertainty inherent in urban development, through the provision of infrastructure and all kinds of other incentives, like various tax arrangements which favor some players at the expense of others. All these means are encouragements in fact of certain groups, often of those who can afford to wait to embark on bigger, mostly longer duration and speculative projects. Thus the ability to wait and the long duration, the longer maturation of bigger projects (see DelCerro 2013, Fainstein 2005, Diaz & Fainstein 2008, Flyvbjerg 2005, Grubbauer 2013, Sklair 2013.) explains why the developer of the Millennium City Center could prevail despite the ongoing economic crisis. As a wealthy and potent developer he has had the time and the money, and last but not least the state's assistance that has allowed him to wait. The interests that took shape on the part of both private capital and the state, respectively, while constantly changed, were both antagonistic and coincided, aspect that should question any easy dichotomy or separation between the two.

Other possible actors, most importantly, the public, was not involved in the project, in its preparation, or building at all, and the fact that there had been no direct displacements made the implementation of the project even less likely to meet any opposition. The citizenry was relegated to the position of a passive and grateful spectator or audience, and in this role may well want later to have a say, as it did happen in 2013 when protests were staged when the government picked the director of the Ludwig Museum in opposition to what much of the profession would have preferred. The National Theatre suffered the same fate. After its inauspicious start it struggled with the provincialism of its design and attempted to correct this with a quality and progressive repertoire which managed to turn the *national theatre* into quite a cosmopolitan and progressive place with the choice of plays and its innovative directing. Its success was largely attributed to the then quite highly ranked maverick director. When his mandate came to end and a new competition was announced the conservative government, again, interfered, it dictated the selection of the jury

members and made sure it could appoint its own handpicked candidate to much of the theatre profession's consternation.

The Palace of Arts as its name suggests wanted to be no small undertaking, not a mundane cultural house and not a barely noticeable neighborhood cultural venue, either, notwithstanding the fact that calling such a buildings 'palace' these days is redolent of anachronism. But this is not a unique, unheard of practice. The bourgeois in the nineteenth century after all built extensively by going back to forms which the aristocracy inhabited, hence the acceptance of and resort to the Gothic style in building parliaments, a telltale sign of social inferiority and political illegitimacy that the bourgeois felt and that it wanted to redress in its architecture of choice. (Franco Moretti, 2014: 68 cf. Webb 1976: 45) But perhaps this is not beside the point, that to a certain extent the building of MuPa is the expression of anachronism, the anachronism of that elite that put it in place, and stated their aspiration to leave its indelible mark on the city. In its style the building is as bland as possible (Szentpeteri 2005b) conforming to the other current practice, as foil to iconicity, of building throw-away shells, just like phone cases that can be replaced at whim. The building design that came to prevail is much more stripped of unnecessary flourishes, often right away verging on the dull and bland on the outside, features which are in no small measure a response to the ill-conceived pompousness and the politics that made the National Theatre. Yet, the name that it was picked bespeaks of not so different values, or the lack of clear values, for that matter. When the visitor enters the building and takes in the sight, one certainly relishes in the space that opens up in front of one's eyes. But whether one would call such a venue a palace at the beginning of the twenty-first century is a different matter. Yet, the socialist ministry of culture in 2005 opted for this name to index its elite cultural venue against its next-door rival, the National Theatre.

While the architects in their practice appear quite cosmopolitan, while trying to answer the needs of a local audience, this differs from the developer's cosmopolitanism, or calculations rather; that of capital rather than that of culture. There is a peculiar mix and contradiction, not in the least unique, in the world-view of the developer. While the architects praised the developer's promotion of MuPa, his business savvy in realizing that such a cultural venue would be key to the entire

development, the same developer stated that the future for Hungary lay in unqualified or at best barely-qualified blue collar workers stuck in their village or the plant when he publicly decried what for him were fancy university degrees (Rovó 2013).

Colin Crouch makes the remark “Sharing neo-liberal prejudices against government as such, frightened at the impact of regulation on growth and believing in the superiority of corporate directors over themselves at nearly everything, politicians increasingly rely on corporate social responsibility for the achievement of several policy goals. (Crouch, 2009: 397) While this quote first of all points to the increasing clout of huge private corporations in as much as they are openly driving public policy, the perception that sees successful private investors, their business acuity as somehow superior over old-fashioned politicians at nearly everything applies to the Hungarian context as well.

The active support of the state helped create the special position that the developer of the MCC (Millennium City Center) had commanded along the years associating and negotiating with different state actors and successfully riding different governmental regimes, although showing a predilection for allying with the conservative political block, without the occasional tensions between them seriously questioning or endangering their liaison. In 2008 the wealth of 300 billion HUF earned its owner the title of the richest person in Hungary. By 2014 with only 91 billion this brought him only the fifth place. The firm Trigranit (real estate development, financial services, investments, and its affiliates) which owns Arcadom, which built MuPa and the National Theatre, and the Millennium City Center, is part of a network of interlocking firms, many of these registered in Cyprus. In 2012 the Gránit bank as a new addition to an already prospering business was also established to fund many of the state led projects in as diverse sectors as film or the lucrative casino business. The Trigranit developmental firm in 2014 was present in nine countries in the region and engaged in projects of total worth of 2,5 billion euros and planning for another 4 billion euros. Unlike in the case of Trafó a municipality-supported cultural venue, and Gödör established by an architect, with Arcadom (Trigránit) the developer of MuMa - a much bigger company, the ownership presented a much more complex relation than to be possibly and directly linked to a single person or a group of persons who

literally disappeared behind the corporation/ the real estate developmental firms that they commanded.

While I do not see Trigránit becoming a political subject as of yet at least not in taking over social responsibility in the way Crouch remarked, the prediction that firms are becoming political subjects in their own right redrawing the hitherto relatively more sharp separation of government and private firms is not totally irrelevant, with Trigránit / Mr. Demján becoming a *city builder* (Fainstein 2001), and a key player in the urban redevelopment of Budapest.

The mega-project is not completed to date and the final outcome as with mega-projects in general can not be foreseen. The 'new city center' can still morph into the city fabric, and adapt to the the adjacent city parts, despite the already built discordant edifices (Smilo 2012). Other constructions had achieved this, for example the Musuem of Fine Arts opened by the Austrian emperor Franz Joseph in 1906 in the middle of what was once a marshland. As Bodnár and Veres (2013) noted, with the congress center once built, it will perhaps breathe additional life into the still rather empty stretches, provided other developments, such as the relocation of the suburban railway materialize, maybe with more attention to detail and to the overall cityscape. At the level of strategic planning documents testifying of such a holistic vision exist. It is at the level of allocating responsibilities, of setting the regulatory framework in a way that lessens equivocation that is needed. Many people still hold to the believe that it is an essentially political question and a matter of political will whether urban development at the beginning of the twenty-first century Budapest becomes better regulated and eventually more transparent, notwithstanding the thorny question about what is political, and where it is. Is the political to be found within party politics? Or is the political a much wider arena, where political parties are only one of the few participants more responsive the public and more adamant in working together with that public?

The project's beginnings as well as the entire process is telling of the presence and role of contingency in the scheme of things. This, however, points to the possibility of another trajectory, perhaps more conducive to a democratic process. The fortuitous choreography among individuals and how they eventually shaped the project, the ensuing paths and responsibilities of those involved severely qualify those arguments

that posit the economic or market forces as inexorable and hence impossible for states or other actors within them to resist or (better) shape to their own interest.

Coda

On April 9 2014 the most popular social-democratic daily ran an interview with the director of the Museum of Fine Arts, who was also the ministerial commissioner overseeing the development of the City Park Project (Városliget) running under the name of the Museum Quarter project. The City Park as part of the buffer zone to the World Heritage area deserves special consideration and worried voices were wondering to what extent Museum Quarter plan was taking this into consideration. In his answer the commissioner stated that they were maintaining a continuous connection with the National Hungarian World Heritage committee, and that they were meeting the foreign representatives of UNESCO as well, and updated them on everything, and so far these bodies had raised no objections whatsoever since as he stated they had not planned anything that would warrant this. The Park, as he stressed, was an entirely unique formation. It differed from all the other European public parks in the fact that during the development of the city all the institutions, such as, the Széchenyi baths, the Ice Rink, the Museum of Fine Arts, the Zoo, the Vajdahunyad Castle etc. were all constructed within the Park and not around it. Culture, entertainment, and outdoors leisure activities were thus all present simultaneously and equally.

To the question whether the building of an additional five more museums would not turn the already overbuilt park into a single block of museums, and make it into an anachronistic showcase instead of rehabilitating brown field areas of the city for the museums to be built there, the commissioner drew an interesting comparison. The Hungarian state put 45 billion HUF (their value then) into building MuPa and the National Theatre together, but in that area, a former rustbelt, no new city (sub)center, no multilayered, living city fabric emerged. The schoolbook script that private capital would slowly gather round such institutions had not been proven right. Only offices got built around them, although this happened before the 2008 financial crisis.

He further remarked ever since there had not been much interest on the part of private real estate investors in brown field development in Budapest although the private part would be the basic precondition for any brown-field investment.

If the current plans for the city park were to become a showcase of Budapest, he did not mind. On the contrary, this way the city would occupy a more advantageous position on the tourist map in the competition of cities. This way the Western European citizen would automatically take into consideration Budapest if they were thinking where to go with the family for a long weekend. "At this moment Budapest lagged behind in this competition somewhere between position 20 or 30 among the big prestigious European cities"- he concluded in the interview (Vári 2014 n.p.).

The location of museums and galleries within major city parks is not at all a rare phenomenon. It is a common practice adopted by cities. Evans lists (2003) Rotterdam's museum park; Mexico City's Chapultalpec Park which contains over eight museums; Sao Paolo's museums of Modern Art, Folklore and Aeronautics in parque do Ibrapuera; Barcelona's Montjuic Park housing the Ethnological and Archaeological museums, the Art Museum of Catalonia and Joan Miro museums; the Cite Science in Parc de La Villette, Paris and the Burrell and Kelvingrove in Glasgow. What characterizes all of them is that the location of museums and galleries according to Evans "reinforces the privileged zones of the city" (Evans 2003: 430). The City Park in Budapest is no exception; it is adjacent to both the Andrassy Avenue, the most opulent avenue of Budapest, and the area around it housing most of the foreign embassies in the luxurious palace-like buildings.

Chapter 5 The production of a flagship project in Budapest

This chapter focuses on the Warehouses project whereby a group of former warehouses built in the 1880s was redeveloped into a modern mix-use cultural-entertainment center in the shape of a whale, hence its name ‘The Whale’⁴⁸. In 2012 it was one of the latest culture led urban development projects to take shape in post-socialist Budapest. Its construction started already in 2009, but in 2014 it was still running at half-steam, with many of rental units still empty. The Whale was meant to become the first contemporary example of iconic architecture in Budapest. It was a municipality led urban development with the involvement of private capital designed in the legal framework of a public-private partnership⁴⁹.

Constructing CET, or as it is now officially called “The Whale” in terms of an iconic building⁵⁰ has been the dominant narrative, and the ‘standard story’ (Tilly 2002) of this urban project. The ‘whale’ has been, augured, presented and popularized to the public primarily as an attempt at erecting a 21st century iconic building in Budapest, narrative that was particularly strong for those around and within the left-liberal city governance (Somlyódi 2011). As Tilly cautions there are what he calls ‘non-story mediating mechanisms’ like impersonal markets, flows of capital, information, knowledge, and resource endowments etc., which do not fit the logical structure of storytelling. Moreover, cause-effect relations also challenge the limits of a standard story. These relations are less direct, and more incremental, unplanned etc. than ‘the tales of conscious, self-motivated actors and the direct willed actions or consequences of individual actions’ that standard stories are made up of. (Tilly, 2002: 29) And yet, standard stories need to be explained if social explanation is to be done well, ‘We should enjoy the irony – which a major obstacle to social explanation should become the object of social explanation’ (ibid.).

The chapter builds on the standard story of city elites, primarily the socialist-liberal

⁴⁸ Its official name first was CET. Then with the 2010 change of government the new city leadership renamed it ‘The Whale’.

⁴⁹ <http://epulettar.hu/cikk/cushman-wakefield-a-kozraktarak-berbeado-ugynoksege>

⁵⁰ <http://epulettar.hu/cikk/kulturalis-szorakoztato-kozpontkent-ujul-meg-a-kozraktarak-epuletegyuttese>

coalition which declared their wish to create an icon. But as Tilly cautions, different dimensions need to be added to the standard story if one wants to offer a compelling social explanation.

The chapter shows that the wish to construct an architectural icon in Budapest which goes back to the time around the regime change and the many un-built icons in fact are part of global urban imaginary and global urbanism with iconic architecture as its hegemonic urban practice. It also shows the pursuit of the building of an icon is an elite project while also anchored in the desires of a wider strata, of their ideals of what a good city to live in may be with the tastes of the middle classes ultimately dominating in what gets built or not.

In 2012 in case one got on tram number 2 and took a ride along the Danube river on the Pest side they would have surely noticed a glass structure somewhat in the shape of a whale rising above and dominating the surroundings buildings. They would have also noticed that the venue looked unfinished and deserted except for the presence of some security guards loitering around. As it is often the case, glossy new glass structures and adjacent old buildings with their timeworn patina try to find an uneasy balance, with new structures first looking out of place before locals eventually accept it as part-and-parcel of their surroundings. In the summer of 2012 one could still engage with CET through its relation to the skyline, imagining it and visualizing it as part of the Danube-bank, from an essentially bird's eye view. As it then stood, deserted and still closed to the public, it was not yet possible to form a different form of attachment to it. It arrested the gaze, it engaged one's imagination about what it would look like once really completed, but it did not invite attachment to a real place where one could be. At that point it was more part of a 'viewed city', as an element of the urban skyline, an image in a postcard, but not yet part of the lived and experienced everyday city.

In the spring of 2014 on the night of the national elections, the winning party FIDESZ celebrated their victory in The Whale amidst a Hollywood-like extravaganza that only the select few could attend⁵¹. In 2014 if one got off the tram and wanted to

⁵¹ <http://magyarnarancs.hu/valasztas2014/orban-a-balna-szajaban-unnepelt-89502>

have a night out in the belly of The Whale, they would have been surprised to find themselves in an empty shopping mall with not much to do. The place was still only a shopping mall that fell on bad times with not enough tenants to fill shops inside.

The acronym CET first stood for Central European Time. The Hungarian moniker was a play on words, which also referred to a type of whale. People in Budapest, however, simply referred to this latest cultural venue on the Danube-bank as ‘the whale’ (‘bálna’ or ‘cet’). The other meaning hidden by the acronym - Central European Time –was a conscious marketing ploy and expressed the aspirations of the Budapest urban elite to position the venue vis-à-vis other European flagship urban projects. This meaning, however, remained hidden or irrelevant to most people in Budapest. The website of the venue spoke⁵², well before the building’s completion, in a hyperbolic language about a twenty-first century cultural-entertainment venue that blended into the cityscape and welcomed visitors who wished to have fun and relax. It presented a world-rank iconic building, and with it made a claim to be on a par with other similar icons. It signalled Budapest’s city elites’ aspiration to see their city play a defining role in Central Europe and in the European Union.

5.1. The lure of iconic architecture

One of the subterranean themes running through the urban nodes of Budapest was the question of ‘tall houses’ (magas házak), or of skyscrapers, whether Budapest needs them or not, a question to which not even the two consecutive chief architects of the capital could agree (hvg, 2009). Related to this matter was also the question concerning buildings of outstanding design, and the lament why Budapest had none up to that point. The urban nodes covered the diverse sites where official, semi-official, informal matters more closely related to the city are debated, and which included architectural magazines and journals, the city hall, to local district councils, and private development and architecture firms. Before CET was completed, there had been several ideas, plans that envisioned constructing an iconic building, with all

⁵² www.onl.eu

eventually discarded (see Somlyódi 2007). As one of the former Budapest deputy-mayors of culture confided already in the middle of the 1990s the idea of building more outstanding and exceptional architecture was on the agenda of the municipality. Hundertwasser, the Austrian artist known for his penchant for biomorphic forms and bright colors, figured early on as a possibility to design a city archive or museum in the Castle District, area known for its medieval, baroque and 19-century buildings (Interview with the one of Budapest municipality deputy-mayors for culture in 2010 April).

The latest frenzy of bringing a ‘starchitect’ swept through the city in 2010. An imaginary map of Budapest appeared on a popular architectural forum that displayed all the un-built iconic buildings of Budapest. It was a jest but also a cautionary rejoinder to the latest idea to have an iconic architectural construction in the shape of a hovering Zeppelin designed by Fosters & Partners in downtown Budapest, which would have meant the tearing down five historical buildings. It emerged that by then Budapest could have claimed works by Coop Himmelblau, H. Rashid, Renzo Piano, Calatrava, Pei, Heatherwick, Sanaa, Massimiliano Fuksas, Libeskind, Nouvel, Herzog&de Meuron, Foster, Zaha Hadid, Koolhaas, Steven Holl and Gehry. The caption read ‘Budapest a Mecca for star architects’.⁵³ This riposte was not the only one and the most serious, either. Several architects issued a statement⁵⁴ in which they rejected the plans. Demonstrations, some of which I attended, took place in which between fifty to two hundred citizens gathered to express their rejection of what to them meant the destruction of this part of the city. In sign of protest they held hands and circled the five buildings planned for destruction in sign of protecting them from what they regarded as the insatiable greed of a private developer and of a district cushioned in the developer’s pocket. What was also an ironic turn was that the new conservative city leadership, with the mayor of the fifth district, where the Zeppelin was planned, came to power by proclaiming its commitment to fight and end real-estate speculation. The approval of the Zeppelin by the district mayor went exactly

⁵³ <http://epiteszforum.hu/budapest-a-sztarepiteszek-mekkaja>

⁵⁴ <http://epiteszforum.hu/alairhato-allasfoglalas-a-torteneti-ertekek-rombolasa-ellen-v-kerulet-becsi-utca>

against this pledge. These demonstrations were quite unusual at that time and if they happened at all, as in this case, they mobilized few people only. Back then in 2011 urban matters strictly speaking, and the destruction of five buildings in particular, in the city center did not really send people to the streets. This protest as well was but a small spark that died out quickly. Plans for the Zeppelin were cancelled for reasons, one suspects, bigger than these small protests.

It would be erroneous to discard these unbuilt projects as completely irrelevant, or assume that the series of un-built buildings are simply an expression of failure mainly on the part of city or state officials to put down the adequate conditions for a global architect to come here and design a spectacular building. As much as these unbuilt icons are presented in these terms in the daily political squabbles where these non-built projects get deployed as rhetoric weapons to question the competing party's ability to govern, these unbuilt projects are not without consequence. They have prepared the ground for subsequent projects at this scale to be more easily realized in the future. They are part of a process of constructing an 'urban imaginary', which to a great degree determines what can and cannot be imagined, thought, experimented and ultimately built. But such an imaginary also effects the ways in which the everyday can be imagined and lived in cities. It depicts and promotes an ideal of good life for which blueprints are offered. Postcards, online images, narratives and stories, blogs are such blueprints and dreamworks as well. They tell us how and what to dream about when thinking of the city we would love to live in. These unbuilt structures, the many blueprints, and 3D models are instances or moments of 'phantasmic seduction' (Kaika 2011) enacted both in Budapest and all over the world. They are reiterated on several sites and platforms; from the websites of architectural firms, to the websites of municipalities which wish to see these buildings adorn their cities, to architectural magazines, tourists' brochures etc., development strategies and the materialized buildings themselves etc.

This process of promoting and building iconic architecture is not simply about the actual realization of breathtaking architecture, which can be phantasmic enough, but about a certain ritualization (Kaika 2011) and the related hype of a certain nonbuilt architecture, which scripts cities as glittering and competitive locations for transnational capital. The aspirations and calculations of city elites are then anchored

on such projects, and in turn shape and embody these aspirations, the two variously entangled. Such aspirations are not independent either of the more prosaic drive to out-build the political predecessor and/or establish and secure the reigning politicians hold on power. But such aspirations are anchored in our innermost dreams as well, the personal utopias people want to live in their city of choice or fate.

Upon reflecting on iconic buildings built since the 70s, and the social relations they express and enact, Kaika (2011) argues that the iconic buildings built recently should be seen as ‘autistic buildings’ since they have no ties to their surroundings, and to the people who live there. They are self-absorbed and self-referential in that they respond to, and compete with other similar retinal pieces, most often found elsewhere. There is no aspiration and no need in fact for these buildings to forge attachments with their immediate context. Their fame and appeal ultimately depends on an elite transnational capitalist class, which is willing to invest in such projects, but who is less willing to engage in the life of these cities other than what the needs of transnational capital are. These elites ‘non-committal’ relationship to these cities set these icons apart from earlier iconic buildings as well. Those were commissioned by elites that were well grounded and had or formed roots in the city where they built, either corporate icons in the form of early skyscrapers in the US, or buildings with a civic function in Europe such as museums, town halls or churches. Instead of the ‘democratic ritualization’ (Evans 2005: 968) whereby everyday citizens were connected to these buildings, which became part of who they were, the process of constructing novel iconic buildings seem to dispose of the citizenry completely, or relegate them to full passivity.

Present day icons such as the Gherkin in London, or the Shard, for that matter, lack such earlier commitments to their immediate place or people, as their owners have rather different, more short-term and less involved commitment to these places. Often such elites quickly sell these urban icons and move to other more profitable ventures. Architecture, thus, becomes the spatial expression of the incessant drive to ‘sweep away all fixed, fast, frozen relations’ (Kaika cf. Marx 1935: 210). There is ritual to the building iconic architecture, no doubt, but it is not the ‘democratic ritualization’ process of the older icons. This latest trend is of a more exclusive kind as it rests on the exclusive participation of developers, the media, municipality and state officials

etc., and the transnational capital, with a heavy reliance on ‘the production of photorealistic media images which project buildings into the skyline as if they were already embedded’ (Kaika, *ibid.*) in the urban landscape.

This process serves less the public, and according to Kaika less the architect as well, whose role and position has also changed, having been subjected more to the whims of capital, while having lost its privileged authorial status as well and thus becoming one among the several elements in a project. Here Kaika notes the example of a Frank Lloyd Wright fighting fiercely to keep the design vision intact in face of opposition or the example of the building of the Sydney Opera, where its architect never came to see the finished building after authorities meddled with the original design. In this changed constellation it is more the developers and local governments who command such projects with the primary purpose to create a business friendly environment that promises economic growth. Most importantly, the process of constructing new iconic buildings, Kaika claims, is the expression and enactment of new social relations between capital and states/cities and between their public, redefining also the meaning and role of the public. In the following, I turn to these new social relations that underpin and emerge along the production of this urban project.

5.2. Creating the Patina. Excavating value

During the last quarter of the nineteenth century much of the downtown of Budapest underwent spectacular developments and so did the Danube-river bank. As part of the nation building momentum after 1848 and that of the early industrialization’s, the first four warehouses were built in 1880-1881 and up until the Second World War, when some of the buildings were destroyed, this part of the city practically functioned as its center for the transport of goods serving a large economy and population. After the World War II the warehouses and the surrounding area had slowly fallen into neglect and ruin. Given a different power constellation, with a considerably diminished political economic influence, Hungary and its capital, once part of the Austrian-Hungarian Empire, found itself with a radically reduced market for its goods (Berend, 1996) and warehouses and mills slowly closed. Later most of the buildings serving

the river docks were dismantled in 1948, and along the years of actually existing socialism the warehouses slowly fell to decay. The Nehru park was established on that stretch of the Danube bank in 1966 and in 1988 the warehouses underwent partial renovation, but after the regime change they fell into further neglect.

The development of this part of the riverfront in light of what came to be more and more perceived as a prime location for capital investment, due the proximity to the old downtown and to the river, did not, however, occur quickly or easily. Both the failed Expo and the development of the Millennium City Center were telling precedents with respect to how urban development could unfold in Budapest. By 2005 when the development was declared to be of outstanding importance⁵⁵ it was clear that a straightforward privatization would not present the solution that the municipality then was looking for. Neither privatization nor the building of yet another shopping mall could be promoted as a politically expedient measure this time. By 2005 the development of the Warehouses together with the planned development of the City Hall and the former Gasworks, emerged as one of the most special development projects of the liberals led municipality.

Before this decision in 2005 to reconstruct the warehouses and develop the surrounding area, there had been other ideas and experimental attempts to put this area to some use (Somlyódi 2007). During this time ‘interim’ places and makeshift temporary solutions appeared. Urban pioneers found, inhabited and imagined this space on several occasions usually for a brief period and mostly as an alternative cultural space of some sort. The imperative as to how to revalorize devalued land constrains the urban process and directs diverse possibilities to an incessant spatialized accumulation whereby capital has to constantly look for profitable ways to manifest itself (Weber 2002). Within this process often a sort of ‘friction’ occurs when capital, that is, ‘value in motion’, is blocked ‘in steel beams and concrete’ for a longer period of time than the profit imperative would have it (Weber 2002: 519).

With capital often ‘tied up in situ’ (ibid.) for long periods before it can yield enough returns there is often an experimental time mostly overlooked by the formal records of

⁵⁵ The minutes of the Budapest Committee of Special projects

the city. During such times informal enterprises, less or not at all tied up to the logic of profit, can manifest themselves with the state and other more portent players tolerant of this. The example of the ‘warehouses’ is a good illustration of this, with this area put to several interim uses before its formal development could eventually start. The fact that ‘interim uses’ often manifest themselves in the form of some sort of cultural-entertainment spaces has to do precisely with the low entry barriers of such initiatives which do not need major infrastructural interventions nor lengthy and complex regulatory-legal modifications. This interim uses depend merely on a quick facelift, some sort of indoors space ready to accommodate people. Capital practically lays dormant, or as Weber put it finds itself trapped ‘in steel beams and concrete’. Colomb (2012) called Berlin a city of ‘interim spaces’, and of ‘temporary uses’ and states that for capital such interim uses are not part of normal cycles of urban development. This vision is part of a capitalist world-view that wants productive use anywhere and every time where the time gap between earlier land use and a new one is to be as short as possible. As Colomb states these vacant spaces, however, are not ‘dead spaces’ (Colomb 2013: 132), they are beach bars, open air theatres, community gardens, sculpture parks, or alternative living projects, even if such places are missing from ‘the dominant language of place marketing and interurban competition’ (ibid.).

The state or the municipality meanwhile can for a brief time turn a blind eye to these uses and/or simply watch the emerging creative spaces that it later will pick out and steer towards more sanctioned forms. There will be some that the benevolent state showers money on, with the current vogue of and preference for start-ups, and others that will be just tolerated somewhere at the margins. The idea that the warehouses could become a cultural-entertainment place was part of the Budapest bid for the European Capital of Culture title for 2010 as well. And although Budapest lost the bid, the Municipality did not completely abandon the idea to construct a modern cultural venue at a later stage. This practice falls in line with many other instances in which cities stake the regeneration of their urban sites on failed bids, be that Olympics, EXPOs with cultural flagships often ‘crowding out other provisions and advancing a particular version of culture at the expense of the diversity, and multitude of other cultural activities’ (Evans 2005: 42).

Prior to the 90s' more alternative uses, the warehouses had also been sites for socialist community work where pupils had to wrap candies, for example. This was part of a socialist widespread practice in the socialist block 'involving' schools, classes of pupils in all sorts of public works, from potato picking to candy wrapping. One participant (interview with a former pupil, March 3, 2012) recalls the long brown ugly barrack where they had to work in freezing temperatures. However, around the regime change, these kinds of activities ceased, as the state withdrew for a while from directly regulating citizens' time and activities. The political economic restructurings that slowly took shape did not only mean the state's withdrawal from certain areas but it also brought about a new form of citizen (dis)engagement, this time unequivocally related to consumption. As the current uses of the former warehouses show visitors come here to shop, to consume. As Sklair (2005) argued, consumption is the hegemonic transnational culture-ideology that is prone to transform every public space into commercial place.

These interim solutions ran parallel with official ideas about possible future uses. As on many other occasions (see Gödör), the selling of this land and of the warehouses was a scenario the municipality weighed at some point. Since it could not find a buyer, however, who would be willing to invest more than the actual value of the land, as they would have needed to upgrade the infrastructure around the area, privatization had to be discarded (interview with the capital's chief-architect, May 5, 2011). As David Harvey points out there are often obstacles to the entry of capital into certain kinds of activities because of 'the scale of preparatory work needed to clear the land' (Harvey 1984: 224). In such instances it is often the state that prepares the land in question for the entry of capital investing considerable sums before a private investor acquires it. Thus, in the absence of a private developer willing to invest the needed capital, with no resources on the part of the municipality either with which to reverse somehow the physical decay of the area, the fate of warehouses seemed less and less auspicious.

In the attempt to pave the way for a future investment in the area, to create the conditions conducive to some profitable use the district authorities rezoned the area. Land as a basic urban commodity can be changed; it can be parceled, upgraded and packaged. As Zukin has showed (1989) interventions whether on the part of the state,

the city or the district or private capital in the uses of land, are common practices with the goal to create or extract value. ‘This struggle often gets translated into laws about the proper use of space. Zoning is one type of such legislation. It mandates which uses can occur in particular areas, what users can take over the place’ (Zukin 1989: 51). On a basic level, the rationale of zoning practices conforms to the logic of capital accumulation as Zukin compellingly argued in the case of loft living in SOHO New York. But often it is not the logic of capital accumulation that appears to drive urban development projects. State power plays a key role in that it structures the social and economic relations on which capital mobility relies and it also shapes the spatial form that the movement of capital takes. ‘It in fact determines where to build, what, and for whom, for what purposes’ (Zukin 1989: 51).

The land where the warehouses were located was rezoned as a green area and became part of the Nehru park. This is a long stretch along the Danube-bank, which covers a larger tract of land stretching as far as and connecting it with the Millennium City Centre, area intended to become an alternative financial center of Budapest. This move was part of a major spatial restructuring process of Budapest that imagined the downtown extended along the Danube, on a north-south axis.

The extension of the downtown along the Danube, in fact, became a sort of linchpin to which city elites attached many plans, ideas and dreams. The centrality of the Danube in the life of the city, which this restructuring emphasized too, was in no way a novel idea. The river had always played a key part in the urban imaginary and history of the city. It had always been a structuring urban element, and quite a central one. The drive this time, however, to capitalize on it increased as the demand of capital accumulation grew too. The more the city and its various agents saw economic growth and the profitable development of land as a goal to be pursued, the river itself got more and more imagined along these lines. It is not that the economy or commerce was never a significant concern. The river, for example, before and after Pest and Buda were united (1873) into a single city, was as much an impediment and a means by which goods could be shuffled across it and fortunes could be thus made and equally lost. Many of the nineteenth century novels depicted vividly how the crossing of the river either enhanced or thwarted trade and love.

The river, however, with the Millennium City Center constructed on its bank, and with the development of the warehouses in sight, could escape neither its symbolic nor its economic reevaluation and restructuring, this time according to a twenty-first century policy, a rather well lubricated repertoire that the post-industrial city anywhere was supposed to follow (Bezmez 2008, Lehrer & Laidley 2008). Thus to turn the warehouses into an outstanding venue through iconic architecture with a strong cultural profile came to be seen by the municipality the best path to follow, idea that otherwise was repeatedly communicated in several documents⁵⁶. According to the minutes⁵⁷ of the Committee of Special projects of the municipality, the Municipality commissioned the Erste bank with the task to do a feasibility study on the future profile of the venue, which the bank completed by 2005 September 30. The contract with the Allen & Overy Law Firm was signed on September 6 2005, and the expert opinions concerning the legal aspect, and an expert opinion on real-estate and financial market were received by the municipality by September 30. In November 2005 the Erste bank did another additional study, in which it completed its previous feasibility study. Urbanitas kft. did another study earlier about the future role of the redeveloped warehouses (15.706 m2). According to this study 'public art' events,

⁵⁶ The bid for European Capital of Culture 2010 with the subtitle 'Water and Metropolis' rested on the centrality of the Danube in its visions about the future of Budapest. While it heavily relied on the fifteen-year long City Development Concept of Budapest adopted in 2003, the formulations in the bid remained at the level of gross generalizations. Its propositions amounted to a series of worn cliches. Yet it remained a symptomatic document of the guiding imaginary that gave and reinforced some of the main elements of future blueprints. Culture was defined along two dimensions; first in terms of classical and contemporary cultural products, second as a way of life. Tradition creativity and innovation were also the leitmotives of the bid, and the pursuit of private public partnerships also figured as a key element.

The 2010 European Capital of Culture document included the future development of the warehouses as one of the central places of this program. On 9600 square meters it imagined a 300 -seat concert hall, one 150-seat and two 100-seat theatre halls, smaller galleries and exhibition rooms. This would give approximately 20% , another 25% would be for what it called 'cultural services' such as tickets sales, second hand bookshops and 25% for restaurants, cafes etc, and then the remaining 20% to uses that do not contradict the cultural, entertainment, touristic and commercial features of the venue. (European Capital of Culture, n.p.).

The medium-term urban development program of Budapest (Podmanicky program, p:14) lists the Public Warehouses among its priority developments as well.

⁵⁷ Budapest Committee of Special projects minutes, Sep.28, 2005 - 105-204/5/2005

festivals, galleries indoor and outdoor concerts, open-air theatre plays, public services, catering, wine and cheese museums (sic!) would be organized here (ibid.). Given that it would be impossible to predict the future tenants the cultural profile was set at one-third of the all the services that would be offered in the future, be those shops, galleries theatre plays etc.

As a would-be spectacular construction along the river, projected into the future with a function proper to their prime location, the whale became inadvertently caught up in the logic of capital circulation. With serious constraints on it that the shortage of capital presented in the aftermath of the destruction of the post-socialist political economy the warehouses lay underused for several years. The logic of capital accumulation, translated into the mundane questions as how to find a proper use for this area, manifested itself under various terms and concerns.

Questions that the building of a new development may raise usually are debated and advanced on terms other than the underlying need of capital accumulation. It is not that these considerations are not significant and do not become discussed. But this happens in contexts where the various participants speak out of the positions and institutions they occupy. They speak on behalf of or within a particular profession, for example as an architect, or on behalf of the institutions they represent, for example, the mayor - with the caveat that they do so as part of a web of relations and from positions where multiple identifications coexist. On the other hand, to see this process as simply capital driven, with the state or the municipality in this case merely clearing the path for the swift move of capital would fail to do justice to the complexities, contradictions and overlapping of voices and forces of urban politics, of building the Whale.

Zukin (1995) warned when excavating the urban politics around SOHO that power relations may push to the front groups and interests that in fact mask other more hidden or not so immediate forces and trends with or without the knowledge of those who emerge as active participants.

It is not only the diverse alternative uses and ideas, the white noise in the background which affects perceptions about the possible future uses of the warehouses, thus contributing to their hype, but also the developments going on around them. The

cache of the area had slowly improved due to its proximity to several old and new popular venues. First, it did so thanks to the Great Market Hall and its presence in many a tourist brochure and the concomitant constant milling of tourists in the market and the adjacent area. Second, the newly built Corvinus university building and the old University of Economics next to the Market Hall and its growing student population added luster and vibe to this area. Thirdly, further south the Millennium City Centre with MuPa and the National Theatre - the two main cultural buildings completed together with the university campus on the other side of the river created a wider context to which the development of the warehouses could easily pass as a necessary and logical continuation.

After it had survived destruction, and straightforward privatization the warehouses and the area around them became more and more amenable for future development. Their patina appreciated, to which the discourse of preservation and heritage only added, as identifiable in the mentioned strategic documents. The municipality came to perceive the developing of the warehouses in Budapest to be a key element in the redevelopment of the riverfront. When the warehouse project started the buildings were pulled down first and then rebuilt again as a replica of their former self. The message was conscious: we do not destroy our heritage but do everything to preserve it. This happened in a larger context where on an almost daily basis news would emerge about the shenanigans of real estate agents and district officials in the inner districts of the capital, about buildings left to decay and then sold to private investors for a fraction of their value.

5.3. The language of non-standard design

In 2005 December the Budapest Assembly eventually made the decision to develop the area (twenty three thousand square meters) and rebuild the warehouses with the involvement of private capital within the legal framework of a private-public partnership. The city announced a design competition for a cultural urban

development⁵⁸ in 2006 May 26. To everyone's surprise the then unknown development firm called Porto Investment Hungary Ltd. won the competition (Somlyódi 2011). It was a much smaller firm than the other bidders already known for their large development projects in Hungary and Central Europe, such as Trigranit, the development real estate firm that developed the Millennium City Center.

The answer as to why this small firm had won the competition was to be found in the daring architectural design that the Dutch ONL firm presented in the name of Porto. The Dutch firm's website⁵⁹ quoted projects like the Al Nasser Tower, a corporate office in Abu Dhabi or the Space Xperience Curacao (SXC) for the Caribbean to host the future operator for Galactic Travels and as a venue for the international scientific space research. The breathtaking designs shown on the website, and the hyperbolic language used to describe the designs successfully enacted the 'phantasmic seduction' that Kaika (2011) speaks of with the effect of enchanting the viewer or prospective buyer. Brick and mortar buildings, and of glass, certainly, too were described as evoking 'the power of rocket engines', 'the lightness of a Spaceship glider swirling down to Earth', or in terms of a 'smooth and friendly streamlined body of a whale' – this last caption obviously referring to the development of the warehouses in Budapest. No wonder then that urban elites wanted these "urban architectural creatures" built in their cities, image for which the developer must have convincingly argued.

In March 2007 the then deputy-mayor responsible for urban development was still speaking about a 'Covent Garden in Ferencváros' with a theatre, a library, galleries, cafes and other entertainment facilities which would await the public already in 2009 (Ikvai cited in Szalai, 2007). A reference to Covent Garden appeared already in 2002 during that time propagated by an English businessman in Budapest (Somlyódi 2007), and later taken up by others as well, along the years becoming an implicit point of reference for the Budapest municipality as exemplified by the deputy-mayor's remark. However, in the winter of 2009 rumors started to emerge that there was something fishy going on around the whale. One could hear the architect had quit the project. For

⁵⁸ <http://epulettar.hu/cikk/kulturalis-szorakoztato-kozpontkent-ujul-meg-a-kozraktarak-epuletegyuttese>

⁵⁹ www.onl.eu

some reason he could not go on working together with the developer. To many people this turn of events seemed to ring familiar notes. It seemed to validate the age-old wisdom or thought, reinforce the feeling that this could not be a successful story since no Hungarian story had ever been.

In December 2009 the Centre for Contemporary Architecture (KÉK) convened a public debate with the aim to clarify the situation behind the rumors surrounding the development of the warehouses and to clarify the situation to the public. To this event the Dutch architect, the Romanian-Hungarian-German developer (Somlyódi 2011) and representatives of the Municipality of Budapest were invited to present their stance in front of a general public.

KÉK was a small non-profit civic organization located in Budapest largely made of young professionals, the majority of them with a degree in architecture. They were involved in all sorts of urban projects; they organized various thematic tours in Budapest, public debates on ongoing urban issues, dabbled in community gardening, anything that a trendy urban architectural group would embrace they did. In this spirit they took the initiative and organized a public discussion on CET arguing that the project in question was a major public development and the public had a right to know what exactly was going on.

This event was, in fact, one of the very rare occasions when the general Budapest public theoretically had the chance to take part in a debate on a development project still in progress. The participants that evening were the friends and acquaintances of KÉK, mostly middle-class people, professionals with some interest and involvement in urban politics, by far not representative of the Budapest populace.

The debate took place in the imposing hall of the Museum of Applied Arts, a beautiful example of art nouveau building. That evening people quickly filled the hall and to everyone's surprise most of the invited speakers showed up (on several other occasions the parties involved failed to come). One could feel the sense of expectation and the thrill at the prospect of such a debate. The absence of the architect set the topic of the entire discussion. It was in fact the withdrawal of the architect from the project that sparked speculations about what had happened, and made later into the media outlets that fuelled subsequent conjectures. The fact that the architect quit

(Haba 2010a, 2010b) was at the very beginning of the debate framed by the organizers as highly problematic and of immediate concern with regard to the successful implementation of the project. As this was a question directed at both the developer and the representatives of the municipality these immediately adopted a defensive stance. The developer adopted a surprisingly aggressive tone, trying to ridicule and intimidate the organizers. The deputy-mayor, on the contrary, tried to downplay any worries and objections with a nonchalant shrug. In general, the developer dismissively brushed off all the objections and surmised that ONL, the Dutch firm was not the only architectural office able to do non-standard designs. In light of this he could not really understand the organizers' concern about the absence of the architect for the rest of the implementation phase. This absence, however, the public saw as a sign that the project could not proceed according to the standard set, and which the presence of the architect apparently guaranteed, who stood for professionalism and quality in this equation.

During the discussion the non-standard feature (see also Somlyódi 2011) of the construction process figured on several occasions, and it featured as the most important aspect of the project. The worries whether the quality of the future construction would live up to expectations, and whether this building would indeed become an outstanding building was understood in terms of the non-standard technique and technology that the ONL firm could deliver. The departure or the sacking of the architect questioned precisely the ability of those carrying forward the project of delivering that quality. It was not simply the high quality of the building that the following of the non-standard technology was equated with. The non-standard aspect came to stand for more than a simple quality measurement.

The 'non-standard' feature of the design gradually came to embody not only artistic autonomy, which supposedly followed some higher principle uncontaminated by other misplaced or shortsighted considerations. But the non-standard design gradually morphed into a kind of totemistic feature as well, it emerged as an ability to conjure up some sort of miracle, conveying an aura of sublime to the building process and the building itself. Architects led the debate and this set the terms accordingly. This wanted to be a professional debate among professionals or at least among an informed public. The matter of non-standard design came to be equated with the stroke of a

genius, with artistic quality, and eventually with the common good and the idea of justice. The developer came to be seen as someone who did not understand or care about these concerns. For him the non-standard element was simply one among the many other practical considerations that he weighed upon making his calculations.

According to the statements⁶⁰ (see also Haba, 2010, Márton, 2010) given by the design architect the Dutch firm was excluded from the rest of the process on grounds that they had criticized the developer for the way it conducted the implementation phase, for selecting subcontractors with no experience in non-standard design and for working with implementation plans that contradicted the design plans advanced by the designer-architect. Upon a visit to the subcontractors, it turned out that the small engineering office had no experience whatsoever of non-standard architecture (Somlyódi 2011) and that they had hardly heard of this practice before. This small, backwater office landed with quite a challenging task, which they tried to do to the best of their knowledge. Once the developer opted for a small, unknown engineering firm, it could calculate with lower expenses, which ultimately would make the investment more profitable. Had he stayed with the Dutch firm, with more clout and business savvy, Porto's profit margin would have considerably diminished. And equally, wasn't it more the case that the architect in fact objected to subcontractors chosen by the developer simply because this meant less money for one's own architectural office? After all, the engineering work during the implementation phase is not a cheap diversion to the main project but quite a lucrative phase. When ONL turned to the city government they were surprised to hear that the matter did not concern the city and the dispute was to be resolved by the developer and the architect. Given that this was a project pursued through a private-public partnership, with the city as the owner of land the architect was rather nonplussed. To ONL's criticism Porto replied that in fact the architect was not familiar enough with the local constraints and building regulations. While Porto acknowledged that the Dutch firm

⁶⁰ The statements and counter-statements between the architect and the developer were closely followed and reproduced on the popular architectural forums site www.epiteszforum.hu and on <http://epiteszforum.hu/kas-oosterhuis-valaszai-cet-ugyben>, and www.architectforum.eu, as well. <http://www.architectforum.eu/kommentar-a-bek-szakmafelugyeleti-bizottsaganak-cet-projektet-erinto-allasfoglalasara>

was a first class designer of non-standard buildings, it, nevertheless, questioned the credentials of being capable of implementing the design, which he tried to demonstrate by pointing out that the proposed budget for the steel shell by the architect was strikingly off the target. ONL's unrealistic budget was enough for Porto that the architectural firm lacked the expertise needed for the implementation phase.

Current architecture, a building's design and production process has worldwide undergone tremendous changes. The practice of contracting out stages of the creative process is increasingly characterizing many of architectural firms, even the more powerful ones, including the global architectural firms. Against a background where architecture's status as social art is increasingly undermined, the ability to pursue 'totalizing ideas and ideals' is also compromised (Kaika, 2011: 980), and this has a lot to do with a more general trend where the relationship between the architect and the city has itself undergone changes as has the relation between capital and the city (McNeill 2005, Kaika 2010, 2011; Sklair 2006).

Kas Oosterhuis's ambitious design plan for an iconic building was indeed at odds with the building regulations and codes valid for that particular stretch of the city. In the face of such an unusual design with parameters that challenged building regulations there were two options: they either downscaled the design in order to comply with those regulations and then end up with a less impressive building with the iconic pretense curtailed or enter the risky and tedious process to try and modify the building regulations. The latter option would have meant an extra half or one year in the life of the project which would have raised the costs of the project, risk the developer did not want take as this would have also meant a decrease in his profit margin.

In the 1990s Hungary like the rest of the former socialist countries was characterized by severe shortage of capital. The economy had to be urgently and comprehensively restructured, and this could be done only through a considerable injection of capital. One of the most immediate ways was to invite, induce foreign capital to invest and thus create an environment conducive to capital investment. It meant creating a land market favorable for capital accumulation. The state-owned buildings and assets were in a state of neglect and ruin. Value was locked in land in the form of obsolete, dilapidated buildings and old and insufficient infrastructure. These had to be prepared,

cleared, rehabilitated or destroyed if capital was to be set in motion. This created a situation, which encouraged foreign and domestic investors alike in the built environment to ride out and profit of this welcoming investment climate. This was largely possible because the regulatory context initially failed to put up the barriers and devise restrictions in the desperate attempts to pin down fleet-footed capital. Barriers that were later built in fact were the creation of this climate, they were enacted reactively and often they were just running behind the events they were supposed to regulate.

Attempts on the part of different administrative levels to tame this incursion appeared only later and slowly as there was neither the political will nor the financial capacity to do so. All this coincided with a more general climate all over the world which saw the proliferation of municipal regimes increasingly bent on creating urban landscapes susceptible to the quick extraction of value (Swyngedouw 1997, 2002).

In an attempt to regulate land use, albeit one that came rather late, the Central and the Budapest Planning Committee had finally adopted a relatively strict planning regulation for the area of the warehouses. They had tried to limit the building density, building height, functional possibilities, to regulate the use of the Danube-bank, a heritage site, and this way protect it from reckless investments and real estate speculation typical of much of the 1990s. Some people had welcomed the long-due strict regulations, the clear guidelines while others had expressed their concern that the over-cautious regulation could also backfire in case of a more unusual construction. The ninth district's local council on January 9 2009 issued the building permission for the already downscaled CET design⁶¹. City officials announced to the public that the project would be completed by the summer 2010, later than the earlier optimistic forecast by for 2009.

⁶¹ <http://epiteszforum.hu/jogeros-epitesi-engedely-a-kozraktaraknak>

5.4.1. Private public partnership reloaded and the performance of public interest

CET was built in a public private partnership struck between the socialist-liberal Municipality of Budapest and a private developer. Building a cultural center in a public-private partnership was not without precedent in Budapest. It had already happened with the building of The Palace of Arts in 2005 when the state and private capital joined with aim to construct a new venue for high culture. In 2007 in the wake of the decision to develop the warehouses in a private-public partnership between the municipality and a private investor, the then deputy-mayor stated that a ‘good construction’ had been born. ‘We kept in sight the function, the architecture and the sustainability of the project. By involving considerable private capital we could provide public services’ (interview with the deputy-mayor Ikvai, 2010 March 7).

In the public debate convened by KEK the audience could as well assist to the attempt at a debate on the private public partnership brokering the project. The debate involved the deputy-mayor representing the Municipality and one of the members of the Committee for Major Developments on the part of the Municipality too (representing the then opposition party Fidesz), and the developer. The organizers found themselves in a peculiar situation; they tried to balance between the role of an impartial arbiter and a facilitator of debate. They also attempted to act as the representatives of the general public. In the ensuing discussion the mayor repeated the already tired formula when he presented the private public construction as the only alternative for a money-strapped city.

According to the contract, demonstratively fluttered to the public that evening, contract that otherwise had undergone more modifications, the developer was to carry out the building complex and the additional infrastructural investment in the surroundings, and for this it acquired the right to operate and utilize the venue for 25 years on the condition that 30 % of the territory was reserved for some kind of public cultural function. The key argument for why private public construction was the best option was that the Municipality remained the sole owner of the building, which would not be mortgaged. Thus, the deputy-mayor declared that the public interest was fully protected and the city, the public were the winners of this deal. According to a

member of the Committee for Major Developments, and representative of Fidesz, the main party in opposition at that time, the financing construction was unfortunate and stated that it was not in the least well thought out. In his opinion the venue would return the capital invested within 7-8 years and hence the 25 years (see also Somlyódi, 2011) was too long a period for the duration of which the Municipality could not fully exercise its ownership rights as the utilization and organization of the interior space was dependent on the all-time tenants. He also asserted that the development could have been equally financed with a simple bank loan. The private developer's 8,5 billion investment was also largely financed through a bank loan which the Municipality, in a clause later introduced, virtually fully underwrote. In addition to these reservations, overseeing the different phases of the project was, according to the same representative not working well, either. The municipality was unable in fact to require any changes, make suggestions as these could materialize only way too late due to the fifteen day long opening only. To these objections the deputy-mayor countered that it was going to be the municipality who would select the tenants and thus it could control the use of space, and a cultural committee would anyway oversee the proper administration of cultural functions. Sometime around the end of the debate the deputy-mayor theatrically asked why people were determined to be so critical of a wonderful project and find all sorts of objections to it and constantly look for hidden motives. He expressed his surprise at why people seemed to be determined to look at things through gray looking glasses and instead he suggested that maybe it was high time they learnt to view things through pink shades. The developer showed himself non-plussed that the audience, mostly skeptical throughout the discussion, could not see the benefits of such an investment and that they could only suspect those involved of some hidden agenda.

The organizers and the representative of the oppositional Fidesz saw the dismissal of the architect as a sign that the developer gained the upper hand over the entire implementation process, and that the municipality gave up on its role to safeguard this project in the interest of the city.

And as a matter of fact during this debate the developer and the municipality's interests seemed to converge to the point of ridicule. There was not a single critical remark on the part of deputy mayor towards the developer. It was as if here was a

suitor ready to shower his money on this city, so let's not try and scare him away. Neither on this public appearance nor later did the deputy-mayor express a different attitude. Once the municipality staked its success on this project it went along with the private developer.

As for the municipality's relation to the public, it was variously reiterated and enacted on a discursive level first of all, and was performed during this evening, too. The deputy-mayor loudly and emphatically spoke about the common good, about how the municipality heroically succeeded along the years and now through this partnership in keeping this public asset, and about how the public would be finally able to take possession of this stretch of the city. Through the many public appearances, and press releases the city administration representatives gave, they enacted a particular relation between the city and the residents. This relation was enacted mainly through declarations. The whale's proximity to the river easily lent itself the theme of the public finally 'repossessing' the Danube-river. This idea was in fact the bedrock of many of the strategies devised of late, which spoke about the imperative to 'turn the city towards the Danube', or to 'give the Danube back to the people'.

To the organizers' rather tentative questions about Porto's ownership structure the developer provided evasive answers. On the grounds that Porto was a private company belonging to an offshore company in Cyprus the developer refused to specify the ownership structure. He in fact refused to give any details. The developer was a Hungarian ethnic from Romania who had spent some time in Germany and supposedly made his fortune there. And here he was, ready to bestow his best intentions upon the city, which failed to perceive it on these terms.

The deputy-mayor's performance, the way he framed the entire project, and the manner in which he acted as a marketing agent determined to sell his merchandise, was in itself symptomatic and constitutive of a more general style and practice of urban entrepreneurship in the making on the corridors of the city-hall. All the more so, as an entrepreneurial ethos seemed to permeate the core of liberal urban elites in the liberal party and in the city hall alike, where the successful politicians were seen to be those that wielded the latest free market jargon, the hottest slogans of the supposedly most expedient urban solutions and policies against the old-fashioned, grey-suited

clark burrowing into the bureaucratic odyssey of the city hall. Urban revitalization through the building of an iconic cultural venue was embraced as such panacea and several of the deputy-majors, city officials interviewed seemed to subscribe to and support it in their public announcements and their actions.

5.4.2. Where are thou, public? Which public?

When in December 2010 I went for a tour of the whale, led on that occasion by what then still looked to be the future cultural artistic director of the venue, the whale was still bone-bare except for the concrete walls and the steel shell with half of the glass panels on. At that time this state was still a bit of a novelty given that the initial date of completing the venue had passed just few months before. But this was a time of major changes. It was in the rather early stages of people trying to come to terms with the shock that the electoral victory of the right and the far-right meant especially for the nominally liberal-left, waiting to see what would come out of it. The fate of The Whale, the delay, hardly unusual with such urban development projects, was uncertain. No one would suspect at that time that The Whale was to open only two, then three years later, in 2013, and then with not many visitors or tenants interested in spending their leisure time or their workday there.

On that freezing December day at the entrance, our guide accompanied by a security guard, presented the three of us, me and two theatre directors, with safety helmets, a sign that this was still a construction site and a sign as well that, here, regulations were respected. In the tomb-like cold we were shown around the bare concrete halls and wall partitions. We exercised our imagination about how the venue would look like once completed. Our guide, who was later to be sacked by the same government who had put him in this position without any public competition, had the task to put together the cultural program for which, he confessed, there was hardly any conception and hardly money earmarked. To our questions about the future artistic and cultural content of the venue, he tentatively sketched some options. None of these seemed to be anywhere close to the grandiose plans the municipality earlier advertised and on which in fact the legitimacy of the entire project had been carefully

crafted. There was no mention this time of Covent Garden, or of any library or theatre, for that matter. Instead, what the visitors that day witnessed was someone's earnest and heroic attempts to conjure up a meaningful cultural profile without a ground to rely on and without commanding any financial resources. We listened to ideas about setting up some small mobile stages where puppet shows could be staged for the families on a visit there at weekends, about opening a small photography gallery. Hungarian designers were getting more space and visibility those days, as the organization of the annual Design Week, and other occasions demonstrated. They displayed their products at Gödör or Millenáris as well, but none of these places, however, looked to be long-lasting solutions. Our guide presented the Whale as an answer, whereby these designers could permanently display their designs. While diverse shops, from gourmet food and wine ones to designer boutiques, had space assigned, culture in the more strict sense of the word, understood as artistic and cultural programs was relegated to corners, and small islands, as makeshift solutions along the shopping trail visitors were expected to circuit. The main event hall of the building about which much had been made previously turned out to be reserved for the commercial TV channel, RTL. When asked about what the commissioners hoped to see, he said that the only thing that looked pretty certain was that he had to be very disciplined in the choices made due to the lack of money. The explanation to why he was picked for this position, was precisely, that he was quite successful in running a cultural venue on a meager budget.

During our tour it gradually dawned on me that we were in fact talking about two different things, about two different understandings of culture, and perhaps about two different venues. On the one hand there was an understanding of culture which included theatre plays, exhibitions, concerts etc. This understanding was associated with and defined in terms of a common good, and about which the municipality had taken great care to emphasize in its public pronouncements. Our bias or preference for asking about this kind of programs was no accident. The public pronouncements made much ado about the cultural aspect of the new venue and on the other hand there were two theatre directors next to me threading the bare concrete halls that day.

The other set of cultural activities our guide informed us were clearly more tied to the question of profit and directed to serving another public, who was capable of paying

for the services it received, here represented by such commercial enterprises, as RTL TV channel, or a beer garden or a roof terrace with an exclusive restaurant. All these uses placed culture squarely at the interface of business and entertainment. The Whale after all was an investment too, which was supposed to produce enough profit for the private developer. Upon enumerating all the cultural activities that the new venue would accommodate, our guide remarked that the new venue was to become a proper place for the new cultural industries, a term that was still only coyly deployed at that time. But our guide conjured up his sleeve this magic term when presenting the diverse functions and programs that CET will have to accommodate. It was a passing reference, maybe nothing more than a complimentary nod to the latest jargon. And yet, it was a sound proposition. Cultural industries worked precisely at the nexus of culture and the market. Their promotion as urban policy, the popularity and velocity with which the promotion of cultural industries traveled, became viable precisely through its elasticity to include practically any activity and practice that could believably claim to be culture-related. As with many other highly charged terms, cultural or creative industries were emerging as the latest fad in the urban jargon in Budapest and outside the capital ⁶², a catchy phrase, and more rarely a consistent practice and part of a strategy to become a solution to a real problem. After joking on the variety of beer that future consumers would be able to have here on this exclusive cultural spot the three of us left the place not only frozen to our bones but also wondering about what we had heard.

The different ideals, understandings about the uses and forms of culture that emerged during this visit, the image that was taking shape here about the cultural aspect of this new cultural venue was not of course without precedent. For years we were hearing about the changes that happened or that needed to be implemented if a cultural venture wanted to carry on. It perfectly fit a larger process whereby culture in a global context alike had undergone a major shift that saw artistic and cultural practices' formerly subversive or at least critical elements becoming increasingly circumscribed and redefined, increasingly *capitalized* on by market and political imperatives respectively, the two often hard to disentangle. 'Anarcho-aesthetics' got superseded

⁶² Pécs a much smaller city than Budapest, won the bid for European Capital for Culture in 2010 <http://www.creativecitiesproject.eu/en/pp/Pecs.shtml>

by a new paradigm, the new spirit of capitalism, the ‘design principle’ where the arts and culture is more the function of the market and less a critique of it (Roberts 2012).

As the attempt to construct a novel urban icon has showed artistic, architectural autonomy, which often manifests itself as a concern about quality, is deeply entangled with financial calculations, connecting culture, the private developer and the municipality in a peculiar manner, showing the heteronomy of the architectural profession (McNeill 2005, Molnar 2013). For the Dutch architectural firm which entered the project at the invitation of the private developer, the task to design an iconic building for one of Central-European capital cities took place on a transnational platform where the architectural profession itself had undergone major shifts where the financial viability of a design has become of primary concern.

Creating a cultural center needs added accoutrements as other functions, and building an architectural icon is not an exception to this. The rationale of the latter especially if it needs transnational capital is largely tied to financial calculi, while culture if it is seen as a public good is supposed to thrive on a shoestring budget. One depends on a paying and consuming public, the other needs to consider, at least in principle, that public, too who cannot afford paying for culture. If the place is to stay open, it must house those functions, in this case those shops and companies, and the maverick cultural industries that can produce the rent needed to operate this shopping mall. Premised on a cultural profile and practice that only state socialist cultural institutions could do when they shut out market imperatives, the venue is likely to become only a place for party propaganda propped up by heavy state subsidies, that is, public money, as the celebrations after electoral victories so far have demonstrated.

The production of CET also came to articulate a new idea of ‘public’ that can be elicited at the intersection of “public” as a space and ‘public’ in terms of visitors. In terms of space ‘the whale’ was advanced as an example of an iconic building. As I have shown this amounted to a particular conception of urban public space. As an example of iconic architecture, even though it failed on these terms, it depended on exclusivity, on a select group of ventures/shops that could earn the invested capital back, and possibly much more. Thus it must have conflicted with a possibly more inclusive, or democratic rationale that ought to target a large public irrespective of the differences that must exist among them, for example, irrespective of the purchasing

power. Consequently in terms of the public it addressed, The Whale also depended on an understanding that increasingly envisioned this public in relation to the ability to consume the merchandise this latest shopping mall, (mis)represented as a cultural center, had to sell. The culture that was promoted and that it started to materialize first of all by way of shops was increasingly formulated in terms of the revenues it could produce, and thus was tied to the logic of economic expediency from the very beginning. Thus, the 'public' that it emerged had a restrictive, exclusionary aspect to it. And the public was also by necessity a consuming public.

The whale promoted as an iconic project spanned several mayoral cycles. Until 2010 it was the project of the socialist-liberal municipal coalition. After 2010 the new conservative leadership inherited the project, and it immediately embarked on rebranding it as its own, and taking possession of it. It pointed out that all the anomalies were the fault of the previous leadership, second it filled the venue with events that linked it to and marked the new owner, the new municipality and state political elite. For this it ended the contract with the private developer, and it turned its back on the private public partnership. So far The Whale has been used as the place to celebrate the party's victories at European, national, local elections in 2010 and 2014 respectively.

The imperative of the non-standard design in the project served to construct and safeguard the claim to expertise of the architectural firm. The claim to expertise embodied the integrity of the project which a small elite circle, this time mainly represented by architects, who self-identified with civil society at large, came to defend against the private developer. This group also expressed its concern about the common good as opposed to the private interest and calculations of the private developer. During the open talk, no matter how often the organizers claimed to speak for and on behalf of the wider public, that public was solely invoked as a theoretical construct, except for those present, or at best a passive citizen that deserves to be informed about the workings of this project. The question about the whereabouts of this common good and about the elusive public that this common good was supposed to serve remained confined to this constituency, and was formulated in terms of their worlds and values. An enlightened circle of young middle-class architects expressed their concern about the way the project was advancing. The common good within the

framework of such a discussion did and could not go beyond a mere verbal gesture. In this respect it was not that different from what the municipality did by way of addressing the public. A distant and abstract public on the one hand was invoked who nevertheless became concrete in the act of repossessing the river. That is, this public could stroll along the riverfront, could have a cappuccino, and of course was invited to visit The Whale.

The materialization of an impressive design and the skyline dominated by an iconic building was meant to become the expression and the symbol of a successful mayoral era. The fact that in 2012, with CET still closed, with its completion several times postponed (Somlyódi 2011), this project was still primarily seen as proof of the failure of the ousted socialist-liberal government, was not in a small degree due to the onslaught of a renewed conservative nationalistic agenda that came to power with a fierce mandate to hold the previous government to account. On a daily practice this also entailed that measures, projects initiated by the ousted government had to be now heavily criticized and denigrated. The Whale was such a case. The private-public partnership that the previous city leadership struck with the developer had to be ended on account that it did not represent the public interest - argued the new leadership. This 'ballot box revolution', which happened according to the current right wing government with the 2010 general elections when Fidesz secured a two-third parliamentary majority, was to correct all the wrongdoings of the past two decades and perform the real regime change that according to them had failed in 1989. The production of CET and the curbed aspiration to become an icon coincided and was turned into a verdict by the electoral defeat. But it was perhaps just as well the verdict on the part of a public who could not and perhaps did not want to take part in this charade as it correctly sensed that it did not concern and address them in the least.

The developing of the warehouses virtually spanned the twenty-year long rule of a liberal laissez-faire mayoral cycle. The urban governance that took shape by 2010 as diverse blueprints, programs, policies reflected and the stages of the project demonstrated, eagerly embraced the 'novel urban imaginary'. It believed and propagated that cities' fortunes lies in their becoming entrepreneurial and thus competitive. The redevelopment of the Warehouses was promoted and approved essentially for its spectacular visual merits and for what was believed and constructed

to be an advantageous financial construction. Most participants in the project deemed that the private public partnership was to the advantage of the municipality, which then was promoted to coincide with that of the public interest. The definition of the project, of the space and public was largely left to the discretion of the private developer first, and during the second phase got subject to the discretion of the conservative state/municipality after 2010. Architects, urban professionals, the denizens who made up the circle convened by KÉK, parlayed these and their visions with middle classes' tasted dominating these.

In 2014 the municipality moved two of its institutions to the Whale: the Budapest Gallery got one thousand square meters and the Hall & Market Directorate (Csapi) to manage the organic market was assigned two thousand square meters. Although the rental fee was not much, there were hardly any tenants (Szalai, 2013, 2014). Half of the place was still waiting for prospective tenants to fill in the available rental space. According to the contract the tenants did not need to pay rent as long as the place was below 70% occupancy rate. They needed to pay a monthly operational fee of eleven euros by way of offsetting the loss of the rental fee.

The Whale opened only in November 2013 after a long legal dispute between the municipality and the developer Porto, and with the bank who had provided the loan. Compared to an earlier, what now seemed to be an overly optimistic forecast, which calculated with a 3 billion HUF income, at this stage it was just the municipality spending public money on the upkeep of the venue. The Hungarian Commercial Bank (MKB), the municipality and the private developer signed an agreement in 2008 according to which the municipality was liable to pay the remaining debt in case the municipality ended the contract with the developer. This was necessary as the bank wanted to see a guarantee for its loan, which covered ninety percent of the costs, while the municipality refused to mortgage the building. The MKB Bank provided the loan and according to the contract in case the municipality ended the service contract with the developer, the former was liable to pay back the 7.5 billion HUF loan. In 2012 the bank went to court against the municipality. The new municipality had found the 31 or 33.4 billion HUF, based on the state court audit, too much to pay for twenty-five years as a rental fee and had terminated the contract signed under the previous socialist-liberal coalition. Porto had ended the contract in October 2011 on

account of the municipality hindering its work and the bank went to court against the municipality at the beginning of 2012 (Somlyódi 2011, Szalai, 2014).

Iconic architecture can be approached as the enactment of the (changing) power of certain institutions and elites (Evans 2003, Kaika 2003, 2010, Sklair 2005, Colomb 2012). As such iconic architecture is a reflection of the elites who build or commission such type of architecture. Building on Castoriadis' concept of the 'imaginary institution of society' (1987) Kaika (2003, 2010) looks at iconic architectural production in fact as a practice that sustains the 'socio-political phantasy' of each epoch and of its elites. Castoriadis' concept of radical and actual imaginary respectively rests on the differentiation between existing and consolidated and the just emerging 'socio-political phantasies'. Such a conceptualization deals with the possibility of change that a change of elites, and later of institutions, may usher in. A key aspect of this change is the idea that emerging collective identities and institutions that a new elite may want to put in place has to be able to and needs to represent, 'institute their power' through a system of significations, the pursuit of iconic architecture being a key element to such an attempt. Most importantly the way the concept of the 'radical imaginary' is used by Castoriadis and Kaika, regards symbolic representations and language not simply as expressions of a group or an institution, but as a means of instituting, creating that which does not yet exist. The imaginary according to Castoriadis' plays a significant part in the current capitalist world as much as it did in archaic societies. The extreme rationalization that characterizes the modern world is in fact the current historical form of the imaginary according to Castoriadis. This fact, Castoriadis argues, manifests itself most forcefully in the domain of the economy; "The economy in the broadest sense (from production to consumption) passes for the most perfect expression of the rationality of capitalism and of modern societies. But it is the economy that exhibits most strikingly the domination of the imaginary at every level - precisely because it claims to be entirely and exhaustively rational " (Castoriadis 1987: 156). Both Kaika and Sklair approach the current pursuit of iconic architecture with respect to the economy, and more concretely with respect to the emergence of a new business elite. Recent iconic architecture as Sklair (2005), Kaika (2010) have demonstrated is central to current transnational business elites (corporations) which use architecture to make a powerful statement, to signal and institute their newly acquired power. The pursuit of iconic

buildings on the other hand also marks the demise of a hitherto existing power relation, the demise of a certain elite. The recent transformation in the skyline of London, for example, as Kaika explains (2010), is linked to the institutional crisis and reform of the Corporation of London, the authority that runs the City. As such the building of the Swiss-Re Tower (2003) widely known as The Gherkin emerges not simply as a sign of power, of a transnational elite class, but also as the embodiment of the crisis that the corporation underwent starting in the 1970s and which eventually forced the corporation to favour tall buildings over conservation-oriented planning that it had hitherto professed (Kaika 2010).

According to this understanding iconic architecture then is more than only a maker and marker of success. The pursuit of iconic architecture is also a powerful sign of societies or institutions in crisis, of the reshuffling of power relations and of a possible change of the elite. (Kaika 2010: 454). The appearance of iconic buildings is thus a sign that institutions and groups around such constructions are often in fact reacting, taking advantage of a crisis and in the attempt to fight this off they commission or support the construction of spectacular buildings with the goal to buttress their identity and power. Iconic architecture as the 'language of elite power' promoted during moments of restructuring is part of a larger system of significations which include language, images, public discourse and is often used in the institution of a new identity for elites and institutions in need of reinvention (ibid.). The use of architecture may be a powerful "instrument of statecraft" (Sudjic 2006: 8 in Kaika 2010: 456) and it may also be symptomatic of moments of economic and institutional crisis (Kaika 2010: 456).

The current practice of constructing iconic buildings is a 'hegemonic urban practice' which historically is prone to transform all public space into commercial places according to Sklair (2010). This hegemonic urban practice is the expression of a transnational culture-ideology, that is, consumption according to Sklair, commanded by a new elite transnational class (Sklair 2001, 2010 for a categorization of this class) conceptualized and understood first of all in terms of its global practices. The distinguishing feature of this practice is the establishing of the dominance of transnational capital according to Sklair. In the present chapter, while I consider the transnational aspect of the pursuit of iconic architecture, my focus has been more on

its local dimension and how transnational practices are negotiated and enacted at the local level. Transnational elites despite their global pursuit need to operate locally where they do not act in insulation but need and rely on a local elite that may also want to produce iconic buildings, for which transnational capital is needed. Thus it is not only transnational elites who mobilize certain national and local elites to its own ends, but the pursuit of iconic architecture may unfold at the initiative of a local elite with global aspirations.

Viewed from the standpoint of the 'local', local elites emerge through the arena of public politics to advance projects that they perceive as being pursued in the spirit of the times. The pursuit of iconic architecture has come to be increasingly seen as such a practice in present day Budapest as the chapter has shown. Through the building of iconic architecture a wannabe elite or/and an existing elite that further wishes to reinforce its position, ties and stretches their dreams and their practical considerations and calculations to a transnational field here embodied by the 'global architect' and by the transnational capital represented by the private developer and the bank that provides the loan. This way the local elite make a claim on new connections, create new ties or strengthen existing ones and come to interact even if from a peripheral site within this larger transnational network, where according to Sklair an elite transnational class is shaping the terrain of social transactions from a dominant position. This view of elites challenges a static approach of elites, and instead approaches them relationally and dynamically mapping their making and undoing. This more dynamic approach also fits better an analysis that untangles the process of urban restructuring rather than positing a reified conception of the city. I regard the making of this elite, their identity construction as a dynamic relational process at the intersection of various social sites, their ties and relations (Tilly 2002) with respect to the recent urban socio-spatial restructuring.

The question of the non-standard design, trivial as one may think, first looked to signal the power of the architect. The private developer won the competition precisely on the account of the non-standard design that its association with the architects permitted. The visual merits or the promises that the exceptional design created, both the municipality and the developer accepted and actively cultivated and capitalized on. The non-standard design, as a largely middle class professional circle saw it, stood for

and embodied expertise and professional quality. Such seemingly objective and neutral qualities then emerged as the guarantee that this way the public would be a beneficiary of such a project. After all, the municipality commissioned the building of an architectural icon on the account that it would best serve the Budapest public and that the private public partnership was the best form to achieve this. In the end however, there was not much left of the non-standard design, and there was no architectural icon, either. If these were the most important aspects of the project, where have they gone?

Conclusion

The cultural urban spaces that I chose as the case studies of my research were places I have often visited for their progressive programs. They were places of a Budapest that I loved. I wanted to understand what these places meant in the wider scheme of things, what dynamics and visions created them.

These cultural centers that I have focused on, are cosmopolitan urban venues which are twenty-first century embodiments of a liberal cultural and political tradition. I have demonstrated that their limitations can be explained at the intersection of liberalism as a political project and neoliberalization, the latest phase of capitalism. These places cannot become more emancipatory and inclusionary by fiat of their incorporation in and by increasingly becoming expressions of a neoliberalizing urban project and vision. While locally these places figure as cosmopolitan their trajectory cannot be understood apart from the global neoliberal project as their response as ethnicized mytho-poetics of the conservative backlash cannot be, either. While for the majority of Hungarians the liberal project has failed, and is the subject of derision among the radical right and the conservatives, my critique has taken a different direction from this in that the failure of the liberal urban project is interpreted in light of the global neoliberal project and of a hegemonic global urbanism.

The fact that the protests in defence of Gödör and Trafó did not catch on, cannot be

explained only in terms of these cultural spaces only. To see the inability to mobilize a larger strata of people only as a matter of a circumscribed and particular(ized) concern, as the defence of the status-quo so that these places should be left to be run as before, would be a partial account only. The research has shown that the possibilities for progressive politics of places like Gödör and Trafó are the outcome of a longer process and must be approached with respect to its immediate and more remote context. The possibilities that these spaces can stand for are shaped by the urban governance and urban politics since 1989 and equally by the pre-1989 period which created the parameters on which the later civil society-state-market relations could evolve. Urban governance is increasingly pursued under the imperative to become a competitive city. This is well captured in the pursuit of area-targeted urban projects which are often promoted through a recourse to culture. Up until 2010 it is a focus on the cosmopolitan aspect of such places, their position in a European if not globalized cultural network that dominates. Cultural producers find in the liberals led municipality a natural ally for pursuing such a cosmopolitan, globalizing agenda. After the conservative backlash a different mytho-poetics comes to the fore, which apart from a political rivalry between the governing Fidesz and the opposition, does not in fact disrupt the neoliberal urban governance which continues to rest on the pursuit of prestige urban projects whilst governance is becoming more punitive, more repressive and more authoritarian.

In *'Spaces of Capital'* David Harvey (2001) advances the hypothesis about the increasing mobilization of cultural producers in urban struggles in the face of global urbanism increasingly commodifying culture and creativity. The protests around these cultural venues I argue arose in response to dynamics peculiar to neoliberal urbanization and governance. However, those who protested in order to defend the autonomy of these cultural spaces did not question the growth-oriented entrepreneurial logic, nor did they lament the proliferation of exclusive places and the loss of public space. Instead, these protests targeted solely the state and the local government for what protesters saw as discretionary, authoritarian practices, and accused the current government for replicating the measures of a by-gone authoritarian age. They formulated their critique by reviving the terms under which the ideal of city society was defended in the eighties.

The four urban cultural spaces have their own specificities, which derive from their trajectories notwithstanding their common embeddedness in their immediate urban context and their connections to global urbanism. These four spaces are in fact four different ways of imagining and constructing the city, they are acts of city making at the intersection of diverse claims and counter-claims. Some of these claims and the forms they take happen with respect to hegemonic global city practices and imaginaries like the megaproject spearheaded by a palace of arts, or the production of iconic architecture while others are advanced as less speculative and in more local terms.

Trafó, The House of Contemporary Performing Arts is a place that has to be able to accommodate contemporary performing arts, especially dance. With the following urban projects their scope extends to include both a wider geographical area and a wider range of uses as well. One can observe a shift towards urban development practices that rely on and stake their fortunes on a more speculative rationale, and that invariably emerge as mix-use projects. Changes also propel such cultural spaces to become social meeting points able to do more than simply provide artistic experience. They need to ride out to the neighborhood and do some work there. They need to become communities.

Trafó is the most modest urban space, and the least pretentious out of the four. This, on the one hand, has partly to do with its timing, the sequence of events in which it finds itself. ‘Chronology matters, since events are produced by complex conjunctures rather than universal ones’ (Steinmetz, 2008: 537). When in 1998 Trafó starts to operate, urban renewal in Budapest targeting the production of cultural venues is happening not only at a smaller scale but also in a less speculative way, apart from perhaps the serial building of shopping malls. The accelerated process of culture-led urban development is still to gather momentum when this house of contemporary arts comes to be built. By 2013 Gödör, MuPa and the Whale have opened, with many other more grandiose urban projects around the corner. Budapest has become along these years much more prone to pursue the cultural recoding of its urban image and landscape, process that has extensively built on the restructuring the industrial remains, revamping many of its obsolete buildings.

Trafó according to the initial plans was to be just a house of contemporary performing

arts with a focus on providing an appropriate space for dance. The building chosen, its immediate surroundings placed clear limits on its further expansion, on it becoming more than a 'house'. It is indeed a rather small and narrow construction able to grow only upwards and currently barely accommodating one performing space, a rehearsal room, a small basement gallery and dining space and a lobby with a small bar-corner. Notwithstanding the difference in institutional set-up, profile, state support and audience that exists among the four urban spaces that I have selected, they find themselves locked in the same circle and their relation to one another is not entirely devoid of half-acknowledged rivalry and competition for audience and for funding.

I have chosen four urban cultural centers as my case studies and thus I could tease out and map dynamics and variations. I could trace shifts from the production of one venue to the next, changes that each of them underwent separately and within the single process of neoliberal urbanization of Budapest. More specifically I chose to approach the four cultural centers in light to what has come to be termed culture-led urban development. I approached this mode of urban intervention to be an essentially neoliberal urban policy and project which increasingly constructs and promulgates cities as places of capital accumulation and investment. The term 'neoliberal' briefly denotes the latest phase of capitalist urbanization, most simply, characterized by an incessant drive towards increasing marketization and/or increasingly towards financialization. These different urban spaces have allowed me to show the contradictory process of neoliberal urbanization in Budapest, process which gathered momentum by the 2000s but which began already some three-four decades earlier. These four case studies have provided evidence as to the variety of ways in which culture can be deployed in city making and as to how a program of culture-led urban development unfolds out of seemingly unrelated and uncoordinated, and highly contingent steps and moments. And while the practices and discourses implemented were not initially designed and pursued in terms of culture-led urban development, nor were they neoliberal necessarily or always, they have nevertheless led to and constructed such a project and rationale.

Culture-led urban development is both a series of real practices, and a powerful discursive trope, a ploy, a misnomer - it reveals as much as it conceals. First, it is capable of ushering in new practices, which by way of their carefully crafted images

and promises can immediately pose as conducive to cutting-edge and future-oriented cities. The new inviting skylines are constructed against their past, which are caricatured in unanimous terms of backwardness and darkness. Culture-led urban development, with the panache that the term culture holds, invariably augurs spectacle, future success and ultimately the most coveted of all worldly goods, economic growth. This urban policy promises to transcend the past, what was once backward, repressive and dull for what is now liberating, creative and innovative.

One cannot dismiss the oft repeated claim that in the early nineties there was no capital (interview with one of the leading figures of the liberal party, 2011, March 3) and for sure, there was not. But this statement's preemptive logic needs to be contextualized and explained. A multilayered approach and analysis of concrete measures, policies and practices with respect to a chosen case can do much to dispel the inevitable character of the imperative of capital and the contingency of responses designed. Once the political-economic establishment was in place and concomitantly with this process came to imagine and act upon the future completely on these terms - whether the country is able get the needed capital, that is, if it is attractive enough for capital investment - any other priority was relegated to the backdoor. This context, which was not simply a matter of perception, though discursively powerfully constructed as such, was very much an urgent material constraint imposed by capital markets which proclaimed whether Hungary was a good place for investment or not. This is what Wood described as the imperative of and dependency on the market (Wood 1999: n.p.), where force is a key element. This dependence on capital markets, manifested itself, for example, in the ways Budapest could pursue its urban projects and naturally the kind of projects that it could undertake. The relation between capital and the city, too, with the state as a key player in this relation are well reflected in the urban development projects that, mostly, elite groups in the city pursued. The way living in the city and city making could proceed, question more and more formulated in terms of urban renewal or urban development, was to a large extent determined by the priorities that markets imposed and which urban elites implemented and translated on the ground.

What explains then the emergence of several state owned urban cultural venues in Budapest? This research has shown that in order to answer this question one has to go

beyond the popular narratives of the transition in Central Europe captured in the idea of shock-therapy which emphasizes the slash-and-burn nature of the change. Massive privatization of state assets and the erasure of the socialist built environment has been followed by policies where privatization has happened in a less unanimous manner, for example, in the form of public-private partnerships. The state or the municipality could thus remain the owner of a former industrial building, yet the public scope and utility of such buildings as novel urban public spaces has become questionable. Through a dynamic-relational approach I could capture the contradictions that underpin the evolving processes of neoliberal urbanization happening since the 70s-80s if not even earlier and which has gained momentum probably some time during the 1990s to play out through the 2000s. One of its contradictions is precisely that the end of a process of massive privatization did not entail the exhaustion of such a process. Privatization has continued, this time under a different name, called public-private partnership.

The scope and meaning of state involvement has also changed in ways that has been fraught with contradictions. The state has been both retreating and at the same time gaining new ground and extending its influence. If privatization was the norm in response to offset the shortage of capital, this was true only at an earlier phase, in the nineties, and hence, it cannot entirely explain the pursuit of ever larger, more expensive, and more symbolic developments, for example, from Barcelona's waterfront to Berlin's Potsdamer Platz where the state was invariably present. In Budapest as well, initially it was the relative withdrawal of the state as it happened by the time Trafó emerged, when its director had to negotiate for years in order to get the building, which the municipality purchased in the end. Later with MuPa we witness a more proactive state inviting and encouraging private capital to ride out and take advantage of the situation. More remarkably, for the past years of a conservative governmental cycle we can follow a stepped-up state involvement in initiating large projects re-directing and re-channeling public and private sources alike towards exclusionary projects.

The aim of the thesis has also been to show that there was nothing inevitable in what took place, that instead of impersonal forces and market imperatives, there were groups, agents that actively took part in the production of these places - true in

contexts not entirely of their own choosing. The thesis has also elicited the power of ideals and discourses that inspired individuals and society, their reproduction through media images, and their articulation with individual desires and dreams, and their resonance with wider trends. For this I turned to the ideal of enterprenereurialism and registered its transformation out of the alternative undertandigs that were being discussed and were being experimented with in the eighties up to the present moment when entrprenneurialism has mainly become the hegemonic neoliberal or entrepreneurial urbanism of our times. Hence, a new research could explore in depth and recover other, lost, or silent alternatives to individual and collective initiatives more conducive to personal and collective growth than the current hegemonic form of entrepreneurialism.

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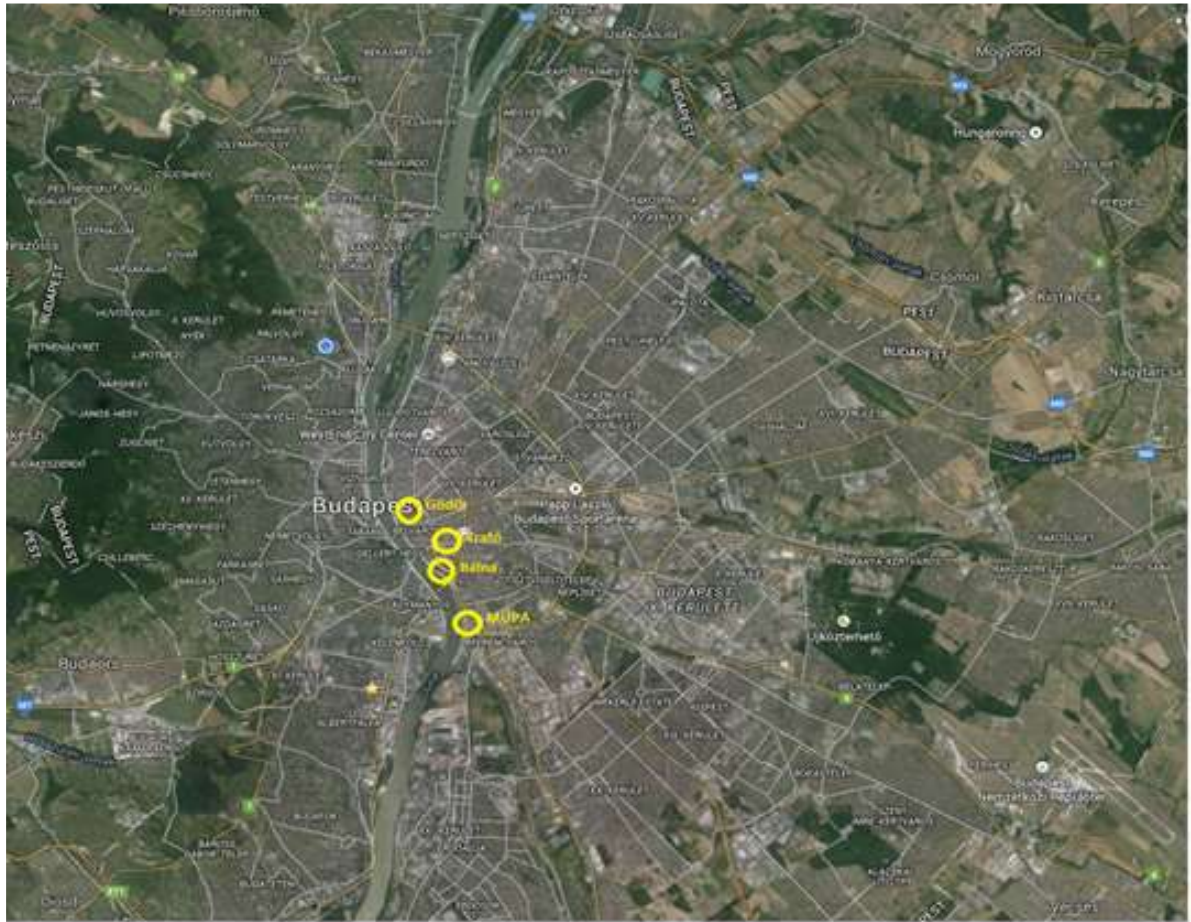
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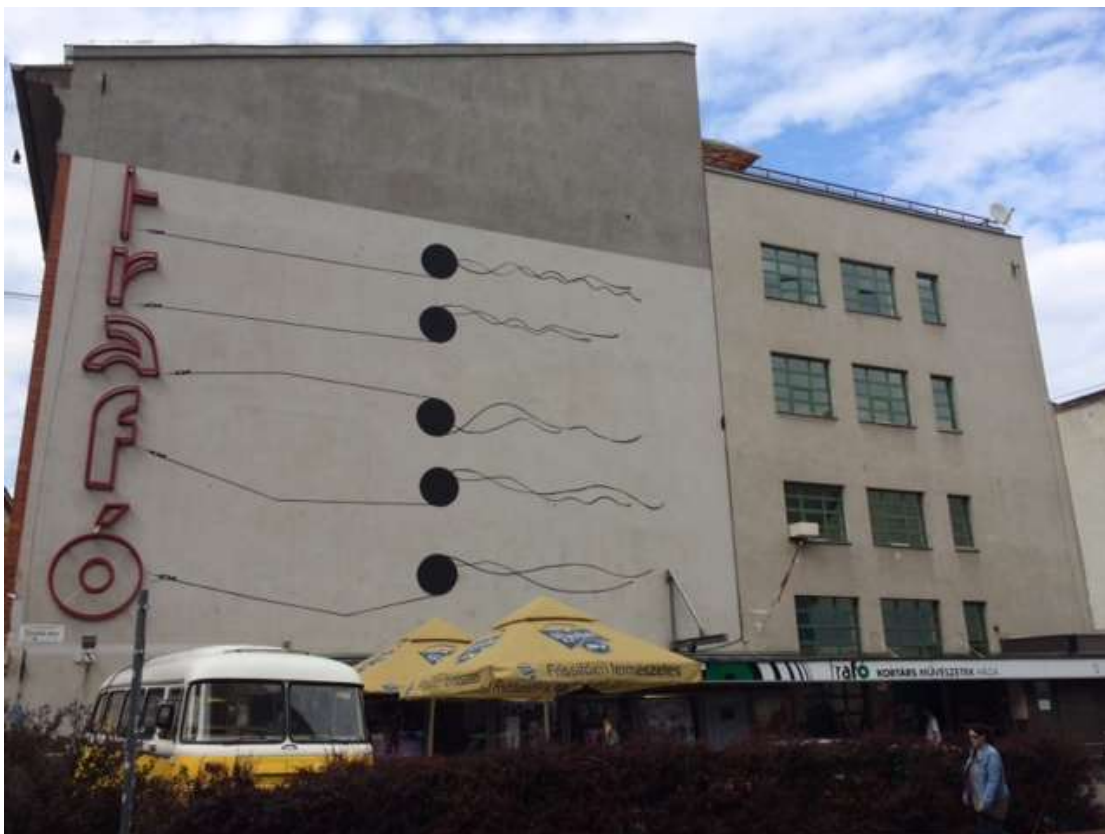
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Appendix



Appendix 1 Location of the Four Cultural Spaces in Budapest



Appendix 2 Trafó



Appendix 3 Gödör Photos by the author



Farewell Party Gödör 2012 January 29





Appendix 5 The National Theatre (left) and MuPa (right)

Governmental Cycles in Hungary

1990-1994 conservative government Antall till 1993/ from 1993 Boross government

1994-1998 socialist-liberal government Horn government

1998-2002 conservative government Orbán government

2002-2006 socialist-liberal government

2002-2004 **socialist-liberal** government Medgyessy government

2004-2006 **socialist-liberal** government Gyurcsány government

2006-2010 socialist-liberal government

2009-2010 **socialist-(liberal)** government

(in coalition with the **liberals** till 2008 Gyurcsány government

2009-2010 **socialist** government

(with the support of **liberals** outside government)

2010-2014 conservative government Orbán government

2014-2018 conservative government Orbán government