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***The history of the small flat building campaigns in Budapest  
between 1870 and 1948***

*(Thesis)*

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## **Preface**

In the preface of our Ph. D. thesis we made an attempt to give a short outline about the attitude of the authorities during the examined three-quarters century to the housing shortage that affected the population of the capital more and more seriously, and also about the circumstances that prevented or even kept the capital from intervening in the housing management and distribution.

Moreover, in the preface we pointed out that due to the limited size of the thesis we published only those chapters which based on archival materials and never had been touched by basic researches before. The chapters which discussing the deeper contexts of the theme will be published in the near future by Napvilág Kiadó. Thus we omitted the description of how the specialists of that era noticed and interpreted the causes of the housing shortage, what kind of solution was considered – following primarily foreign examples – by the so-called 'housing reformers', and how the leadership of the capital tried to take up arms against the overcrowdedness and the constant danger of epidemics caused by it and threatened whole Budapest. The statistical research of the housing problem of that period constitutes an integral part of the monography. As well as the demonstration of the changing role of the towns leadership from parting as an executive to undertake social and economic policy, and the attempts to introduce the principles of modern town-planning. As an aftermath of World War I the economic situation of Hungary dramatically changed, and therefore the housing market injured severely. In the monography we discuss in independent chapters the system of fixed housing management and distribution, the general economic environment which also influenced the housing market, and the formation of tax and credit policy. Although the expression 'official small flat building' appears in the title of our thesis, we feel it a great loss, that we had to omit the demonstration of the role of the state and also a detailed portray of the slums of that era.

Finally, we expressed our acknowledgements to all the professors and institutes for giving us assistance to accomplish our thesis.

### **I. Building of temporary accommodations in the end of 19th century**

In the first chapter of our Ph. D. thesis we give a short demonstration about how the capital – in spite of its liberal policy – was forced to intervene in the housing market, even if this intervention was limited to the building of lodgings. Since the leadership of the capital realized that if they didn't make an end of the returning cholera abolishing the overcrowded

accommodations, sooner or later this epidemic would hang over the whole population. Not the thousands of homeless flooding to the capital as a result of the economic boom of the second half of the 19th century made the authority finally to act but the fear from epidemic. At that time quarters had been built as temporary accommodations, even if these barracks later became permanent accommodations, and so were almost never able to serve their original purpose. In the end of the 19th century Budapest set up quarters in three waves (1886, 1892, 1894), where barracks for family and common use waited those in need. All three building campaigns were successful from both financial and social point of view, even though numerous problem emerged in connection with the quarters – especially in the field of public health. The capital had to remedy these problems, as well as to maintain and manage the colonies.

## **II. Building of temporary accommodations from 1912**

To separate the treatment of the question of temporary accommodations is needed, because the towns policy concerning the temporary accommodations changed in the first decades of the 20th century. From that time the emphasis was not on the prevention against epidemics but on solving the large-scale housing shortage that heavily afflicted the capital. During this period the capital took over the task of maintaining the slums from the authorities, and prepared for the large-scale work concerning the merits of the problem. But building of temporary accommodations took place again only in 1912. In the first decade of the 20th century the housing experts were thrown into fever by the first small flat building campaign of the capital. The construction of temporary accommodations on Vágóhíd street was only a subordinate part of this so-called Bárczy-project, but was not without problems. By that time it had been being a question of debate for years if there was a right or a need at all for building such kind of temporary accommodations in the capital. Finally the planning and the arrangements of the colonies started in three places, but due to different problems only the above mentioned was actually built. The sources from 1912 also refer to a colony on Babér street which was actually an extension of the small flat colony of Palotai street – built as a part of the Bárczy-project – with mobile small flats. Except for one colony – set up in 1915, also on Babér street – the capital didn't build but leased houses with temporary flats in the following years. Such an example was Alsóerdősor street 26-28., Aréna street 63. or Holló street 14., in which buildings 350 tenants could be accommodated. Yet this period was important not because of these investments, but because the temporary accommodations came under council i.e. central management. Beside arranging the general economic questions the

orders of the year 1912 changed the direct management of the temporary accommodations. For example some elements of the duties of the 'house manager' and the 'warden' were united, so the XIV department of the town council got a better opportunity to comprehend the problems related to the temporary accommodations. Since prior that time the leadership of the capital received only not firsthand and differently treated information, and in lack of these information a reasonable and economical managing of the colonies was impossible. This chapter ends with the depicting of the everyday life of the residents of the colonies.

### **III. The small flat building campaign (1909-1913)**

As we stated above the housing shortage became a vital problem of Budapest from the last decades of the 19th century. The leaders of the capital had been dealing with the question since the 70s and 80s, but – according to the liberal point of view – they reserved to intervene in the market relations and processes. In the first decades of the 20th century a new phenomenon coloured the question that was horrifying the landlords too. The working class – suffering from the boundless house-rent usury more than any other social class – launched town-scale rent strikes and on some occasions even house destructions. Of course, not this was the only reason why the liberal town leaders decided to act and intervene. The idea of the socially careful authority that appeared in the end of the 19th century influenced more and more the public thinking, and therefore the policy of the capital too. Among the reforms inspired by the new thoughts fits the launching of the official small flat building program too.

In the spring of 1909 major István Bárczy moved a motion with regard to the improvement of the housing conditions of the capital as a part of a large-scale and modern town development plan. As an effect of this proposal which was a subject of discussions at the town hall, Budapest launched its first small flat building project, whereby five thousand small flat (in blocks and colonies) were built all over the city. Naturally for the sake of this campaign the required credit, tax exemptions, reductions, building sites and construction supervisors had to be provided, and the public tenders also had to be managed.

In our thesis we dedicated an individual chapter to demonstrate the quality of life offered by the newly-built small flats to the tenants. The authorities had to take care of the required level of hygiene, therefore the majority of flats in block houses were built with own bathroom, and the rest with access to common bath and laundry. We can find common toilets placed at the end of the corridors only in the colonies. Maintaining the small flats was also an important duty of the capital, and for this purpose they employed the required number of colony

superintendents and house caretakers, whose work were supervised by the wardens. The wardens had a wider responsibility: they acted on behalf the tenants towards the council, supervised the renovations, etc. Fixing the rent was an important part of the capitals social responsibility. The relevant act subjected the tax exemption to conditions. Accordingly it wasn't allowed to collect a rent more than 4% of the value of the building site and/or 6% of the prime cost of the construction. Although the council kept the law in the case of the single blocks, but – taking into consideration the social aspects – made the smaller flats available to the tenants a bit cheaper while the bigger ones a bit more expensive, since during the campaign – beside the aspect of efficiency – it was an important aim to provide suitable and long-term housing conditions for as many deprived family as possible. The same point of view is observable in case of letting the flats. Preference was given to large families in need, while subleasing was forbidden, since it easily would have led to overcrowdedness, against what the authorities originally took up arms. This campaign, which was being in progress in the 1910s, was considered by the capital successful and worth continuing both from economical and social point of view. However continuing the campaign was impeded by World War I and the economic environment changed by the war.

#### **IV. Housing conditions of the capital during and after Word War I**

Breaking of the war and the wartime situation stopped public and private building in Budapest, since adjustment to wartime economy meant austerity measures, constraints in supply of materials and mobilizing the factories, meanwhile the population of the capital grew due to the mass of refugees. Under these circumstances the housing schemes of the authority also stopped and in this period the number of flats didn't increased except for the lodgings on Babér street. The state tried to prevent the deterioration of housing situation at first with moratoria than from November 1917 with the introduction of fixed housing management. Particular episode was the Hungarian Soviet Republic. During this short period the previously planned state buildings started, but the dictatorship of the proletariat considered the takeover of private homes and forced move in of families as the key to solve housing shortage. Even though the capital didn't give up its plans, between 1915 and 1925 only the state had the financial background for building flats – especially barracks like Mária Valéria colony, Auguszta colony, etc. The councilors prepared plans one after the other, but all failed due to the fall of the money market, so realization of those plans was left to the second half of the 1920s.

## **V. The small flat building campaign of Budapest in the 1920s**

After the economic situation had been stabilized, the capital was able to take on increasing the number of small flats again. It was realized in the framework of a large-scale investment project between 1926 and 1929, even if the first cycle was almost totally financed from the capitals budget. By the way no flats were built in colonies in the second half of the 20s, but better quality small flats in blocks. The leadership of the capital constantly considered the importance of providing a model, since they wanted to stimulate private buildings so. By the time the second cycle started the capital had already run out of own sources, so the project was continued with participation of banks. On the other hand the capital didn't give up building flats from its own budget, even if financed by loans, because the buildings managed by banks were more often than not criticized. As a result of the campaign Budapest was enriched with 4000 flats, for the most part one-room and two-room ones. Contrary to the Bárczy-project in this period the capital didn't use its own building sites but first of all purchased ones. Organizing the constructions was the task of the banks and the prime contractors, who were obliged by the capital to assign the wider possible circle of craftsmen with the small-scale works. So the main task of the capital was to supervise the investments, to distribute the flats and to determine the rents. In the meantime the laws related to this last question and concerned to the Bárczy-project were changed, thus the capital was given an almost free hand in determining the rents of the small flats which were set up during the second and third cycle of the campaign. In addition to the social point of view, the level of rents that was developed as a consequence of the fixed housing management and that significant difference between the rents of the old and newly built flats was to be avoided, also had to be taken into consideration. Determining the rents was not the problem that gave the capital the plentiest to think about but the fact that only less than one third of just applications were fulfilled, so the original aims were realized only partially. When the blocks of the third (own budget) cycle were built the small-flat building campaign of the capital was ended. Even though Budapest did not give up increasing the number of small flats, it hardly could be realized due to the exhaustion of financial resources and the coming economic crisis, except for the setting of colony Városszéli-telep and temporary accommodations.

During the above mentioned period the town hall put emphasis on building temporary accommodations and – from 1933 – on renting private flats for the purpose of crisis accommodation. In this era – end of the 1920s and beginning of 1930s – 1000 temporary accommodation were built in 7 colonies, mainly following the concept of the Bárczy-project

related to the small flat colonies. These accommodations were much better quality than the ones set in the end of the 19th century: most of the flats was built of stone and still functioned well after World War II. The rented temporary accommodations flourished in the middle of the 1930s. At that time the leadership of Budapest considered more economical to use the related subsidy not for building but renting flats and get considerably more families in need an accommodation so. After 1925 the state did not take part in the buildings but supported and subsided the above mentioned method, since the flats which were hard to rent out due to the increased rents after the fixed housing management had been ceased thus found tenants again and so the state found taxable income. From 1936 the system of rented temporary accommodations was gradually ended and again building came to the front. Among others the „Dzsumbuj” („Jungle”) on Gubacsi street and the colonies on Hős and Bihari street were set in this period. All three are at present functioning, four-storied temporary accommodation complexes. In the meantime important changes had happened regarding the temporary accommodation stock of Budapest, since from 1937 the state gradually handed the deteriorated barracks to the capital. In addition the inhabitants of the colonies received social payments and in connection with this the titles to temporary accommodations were revised – what resulted the first mass resettlements from the colonies.

In the middle of the 30s the capital took on only the setting of Városszéli-colony, where 240 flat were built in 5 cycles in the course of 8 years. In this project the aim of the capital – following the theory of productive welfare policies – was to build houses with a curtilage where the tenants had the opportunity to horticulture in order to meet at least the part of their need for food. Therefore 11500 square feet curtilage belonged to all buildings together with free plants, fruit-trees and even poultry in the first year. This concept fulfilled hopes.

## **VI. The buildings of the capital in the end of the 30s and in the shade of World War II**

Since the housing conditions of the capital did not improve much by the end of the 30s, the town hall planned to increase the number of small flats as an element of a large scale investment project. In making this decision major Szendy Károly had an important role, who – similar to Bárczy – considered stimulating official small flat building one of his main tasks. The reason for this was not only the housing shortage but the demand to put an end to the slums which were causing more and more problem. We can be a witness to the realization of a novel project that harmonized all types of official accommodations in order to reach these aims. It was the first time when the demand on solving the housing problem of the capital with the help of merging the different institutions involved in the question was carried out. As

a forerunner of this project almost 1000 flat was built in 6 locality of Budapest among others on the occasion of the coming Eucharistic Congress and the demand on doing away with the Kiserdő-slum. Following this project the opportunity presented itself to fulfill the planned campaign of the capital building 3000 flats between 1939 and 1942 in view. The funds of this campaign was allowed by a credit of 20 million received from OTI, as the state supported the social investments of the capital not only with giving tax exemptions but in this manner too. With knowledge of the construction guidelines, the designing architects had to keep the main purpose in view to build healthy small flats, suitable for separation of sexes, with the larger possible basic area – on the lowest possible price. Utilizing earlier experiences, the plans tended to build flats with large kitchen as the ideal room for the working class families to stay in the daytime and small bedrooms which could contain only a few beds to ensure undisturbed rest. The above mentioned kitchens consisted of two sections: a kitchen in fact and a living room that could be used as a sleeping place too. The 35 and 40 m<sup>2</sup> flats – unlike the majority of the previously built small flats – were not equipped with bathroom and pantry. These premises were substituted with communal bathrooms in the basements and wall cupboards placed bellow the kitchen windows.

One of the main purposes of this small flat building campaign was to put an end to the slums of the capital. This aim was planned to reach by settling only tenants of temporary accommodations who were domiciled in Budapest with large family and income enough to pay the higher rent. Into the temporary accommodations that had been emptied in this way families from the slums were accommodated. An other innovation was that the families moving in the new flats received rent allowance according to the number of children. This allowance – in case of six children – could reach the half of the total rent. After all the campaign remained incomplete due to the war: only 1855 small flat were finished instead of the planned 3000.

Following the principle of coordination the capital set about realizing its program to build temporary accommodations what was pressed by the demand to abolish the run down barracks owned by the state. Thanks to this project several new colonies – similar to the ones built within the scope of the Bárczy-project – were set, and some parts of state-built colonies in better condition were renovated. Although this project had never been completed by the capital, the number of flats increased with 1719 so, while thousands of quarters were abolished in different districts of Budapest.

In 1943 another large-scale project started, however this time not scattered but concentrated on a district, the so-called Magdolnaváros (Angyalföld). The funds were allowed by OTI again in form of a credit. By the end of the war only 4 buildings were finished from the planned 54, and in the following decade 35 more became completed.

We close the demonstration of the social home building programs and housing policy of the capital with a few data. In 1938 some 274000 flats were recorded, from which 11588 were owned by the capital. After World War II this number, together with the – by that time only good quality – flats of the temporary colonies, came near to 17000. So in the 1940s the capital increased the number of social flats with 40%, that covered 5% of the total number of flats.

After the world war this question was also transformed radically, since the centrally organized building of housing estates in the '50s and '60s solved the housing shortage of the capital for decades.

The Ph. D. thesis is supplemented with bibliography and appendix containing tables on the constructions.