Counter Culture, Consumerism and Ruin Pubs in Budapest –
A Comparative Case Study

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Abstract

This thesis aims to look into different perspectives in connection with ruin pubs in Budapest, such as authenticity, counter culture, consumerism, organizational structure, profit, missions and ideologies, and then compare them. Not much literature could be found on ruin pubs, since they are a relatively new phenomenon but already within the last 10 years they evolved and transformed into a wide spectrum. One of my aims was to define ‘ruin pub’ and make a typology according to my findings. Moreover I wanted to give detailed background information on the urban processes in the seventh district and present the causes that led to the boom of ruin pubs lately in Belső-Erzsébetváros. This involved interconnected factors, like the passive local government, the heritage protection of the dilapidated housing stock, gentrification process, low rents and lack of investors in the area.

During my research I made interviews with ruin pub owners and employees, an expert on urban sociology and a prominent member of the ‘bike courier’ subculture. After the analysis I could identify three different types of ruin pubs: commercial, community and radical ones. While Szimpla turned into a commercialized venue, using its cultural side to attract visitors, Gólya and Auróra have deeper mission and values. Their differences can not only be seen in their organizational structure but also in their impact on the social groups they feel responsible for and aim to help. Gólya promotes a liveable alternative to neoliberalism. Auróra is more in line with grassroots organizations and NGOs, which could be a tool for forms of government to re-establish trust and cooperation with deprived social groups.
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1. Introduction

“A romkocsma a poszthas modern művelődési ház. Sem nem rom, sem nem kocsma.” / “Ruin pub is the postmodern community centre. Neither ruin, nor pub.”

by AZÉRT

Questions in connection to this topic came to my mind at first when relatives of mine from the UK visited Budapest in the beginning of September and one programme was to take them to a ruin pub. A ruin pub hasn’t been precisely defined yet, but in general it is a community space where like-minded people gather. The interior is characterized by old furniture and a quite eclectic style. Of course I wanted to show them more but already at the first place they were amazed that they have never seen such a place before and how great it is. Additionally when I’m invited by my friends to go out, they are most of the time going to the ruin pub district so I often join them. But every time I felt that there are too many tourists for whom the prices are really cheap but for me and probably for most of the Hungarian students – it is too expensive. I was a bit angry at the pubs because I felt the same as what happened to the Sziget festival, which was once a summer concert programme for Hungarian students, but turned out to be profitable enterprise and transformed into the biggest festival of Central Europe for foreigners. The number of Hungarians attending are lower and lower every year because they cannot afford it. I am always sad and a bit indignant about these situations.

More than ten years ago when ruin pubs first opened only a small group of young people visited them. Szimpla Kert was the first ruin pub which opened in 2002, founded by 4 students of humanities. They just collected some used furniture and old things for decoration, which became the trademark for these places. This district became clearly a unique part of Budapest in the neighbourhood of the Old Jewish Quarter with its heritage buildings and its special atmosphere. Ruin pubs became a symbol of the city and is attractive for tourists because they can experience the “retro feeling” and a particular eclectic interior design. But was this the original plan? I think the essence of these places vanished and turned towards a more commercialized and consumer-
oriented units to make more profit. Nowadays they operate for a different circle of guests and ruin pubs have turned into a brand. Besides this we can find those places in Budapest (e.g. Gőlya) which had the same start but still operate within the original framework and want to provide the possibility and the community for young intellectuals to gather and who want to support exhibitions and musicians regardless of their ethnicity or status belonging.

The thesis will give an overview of the emergence of ruin pubs in Budapest. In this overview I will provide some insights about the success of the ruin pub district and I also ask whether the pubs are losing their uniqueness in achieving this success.

The central research questions of the thesis are to explore why ruin pubs are highly concentrated in the seventh district, what is the cause of the recent boom of ruin pubs and was there a change in the target group? In addition I will reflect on whether the original ideals of the ruin pubs are being lost due to commercialism and cultural mainstreaming.

In the exploration of these questions I will seek to ascertain whether all or some of these pubs can be classified as part of a counter culture scene – where counter culture means the ways and ideas that are completely different from those accepted by most of society. Counter culture came to existence to oppose mass culture and reject consumerism (Fulcher & Scott, 2011).

In this discussion though I also need to consider whether pubs are nothing more than commercial ventures which have a superficial alternative veneer.

**Areas of Discussion**

In the last few years there has been a boom of ruin pubs in particular in the seventh district. Earlier it seemed a unique neighbourhood and attracted not just the young inhabitants of Budapest but many tourists as well. But the rise of these pubs is considered by the opponents as a serious problem now and some argued that it has caused a decline in the quality of life of the locals (Szindikátus, 2011). In 2009 the commercial law was modified and it became easier to open new catering units.

This was a spontaneous process; the district was not prepared for this much of noise pollution. Compared to other European capitals (e.g. Berlin), they also have an entertainment district, but not in the city centre. Such areas were an outcome of a detailed planning process, regulating the number of units and their size and units with certain functions were not allowed in the residential district.
In the old Jewish Quarter the condition of the buildings was really degraded and the existence of these pubs in the future was not guaranteed so they just skipped the renovation for decades. After it turned out that operating a ruin pub seems to be a success story, managers bought the properties. Another trend is that these pubs bring the entertainment aspect to the fore which was not the original intention, namely supporting of the artistic community and the artistic activities and these pubs became a focus of alternative and bohemian arts, what some might even consider as a counter culture.

This district seems to make lots of profit and so is inviting for other investors to join this successful way of business. But this is not that lucrative for the local government and probably this plays an important role in why they are attacking the owners and trying to make restrictive decrees (hvg.hu, 2013). The thesis will explore whether this opposition reflects the views of constituents about noise and revelry or whether it has deeper ideological and cultural roots. The owners saw the opportunity in tourism and opened up for foreigners, which on one hand boosted the incomes but on the other hand some places are now too expensive for Hungarians and more and more people visit this district regardless of which day of the week it is. Is commercialism diluting the ethos and inclusivity of ruin pubs?

What is the future of the district? Would it be even a bigger problem if this area transformed into a monofunctional entertaining district, because then it would become a part of the city where living is impossible. Some gentrification processes have already started in the neighbourhood (Csanádi et al., 2010) but I think the young generations who moved there will move away when they will plan to establish their family life.

2. Literature review

2.1. Counter culture

The process of places associated with counter culture being subverted through commercialism and mainstream culture is not a new phenomenon. Montmartre is a famous tourist attraction thanks to the neighbourhood's remaining romantic appeal. Tourists are still eager to catch some of the once unique atmosphere created by poets and painters. But sadly what they find are crowded streets, souvenir shops and luxury hotels. All what made this place special and gave its unique characteristics is gone
Perhaps the desire for nostalgia and a piece of history is what makes it still attractive.

Montmartre played a very important role in the cultural transformation at the turn of the century. Their resistance worked on two levels. They distanced themselves from the urban modern culture by claiming new territories outside of Paris. This reflected the physical dimension, while the other dimension meant the new identity that they formed. This place became a "genuine community that boisterously contributed to artistic and literary innovation" (Kenny, 2004:21). The term community shouldn't be understood in the modern way, since those who lived here or were regular visitors, came just to enjoy the fresh air and the more affordable rentals. Still there was something that made them a like-minded group: they wanted to challenge the bourgeois social and artistic norms (Kenny, 2004).

Another important aspect was that Montmartre gave them the possibility to gather and share ideas in a welcoming and friendly atmosphere. These artists were mainly in a marginalized position in the centre of the city and didn't find their place. The Butte gave the opportunity "to develop bonds with others who shared their dissatisfaction with the hegemonic culture of the day" (Kenny, 2004:22). They could also talk about such topics that were considered inappropriate in the bourgeois circles for example prostitution and poverty. These topics were however important to them since their everyday life went on within these circumstances. Bourdieu argued that the cultural transformation of the 19th century must be considered in terms of their "transcendence of disciplinary boundaries" (Kenny, 2004:22). This can be clearly seen here as writers, painters, singers were part of this community representing all genres and styles. Everybody could express themselves freely, give voice to their uncertainty of the times in general and to their disapproval (Kenny, 2004).

On one hand their activity can be seen as bohemian and carefree, some even enjoying the ecstatic effects of substances like morphine and opium, on the other hand they worked hard on forming their counter-identity. Often they had trouble with sketching their own identity, so the discussions in Montmartre could provide the sense of belonging where the members had also difficulties fitting into the world. These artists were stuck between two forces, the need to identify themselves and the inner urge to change the existing social and cultural order. This duality carried a contradiction of going against the anti-modern and at the same time being modern by doing this (Kenny,
This modernism appealed to those members of the bourgeois who had similar views or desires about new social values and they started to take part in Montmartre's night-life, visiting its nightspots to escape their ‘conformist life’. As more and more outsiders visited the Butte, it started to" become the victim of its own success". The placid and calm neighbourhood turned "into a playground for the bourgeois" (Kenny, 2004:30). With the growing population new constructions started and a lot of the original residents moved.

With the lessening gap between the artistic community and the upper-classes, Montmartre lost its unique aura and the characteristics that once made it special, became the victims of the consumer culture. This new culture was open for everybody – tourists, travellers – who were looking for purchasable art pieces and the members of the bourgeoisie were also willing to spend their money there. So in other words the Butte had been commercialized (Kenny, 2004).

Many similarities in terms of how counter cultures can colonise space and create communities of expression and identity but then be subverted can be discovered in later periods. For example, the hippie counter culture in the 1960s, with the epicentre of the movement in the Haight Ashbury District of San Francisco. Wesson (2011) wrote his personal memories about his work in HAFC\(^1\) where he and his colleagues established a new technique of withdrawing patients from mainly barbiturates known as the ‘Smith and Wesson Protocol’.

The ‘hippie movement’ or the ‘psychedelic drug counter-culture’ opposed the Vietnam War, “competitive materialism, and drug laws” (Wesson, 2011:153). What was in common with the Parisian artist community is the need to hide away from the mainstream culture and create a community which granted the possibility not just for communal but for individualistic expressions as well. They wanted a lifestyle in which consumerism didn't dominate. Using drugs at that time was not the ‘privilege’ only of the hippie subculture but members of the mainstream culture used it, too (Wesson, 2011). But what marks the difference between the two was the intention to change the mainstream culture.

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\(^{1}\) Haight Asbury Free Medical Clinic
Hippies were publicized not just in the underground media but after a while, the mainstream press started to popularize them as ‘rebellious youth’ or ‘anti-Vietnam activists’ and “advocates of free love and rock and roll” (Wesson, 2011:155). The media was sedulous and this had its result: the hippie mode of dress and acid rock became mainstream, and guided bus tours for visitors were also organized to the neighbourhood (Wesson, 2011). Thus the district of Haight Ashbury and the counter culture which orbited around it succumbed to the same processes as Montmartre.

In more recent times Goth was a counter cultural formation that opposed the commercialised and mainstream pop and rock music in the 1980's but in turn this became part of the mainstream and the focus of considerable commercial activity (Spracklen & Spracklen, 2014). For instance Marilyn Manson a Goth music star has attracted a fortune and Goth meeting places like Camden Market have been transformed into commercial areas capitalising on the popularity of the subgroup.

Thus we can see a cycle evident through time where a counter culture claims an area, often attracted by its low costs, hence they are initially deprived, low income groups who search for more affordable living. However, as the counter culture gains notoriety entrepreneurs seek to capitalise on the area which is transformed into a more expensive area forced out the essence of the counter culture and leaving in its wake a superficial shell of culture, a pale shadow of what it once was. The key question which the thesis will return to is whether the same processes are at play in the ruin pub district of Budapest.

### 2.2. Organizational structure

In exploring the impact of commercialism we need to reflect in some detail on the impact of organizational and bureaucratic change which is associated with different levels of business development which can leave a cultural imprint on an area or group. For DiMaggio and Powell (1983) the starting point was Max Weber's 'iron cage', where humanity is locked by the rational order. In *Economy and Society: An Outline of Interpretive Sociology* (1968) Weber claimed that bureaucracy is so powerful and efficient in controlling men and women that now it is unstoppable and its evolution is irreversible (DiMaggio & Powell, 1983). While bureaucracy has spread everywhere and
it has become the most common organizational form, the causes of rationalization have changed since then. According to DiMaggio and Powell (1983) for Weber (1968) competitive marketplace – thus efficiency – was the most important factor, but today the causes of bureaucratization have changed. Certain processes make organizations alike in structure but this does not necessarily imply efficiency.

According to organizational theory a varying set of organizations produce an organizational field. Once a field is well established, the homogenization of these organizations begin. Within such a field institutions that provide similar services or products can be found. If the field is selected as the basic unit for analysis both 'connectedness' and 'structural equivalence' can be examined, so it provides an opportunity for a more complex inspection. In the long run, economic actors make rational decisions that will diminish the differences within the field because they create an environment around themselves that will push them toward the adaptation of the latest innovation (DiMaggio & Powell, 1983).

Isomorphism is the concept that describes the process of this homogenization. There are two types of isomorphism what the authors find acceptable: competitive and institutional. The first type stresses "market competition, niche change and fitness measures" (DiMaggio & Powell, 1983:150), and is applicable mostly for fields with free and open competition. Kanter (1972) introduced the second type, where she wrote about forces that push communities to conform to their surroundings (DiMaggio & Powell, 1983).

I would like to highlight mimetic isomorphism as one out of the three mechanisms that can lead to institutional isomorphic change. This process is based on modelling: organizations – due mainly to uncertainty either in their technologies or in their goals – tend to model more successful organizations, as they simply are a convenient source of practices. Important to mention that not just structures but innovation can also be modelled. Mimetic isomorphism is usually encouraged by either a high number of employees or by a broad consumer base. In some context efficiency is not even possible to measure. In these cases the 'noneconomic values' like aesthetics or social status is what matters for consumers (DiMaggio & Powell, 1983). This may be the case with ruin pubs and the thesis will seek to explore whether the process of running a ruin pub with the attendant bureaucracy and organizational adaptation has led to the subversion of counter culture. In addition the thesis will seek to identify whether any ruin pubs
have been able to withstand these pressures and retain their ideals, since change in their missions can be equal to organizational change.

2.3. Enchantment

The concept of disenchantment has been applied in recent times for aspects of consumer culture. According to Weber, in modern societies the spiritual meaning that was once provided by religious belief is lost (Fulcher & Scott, 2011), and the rise of modernity and capitalism is marked by disenchantment. In consumer culture research this theory views “the consumer society that is lacking in some fundamental way” (Ostergaard et al., 2013:338). Our daily life is dominated by consumption but this is a really shallow way of life that results in the disempowerment and de-humanization of the consumer masses. As Weber wrote in The Protestant Ethic and the Spirit of Capitalism this disenchantment of religious beliefs was essential in the evolution of capitalism that created our world of goods and services. One of the central questions is whether it is possible to return to the enchanted world by reconstructing it again. For Weber “a way back to an enchanted world has been forever lost” (Ostergaard et al., 2013:339).

The Weberian rationalism serves the basis for Rizter’s analysis of the new means of consumption. Ritzer defines the enchanted consumption environment as “The new means of consumption can be seen as ‘cathedrals of consumption’ – that is, they are structured, often successfully, to have an enchanted, sometimes even sacred, religious character […] the cathedrals of consumption are not only enchanted, they are also highly rationalized. As they attract more and more consumers, their enchantment must be reproduced over and over on demand” (Ritzer, 2010:7).

While Weber forecasts that old ideas and ideals will have a comeback someday – that is not likely at all – Ritzer’s world is not only rationalized and disenchanted but also enchanted at the same time (Ostergaard et al., 2013). The three are present all the time and the enchantment is needed to tempt consumers, as Ritzer wrote: “To continue to attract, control, and exploit consumers, the cathedrals of consumption undergo a continual process of re-enchantment” (Ritzer, 2010:70). The enchantment is rational because the aim is to achieve the maximum profit.

In our postmodern condition we produce and consume particularly cultural images. Baudrillard argued that mass media defines the reality for people (Fulcher & Scott,
2011:63) and that modern societies left the original symbolic order. This means that signs are not strictly attached to a particular reference, and so new cultural meanings can be created upon them. The result will be an imagination; the signs will imitate something that is just believed to be real. In Baudrillard’s scheme capitalism is what redefines values and attaches new meanings to signs (Ostergaard et al. 2013).

Thus following from this line of thought the thesis will consider whether the ruin pubs reflect aspects of enchantment and represent attempts to revert to pre capitalist notions of living or merely a superficial attempt to attract customers with a veneer of enchantment.

2.4. Creativity, self-expression and leisure

Whiting and Hannam use a comprehensive narrative on the subject. Examining the creativity as a component in a group’s leisure activity became important lately since creativity turned out to be central to economic production and the formation of social identity (Whiting & Hannam, 2014). Unlike the Fordist modes of economic production, the mass and passive forms of leisure consumption are being put aside and the romantic and artistic features came to the foreground. Some debates within urban studies led to the ascertainment that creativity’s role in tourism developed and the new type of consumer is a much more active, aesthetically aware and individualistic agent who looks for and is interested in experiences (Whiting & Hannam, 2014).

The authors explored the idea of leisure as a work of self-expression and stated that a so called ‘creative class’ is emerging who are the promoters of “self-expressive individuality, and an integrated lifestyle” (Whiting & Hannam, 2014:373).

In the late eighteenth century the emphasis on individuals as autonomous subjects emerged which led to the form of emotive individualism. This represented the Romantic ideal of the modern artist who was able to express an ‘inner voice’ and who was free of formalities of expression and aesthetics. Later in the nineteenth century a tension between the Bohemian artists and the bourgeois appeared, although in reality they both were seeking for the purpose and limits of a modern individualistic life (Whiting & Hannam, 2014).

In connection to leisure, the ‘bohemias’ and places of ‘creatives’ that carried hedonistic values, have often been enjoyed not only by artists but also by the broader society. This
meant that “‘bourgeois’ is a Bohemian for the weekend” (Whiting & Hannam, 2014:374) which led to the transformation of the Bohemian places that turned to become hip and “become spaces for leisure and tourism consumption” (Whiting & Hannam, 2014:374).

Originally the ideal of the creative individual was central to the counter cultural movements till the late twentieth century, all the modern artistic movements formed around ‘ideals of originality’. Later the post-war consumer capitalism was able to transform the ‘artistic ethic’. The explanation behind this is that the value systems of artists have been transferred from smaller cohorts to broader sections of the ‘new middle class’, within new forms of consumption turned up, including for instance the built environment and hence gentrification processes. This cultural transmission created the desire in the ‘new middle class’ to search for creativity as a valued aspect of their lifestyle. (Whiting & Hannam, 2014)

As a broader section of the population wanted to live this new artistic lifestyle, they visited ‘bohemias’ more often to be able to experience and engage in individual self-expressive creativity. With the rise of this creative class, creative industries also grew in the West that had to add new elements to their economic production such as design inputs, research and development and marketing roles. These roles could be fulfilled only by those workers who were able to “adopt creative modes of thinking and aesthetic-reflexive sensibilities in regards to economic production” (Whiting & Hannam, 2014:374). Thus so creativity became the essential base of industrial production and service provision in Western societies. This can be seen as a fusion of the Bohemian and the Bourgeois ethics, combining the reason and utility with emotion and sensuality. The fusion is obviously present in ‘experience economy’ such as tourists’ desires. (Whiting & Hannam, 2014)

2.5. Ruins of modernity

As we will see, the choice where to open a ruin pub wasn’t made based on the condition of the buildings. Later as they were named by the wider circles – ruin pubs – that reflected mainly the opinion about the furnishing and just for the few the age of the building. Still, it makes a great impact on visitors if they enter a dilapidated house. They often don’t know the reason as it works on an unconscious level.
On one hand modernity produced ruins simply by the passing of time. Ruins are perceived since the Renaissance as historical traces from the past. In some sense they are useless since they lost their functionality and meaning, but therefore these traces can be invested with various attributes, for instance historical, political or aesthetic (Hell and Schönle, 2010).

On the other hand we can ask to what extent ruins contribute to our perception of modernity. Ruins represent an ambivalent category with blurred borders. We can associate more meanings to them, not just the most obvious one – the insight to the past – but “the ruin functions as a uniquely flexible and productive trope for modernity’s self-awareness” (Hell and Schönle, 2010:6). It is possible because it contains vacuity and loss as a main component of the modern identity. Reflexivity in a way, that the culture questions its own becoming. In the dialectic of the ruin its duality can be caught: absence and presence, fragment and whole, visible and invisible (Hell and Schönle, 2010).

These wide range of approaches tell us what really defines a ruin is the beholder. Through characterization even more can be told about the person than about the ruin. It is left for everybody to make their own interpretation. Following the thoughts of Diderot, the editors concluded that “ruins emancipate our senses and desires and enable introspection. […] The ruin, in short, enables individual freedom, imagination, and subjectivity” (Hell and Schönle, 2010:8). Within the walls of a ruin one can release the pressures that the contemporary city puts on the individuals by the controlled order of the human traffic. In Endenor’s account this releases creativity and energy which will lead to the becoming of new forms and aesthetics (Hell and Schönle, 2010).

The next concept that needs clarification is that of authenticity. The notion of authenticity was produced by modernity itself since notions of originality, uniqueness and authorship became desirable as early as in the eighteenth-century and it not just continues but becomes more and more important in our modern times. Today its popularity can be found in retro authenticity, authentic remakes, which “implicitly though unknowingly deny what they claim to be” (Huyssen, 2010:18). Some intellectual even denies any authenticity to life in a capitalist society. The ideological value of authenticity rose as mass culture wanted to reproduce and repeat or copy everything. One way of imitating authenticity in the transition from a Fordist to a post-Fordist mode of production was by the means of customization. Nowadays it is a higher and higher demand and desire for the authentic – cuisine, clothing, identity, etc. – and immediate,
as we fear the absence of individual originality and the lack of existential meaning (Huyssen, 2010).

One criterion of the ruin is not just simply the genuineness but genuineness as naturalness compared to artificiality and the fake as opposites. The works of Piranesi were examined in the chapter, since they depict the landscape of the future. His ruins and prisons are the symbols of modernity “whose utopia of freedom and progress and of linear time and geometric space they not only question but cancel out” (Huyssen, 2010:26). His unique visions of space can be found in contemporary architecture, that are complex and far from nature. Passages, staircases and halls continue in all directions, we cannot say what is close or distant. He was experimenting with space, where no boundaries exist and the planning was based on the artist’s fantasy. This resulted in units of built space that are connected illogically and the gaze of the viewer can never rest, especially when it comes to details. “The prisons suggest motion and transition that leave the spectator’s gaze unanchored. […] It is as if the spectator’s gaze is imprisoned by the represented space” (Huyssen, 2010:25). Those who are inside can have the feeling if no outside would exist, since it is not represented and that they would be just wandering in a labyrinth (Huyssen, 2010).

2.6. Underground hospitality

Gábor (2014) writes about the ruin pubs as the new attractions of Budapest in her paper. She investigates what kind of interior characterizes a ruin pub and if a definition can be given to these pubs at all. She made her research in the field of tourism and entertainment so she deals with the level of the prices and the selection of drinks as well. To some extent these data are useful to me and I intend to use her definition of ruin pubs as a starting point in my thesis but later in the analysis part I would like to revise and modify it. Moreover she could conduct more interviews with pub owners – mainly in the downtown – that will help me to broaden my scope.

Entertainment turned into a touristic attraction in the nineteenth century and already at that time all the cafes, restaurants and pubs had their special bohemian milieu that lured tourists. Here we can think of the unique aura of an English pub, a Bavarian brasserie or the Hungarian ‘csárda’. All the visitors have been already segregated as regards of the different types of the places since they serve the purpose of community creation. As
Gábor noted, this feeling of belonging is fostered by the third level of Maslow’s hierarchy of needs (Gábor, 2014).
She describes ruin pubs as alternative, cultural places since most of the underground programmes could not have been organized in typical community centres or nightclubs. According to one vision, the underground culture of the 90s moved from basements into the newly opening ruin pubs (Gábor, 2014).
All the examined places share certain characteristics, which are: 1. they can be found in old, dilapidated buildings; 2. the sign-board is not flashy, almost unnoticeable; 3. the entrance looks separated; 4. the interior is divided into more premises, it is fragmented; 5. they have at least one room for screening films or for sport broadcasts; 6. there are usually more floors – at least two, but rather three or four; 7. cosy atmosphere and in the beginning out of date furniture that can be later changed into modern one; 8. they have at least one garden or an open yard, that is operated seasonally. Based on these her own definition is the following: “Ruin pub is a pub or club in at least 50 year old building that has a certain history, spacious rooms, and a garden or yard which can be used in any season” (Gábor, 2014).

2.7. Urban processes of inner Budapest

2.7.1. The post-socialist transformation: decay and gentrification

In the following paragraphs, I present the history of urban processes in the area dealt with in the thesis. First of all, it should be emphasized that urban planning in Socialist times was a strictly top-down process, civil society practically did not exist. The lack of a free property market, along with state ownership of urban land, led to the creation of homogenous functional areas where the service sector could not evolve properly. Maintenance of the state-owned housing stock was neglected, which led to serious deterioration throughout the years. After 1990 a big shift resulted in a neo-liberal economy with market regulation and a decentralized bottom-up model (Kovács, 2007).
Kovács (2006) discussed a number of factors that influenced the transformation of the historical districts of Budapest. First, there was a shift in power relations, namely the decentralization of decision-making into a so-called „two-tiered” model of self-government. District municipalities got greater freedom from the city-level government.
However, this system turned out to be too disintegrated to implement joint, city-level development policies. Districts hoped to finance themselves by selling housing stock at low prices, so for tenants it was really attractive to buy flats and resell them at a higher price (Kovács, 2006). As a result, no large-scale renovation projects could start. However, starting around the year 2000, new houses were built by private investors both on empty lots and in the place of demolished buildings. This developer interest led to rising prices. Renovated and newly built houses made this area more attractive (Csanádi et al., 2010). Kovács (2006) also discusses the functional change from residential to business use. Banks and offices opened in this area, which contributed to the physical upgrade of the inner city. One problem, however, is that renovation and development programmes did not take place in the most deprived areas where need was the greatest, but elsewhere.

The reason for this is that the municipality and developers alike wanted to make the district more attractive for younger and higher status residents. But it turned out that those who moved into the seventh district often stayed just for several years and then moved away when their children reached the age of kindergarten. In fact, we can still find small ‘pockets’ of working-class neighbourhoods in the historical quarters, where the condition of the buildings is really awful, and neither owners, nor the local government possesses the capital for renovation (Csanádi et al., 2006). Therefore, Csanádi et al. (2010) are right to argue that social conflicts arose from the ongoing process of gentrification and can lead to displacement of social groups or even to social exclusion.

Based on the literature by Gary Bridge (2001) Csanádi et al., summarized (2010) the reasons for gentrification as follows. The first is the accumulation and movement of capital. The difference between the market value and the potential value of properties in the centre was increasing during deindustrialization, but this gap can be narrowed by gentrification. Another approach deals with cultural changes. The new middle-class consumers' demand is to do their shopping in the city centre, while the service sector wants its employees to live closer to their workplaces. Cultural values also play a part, some suburban dwellers are dissatisfied with their residence and move to the inner city. These ‘cultural values’ also entail a way of thinking which is free from the fear of heterogeneity, the desire for complete safety and the control over the environment. As soon as it becomes fashionable to live in the centre, the area can turn into a
heterogeneous neighbourhood by segregating the poorer inhabitants because newcomers can and will buy anything they want.

### 2.7.2. Social sustainability and inner city areas

It is worth to mention the concept of social sustainability since it is relevant to the issues discussed in the thesis. The concept refers to the fact that our environment has limited resources, and to the need to maintain economic and social well-being. Social sustainability is defined as „the kind of progress that entails the harmonious development of society, and shapes the surroundings, ensuring a peaceful cohabitation of various social groups of different social origin, enhances their integration, and, finally, improves the living conditions of all urban residents” (Kovács, 2007).

According to Csanádi and Csizmady (2008), urban planning and the sociology of urban planning emphasize the importance of participation, and they identify the main interest groups. The first one is the government, which is able to foster some interests while hindering others. The main motivation for local governments in the past decade in Budapest was the security of their own financial stability.

The second group consists of the non-governmental (‘civil’) organizations. Their emergence is a new phenomenon in Hungary; typically they put a great emphasis on professionalization and their members are mainly white-collar workers and intellectuals. We can distinguish between two types of organizations: in the first case they simply want to represent residents, in the second, they are promoters of certain norms and values – for instance the protection of heritage sites in the inner city – so their aim is to improve the living conditions in general. This latter case can induce a lot of conflicts with the local government, since improving the dwelling stock often requires the demolition of old buildings (Csanádi & Csizmady, 2008).

The third group consists of entrepreneurs and investors. They typically want to attract a higher status group either as residents or consumers. Last but not at least, the residents are actors as well in the planning and restructuring process. We can identify three residential groups with different interests in inner city areas. These are the people who stayed, who left, and who moved in to Belső-Erzsébetváros, and their values and interests are often conflicting. Since not all of these groups can validate their interest, it is believed that participation becomes often a tool for political manipulation in favour of only some influential groups. Csanádi and Csizmady (2008) drew the conclusion based
on their survey and interview analysis that participation 10-15 years after the regime-change was still formal and just a ‘semblance activity’.

3. Methodology

3.1. Focus and Methods

First, I already gave a brief overview about the seventh district since I find it important to know the context and the background causes that made it possible for this special area to evolve. I will compare several places (Auróra, Gólya and Szimpla) – located not just in the seventh district, but in the eighth districts as well – in a case study approach and provide a detailed picture about the motives and missions of these places. I could make individual interviews mainly with founders of these pubs and I prepared a short questionnaire that was distributed among guests randomly. My aim was to discover different paths in the decision making process and find out who are their target groups. This provided insights into questions related to commercialization and counter culture.

3.1.1. Ethics

All social science research requires the researcher to meet certain ethical standards. Since in this field researchers work with and/or on people, basic requirements connected to ethical issues are not optional. It is every sociologist’s obligation to fulfil the standards outlined in the Code of Ethics. First, it is important to protect those people or groups, who are involved, second it shows the direction of the proper behaviour towards participants (Isa-sociology.org, 2001).

Since I got my primary sources of data through qualitative interviews and discussions, my task has been to reduce all the possible risks for my participants. There are several ways to achieve this. First is the principle of voluntary participation, basically meaning that no one was forced to take part in the research. This is closely related to the issue of informed consent, meaning that the chosen participants were given all the information about the procedure of the research and the risks in connection with this.

In the case of my thesis all the above mentioned aspects are fulfilled, since I sent an informational/consent letter to interviewees, in which an overview of my topic and a
general outline of my research was given. After reading this, they were able to decide whether they want to contribute or not. Besides this they could choose anonymity, because this is an effective way of securing the privacy of my research subjects. Some of my interviewees could have had real fears if their identity would come into light, it would hurt their business (pub owners) or future career. Although my aim is to help and my participants’ decisions were given priority and fully respected. Fortunately all of my respondents agreed on recording the conversation that proved to be really helpful in the analysis stage of the research.

Certain techniques should be applied during the research to ensure reflexivity. Through these techniques the researcher can develop a “habit of awareness and critical thinking” (King, 2004:20) concerning the research itself and the participant. It is important to critically reflect since the researcher is an active part of the process, through which knowledge is produced and the researcher’s own background should be taken into account to know how it possibly can shape this process. Some of the suggested techniques involve keeping a research diary to record personal feelings about the process or listening back to the interviews to evaluate my performance as interviewer. (King, 2004).

3.1.2. Research Methods

I decided to use a mixed approach, since both interpretivist and critical theory fits to my research goal. Interpretivism’s aim is – as its name suggests – to interpret social action. Being the opposite of positivism it wants to understand people’s actions through qualitative methods. These methods are useful if we want to get closer to reasons and meanings of certain social phenomenon. It is important to take into consideration that the qualitative research cannot be representative; it is not generalizable to the population because of the few participants. This methodology leans towards the collection of data through semi-structured interviews, and participant observation. Besides being one of the most flexible methods available, it is ideal for topics, where different levels of meaning needed to be explored (King, 2004).

I wanted to make interviews with persons from different fields, with different identities and interpretations about the same issue. People may accept this method more easily since they can raise their concerns and they are free to talk about their work with someone who is an outsider. One of my tasks was to make them feel comfortable so
they could open-up more easily and share what they really had on their minds. For example this was useful for my interviewees so they could clarify their thoughts. On the other hand conducting interviews is tiring and time-consuming for both the interviewer and the interviewees (King, 1994).

I planned my interviews to last no longer than 1 hour, ideally around 45 minutes to minimize the possibility of data overload. At the end I managed to conduct seven interviews and this took me one month. As I mentioned in the ethics section, a consent letter was sent through e-mail, in which I described the basic details of my research’s aim and what would be required from the interviewee.

Critical theorists tend to rely on observation and interviewing as well. Combining these two methods helps fostering conversation and reflexion and so allows the researcher and the participants to question the existing order (Cohen & Crabtree, 2006).

Besides the semi-structured interviews with pub owners (Szimpla in the seventh -, Gólya and Auróra in the eighth district) I decided to prepare a more structured but shorter questionnaire (see Appendix 3) for the customers of ruin pubs. The questions aimed at revealing the positive and negative sides of Szimpla and if people know Gólya or not. At the end I got 20 answers which were enough to discover the main attitudes. Moreover I was the moderator in a focus group earlier, where foreign students were asked about their opinions of certain types of community places in Budapest by showing pictures about Szimpla and Gólya. With this task I wanted to draw attention to the differences between Szimpla and Gólya, since although they represent the same category, not just function but look different and attract different customers. I see Szimpla as a more commercialized place mainly for foreigners while Gólya is more community oriented with various programme opportunities for a much wider public.

Ethnographical research is also applicable in “studying audiences and the whole issue of cultural consumption” (Hammersley & Atkinson, 2007:2). According to participant observation I visited the pubs and made observations about how they function, what is their clientele or simply how the atmosphere there is. Once I participated in an open discussion in Gólya about their current problems and made notes about the discussion to use it later for the analysis. However I am aware that evaluating ethnography and its findings is problematic mostly because it fails to legitimate ‘validity’, ‘reliability’ and ‘generalizability’. Critiques argue, in itself it cannot describe the ‘real’ social world since it is not objective (Brewer, 2004).

Case study method can be helped by ethnographical observations, since the two
methods have overlapping aspects (Hammersley & Atkinson, 2007). Case study is interpretable as a detailed investigation with the aim of providing an analysis “of the context and processes which illuminate the theoretical issues being studied” (Hartley, 2004:323). It is said that this method is most suited to “research questions which require detailed understanding of social or organizational processes because of the rich data collected in context” (Hartley, 2004:323).

My final aim was to use methodological triangulation, which not only helps to reach more valid results but creates more balanced and neutral research by compensating each method’s weaknesses with other’s strengths. Applying this process has important opportunities for the researcher. First it gives confidence about the results; second these results can lead to a more rich explanation of the research problem (Jick, 1979).

3.2. Details of interviews

After drafting the literature review I set up a question “pool” and every time before the interviews, I made the selection most fitting for the next respondent. The result was still a semi-structured interview consisting of around 30 questions but rather more. In case some interesting topic came up, I immediately reacted to that by creating a new question. The number of questions can seem a bit too much, but in fact with a normal speed of conversation I ended up with an about 50-minute-long interview. Length was not a problem because all of my interviewees agreed to record the conversation. All the interview recordings are in Hungarian and I hope I could make proper translations for the quotations in the findings section. Below I would like to give a short description of my respondents in chronological order and then an outline of questions.

3.2.1. Interviewees

Edina Mihály was my first interviewee, because it was the easiest to set up the meeting with her, since she is an acquaintance of mine. She started to work for Szimpla in the Info Bar but after it was closed she became the coordinator of the Szimpla Sunday Market project.

Anon Interviewee nr 2 was unfortunately my only respondent from Auróra, though he was able to give a really detailed insight on every topic, partially because he is present in Auróra from the very beginning, in addition he has a background of sociological knowledge so he proved really useful.
Anon Interviewee nr 3 is an expert in the field of urban sociology, who basically provided all the information to back up my literature review in connection to urban processes and gentrification.

Zsófia Szepesi started to help Gólya to manage the kitchen, but after a while she was chosen to become a member.

Anon Interviewee nr 5 is a member of the bicycle couriers, so he was a perfect interviewee for my questions related to subculture, moreover he ran a pub earlier by himself, and knows almost every ruin pub in the seventh district. He was a good source of unofficial information from those circles, this is why he asked for anonymity.

László Sajtos along with Zsófia Szepesi works in Gólya but he took part in the foundation of Gólya in 2013.

Ábel Zsendovits started the first Szimpla Kert in 2002 with his friends. Today only two persons are active in operating Szimpla and he is the managing director as well. I would call this interview a ‘difficult’ one because he was very uncommunicative. Our discussion lasted only for 27 minutes despite the 34 questions I prepared. He probably wanted to get over the interview as quickly as possible or just did not want to share his thoughts at all.

3.2.2. Questions

I have already presented the main topics in the literature review that I intended to examine, so basically my questions reflect those topics. I asked in the beginning some personal questions to make my respondents more relaxed, while towards the end I asked them how they imagine their own future or if they would open a new place, how it would look like. For the question pool see Appendix 2.

4. Research findings

4.1. What is a ruin pub?

I started my analysis by giving a definition of the ’ruin pub’. As I mentioned earlier, my starting point is the definition written by Gábor (2014) in Underground Hospitality: “A ruin pub is a pub or club in at least a 50-year-old building that has a certain history, spacious rooms, and a garden or yard which can be used in any season.” During my
research it became quite obvious to me that this definition lacks a very basic criterion, namely the cultural attachment of these places. Depending on the degree of this cultural attachment I make my own typology of ruin pubs. For this I chose not just from the well-known places in the seventh district of Budapest where now a lot of different kinds of places are called – even by themselves – ruin pubs, because it seems to have evolved into a label for successful entertainment business, an expression for guarantee of quality and experience.

As Whiting and Hannam (2014) found, aesthetics and experiences are the new types of consumer interests nowadays. When Gábor (2014) asked her interviewees what makes them ruin pubs, all the owners mentioned that they operate in an old, dilapidated building. I am aware of the fact that the reason for this was the easy start of the business, but later it became a benchmark. For most people, however, the name of the ‘ruin pub’ refers to the condition of the furnishing. Edina Mihály also mentioned that she hopes, what makes a ruin pub is that it does not stop at having just different kinds of tables with broken legs, although László Sajtos said that Gólya can be called a ruin pub, since “well, no two tables are the same here.” There are some business persons of course who open a pub in the hope of getting rich quick and focus only on the look – modelling the already successful idea – but not the content, they disappear from the scene quite quickly. “There are two kinds of persons who open a ruin pub: those who have the wit and those who do not. [...] who makes with wit, they remain” (Edina Mihály). But just a few sentences earlier she said that the era of opening ruin pubs is over. This point will be returned to later.

4.2. Urban processes and causes

So how could these places be that successful right from the start? In my understanding it is the encountering or interweaving of some local and cultural phenomena, which just happened at the same time and the right place.

The first of these kind of phenomena was the missing entertainment scene in Budapest. Interviewee nr 5 talked in detail about the situation in the late nineties, when there were basically two options: either someone went to the local pub to drink at the cheapest prices with some barflies around or visited the clubs or discos, where they had to pay an entrance fee and the milieu was fancy or high-end. In contrast, ruin pubs provided a
casual atmosphere, with no entrance fee and where nobody had to care about their dress and “the prices were relatively moderate, or at least bearable for those in their twenties or thirties, who still went to university or just tried to live from being some artist, writer or poet. For them it was a good meeting point” (Interviewee 5). The target group – unintentionally – at that time was a social group with high cultural capital. So when the first ruin pub – Szimpla Kert – opened in Kazinczy Street in 2002, it found a niche in the entertainment sector.

The second phenomenon that led to the success of the ruin pubs in Belső-Erzsébetváros was the real estate situation and the totally passive attitude of the local government with no useable plans. Interviewee nr 3, who has already made some research on this topic, told me about the process that resulted in the obsolete and deteriorated condition of the housing stock. I already described the processes before 2000 in the seventh district earlier, following Kovács’s (2006) findings. To put it briefly, in the communist period the government left this part of the city to decline and “the whole rental system was like that practically the rent of the tenants in these houses did not cover the amortization expenses. [...] the inner city decayed while they spent the money on building new housing estates.” When the ‘two-tiered’ model started, local governments wanted to finance themselves by selling these flats. Although those “who were aware of their rights (here: pre-emption) could sell their flats for a really high price per square meter.” Moreover the local government in the seventh district paid the tenants to leave, because their aim was to sell the houses later for foreign investors. “Like this, relatively high number of whole houses remained in the possession of the local government. This was because they figured out in 1902, that the Madách promenade is going to be built there and in 1990 a detailed plan was made [...].” So the government just waited for the foreign investors, while they tried to get rid of the poorer or low-income groups in their neighbourhood. But the investors didn’t show up because they knew something was wrong with the licences, namely that “Andrássy Avenue became a World Heritage Site in 2001 or 2002 and since 2002 this part of the seventh district belonged to the buffer zone of this area.” This prevented the demolition of the houses, and also ÖVÁS! Organization came to existence with the aim to protect the cultural heritage of the Jewish Quarter (Ovasegyesulet.hu, 2014).

This was the setting and the circumstances when some youngsters appeared and asked for the abandoned premises, saying “rent it better to us, we will do it, not to leave the homeless people there. And they got it for 200 thousand per month” (Interviewee 3).
These contracts were mainly short term ones, which generated more uncertainty, but as we will see this has proven to be a positive feature of ruin pubs.

We can distinguish between different levels of ruin pubs, starting with the first generation till 2005 and then came the second generation ones between 2005 and 2010 (Csanádi et al., 2012). I would add a third generation level, because in the last two or three years a new line of ruin pubs are emerging which “bear the typical ruin pub characteristics, just in a really pure and sophisticated way, they are not over packed with things, but still draw to that direction” (Interviewee 5).

Moreover the changes made in 2009 in the commercial law allowed a much easier start for any pub in the district, since permissions could be applied for later (Csanádi et al., 2012). “If I want to open a pub, I rent the place, open my pub and after this I tell the authorities that ‘hello’. Before this it was exactly the other way around. Before it, I was begging, and then I could rent it” (Interviewee 3).

What originated from the previously discussed urban processes was the image of the old dilapidated inner city and this special appearance became an essential part of the design.

Last but not least, the third reason behind the success of these pubs is their appearance. I mean this for the outer – the old buildings – and for their inner spaces too, but their interior design we can say, was quite innovative. I was wondering why these places became the favourites of so many people and here I am thinking about foreigners too.

The owner of Szimpla mentioned this exactly: “This is a really diverse, continuously transforming place with a lot of concepts with a space that is in fact inadequate for everything” (Ábel Zsendovits). In this kind of space there are no limits, so every person, from the employer or the employee to the visitor can define it for themselves. It is based on everybody’s imagination how they interpret the place. In a lot of different guides and brochures the unique bohemian milieu and the eclectic style are highlighted (McKenna, 2013) or „to walk into Szimpla feels like entering a secret world, where raw-brick rooms lead into more rooms, and bar follows bar, a maze that finally opens out into a spacious covered courtyard” (The Economist, 2010). As Huyssen (2010) wrote, this labyrinth is keeping visitors just wondering meanwhile they cannot be distracted from the many details that can be investigated even further. “But actually I think it becomes gripping, when someone does not look at the big whole, but starts to focus on smaller details, how a [...] handrail or anything else looks like” (Edina Mihály). “They see that
the place is alive, it is changing, and there are a lot of gags, visual stimuli. This works, this attracts people” (Ábel Zsendovits).

Gábor (2014) wrote too that ruin pubs have more separate rooms and the purpose of this is to have different programmes or concerts at the same time. Nothing is settled, nothing is a Holy Writ and the possibilities are endless. „I had the feeling as if I entered a kind of run-down living-room, into someone’s living-space, it is just much bigger and there are lot more people” (Edina Mihály). „Really simply they give a milieu, a medium, that is somewhere between a bit of grandma’s living-room and a Kusturica movie” (Interviewee 5). I think that this association to a living-room creates the feeling of intimacy for the guests.

Based on Baudrillard’s simulacra another interpretation would be that ruin pubs also copy something, namely the living-room of the old times. Everybody remembers the visits to the grandparents in their childhood and thinks about it with nostalgia. We live in an age of simulations, in a so-called ‘hyperreality’, where nothing is original, just copies exist, “everything is a reproduction of other reproduction” (Fitzpatrick, 2012:97). This thought is actually in line with the opinion of Interviewee nr 5: “This does not happen in a way, that someone is copying Szimpla. This happens in a way that they used to go there. Kulti left a mark on them, as Kulti made a mark on the Szimpla guys. […] I think Szimpla is wearing this mark on itself, too.” Edina Mihály confirmed that the idea of Szimpla already existed before and the founders obtained the inspiration from Berlin and even from Budapest.

As I mentioned, for some, ruin pubs can be attractive because „it has this socialist, communist or nostalgic or exotic” feeling (Edina Mihály). I would divide this into two parts, because this means a completely different thing for Hungarians and for tourists who mainly come from Western Europe (Gábor, 2014). It is quite understandable why the retro feeling is nostalgic for a post-socialist country’s inhabitant, but why is it interesting for tourists besides being new for them? “Actually what is interesting in this is that in this post-socialist environment such a thing as Szimpla could remain, a successful venture that looks like this. […] I think it is the whole narrative which attracts visitors. […] they only know that this is something unique and interesting. […] But they don’t know the content behind it. […] And this is it, too, that so then [let’s put] another half Trabant everywhere, another I don’t know what, a Junoszt TV, which

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2 Kultiplex was an alternative community centre which operated in 2000 – 2008.
is fun for us, but the foreigners do not understand what it is, that this was the only type of TV available in Hungary” (Interviewee 3). In his perception Szimpla is a time travel for foreigners, but still they do not get this content when they visit the pub. I think for them it is a place that is hyped and labelled as special, so this makes them more interested.

I believe this operates as a snake biting its own tail, because Szimpla states that they don’t have marketing, and their fame spreads by word of mouth. “By now I think, that it terribly turned inside out of itself and the thing is, that […] “I want to live up to my own brand”, and for this they do everything. […] The tourist goes home and tells everything he saw and we know that in these states (he meant here the state under the influence of alcohol and/or any other substances) they will tell the story in an exaggerated way, what they saw in the place. And they calculate with this, that when he comes back with his friends, they should see the excessive version...” (Interviewee 5). More of my respondents mentioned that for them it is already too much: “The underground image is destroyed by now” (Interviewee 3); “...a wrong bazaar” (Interviewee 5) and even Ábel Zsendovits admitted “…by now it (the furniture) needs to be bought.” We can see that from the aspect of design they turned pretty much self-conscious as time passed by, because Szimpla became a brand that is about to maintain the already existing image about itself to meet the rising requirements.

These kind of places are exactly as Ritzer (2010) called them: the cathedrals of consumption, which need to reproduce their re-enchantment time after time to attract more and more consumers. This is a rationalized process now. I got the information from Edina Mihály that about two years ago Magyar Turizmus Zrt. (Hungarian Tourism Inc., a state owned company) just realized that there are ruin pubs here and they started to bring foreign journalists to Budapest to promote these places that obviously amplified every ongoing process. However, this was a part of a much bigger plan, to create a new brand for the city itself. It seems to be working as now tourists rather associate Hungarians with ‘sziget’ and ‘kert’ (means garden) rather than ‘gulyás’ and ‘csikós’ (Gábor, 2014). This big influence of the ruin pubs – especially Szimpla Kert as being the first one – on tourism is illustrated by the fact as well, that Ábel Zsendovits was named in the Top 50 most influential persons in tourism in 2014 among such persons as Andy Vajna or Károly Gerendai (Travelo.hu, 2014).

The completely opposite can be said however about the other ruin pubs I looked into. I see this as the first great watershed that the interior or design is just an umpteen
question for them. “It is still yet to come, to make a design, a normal one, it is still pending” (Interviewee 2). “It was always the décor working group to which always the least emphasis was made by everyone, since it is not essential” (Zsófia Szepesi). I had the impression that the interior or what the visitors see inside these pubs, is absolutely not important, but what matters is under the surface and this can be the same for everyone. In general, during the interviews with Gólya and Auróra not much was said about design at all.

4.3. Gentrification and social responsibility

The process of gentrification is an important part of the analysis so I would like to discuss it in a separate section although it happened within and simultaneously with the urban processes. The definition of gentrification according to Giddens is “A process of urban renewal in which older, decaying housing is refurbished by affluent people moving into the area” (Giddens, 2009:1120), while with the words of Zsófia Szepesi “…this is a completely natural thing, that there was a shabby area, where the property was cheap. Then young people came and […] moved to the shabby quarter and the creative young people and the shabby quarter became trendy.” It is weird she uses the word ‘natural’, but after all she sees it as an outcome of real estate market processes. It is interesting that the other member’s opinion from Gólya is that “political interests” ran in the background and they planned to open the ruin pubs because it was beneficial to some entrepreneurs close to the local government. Interviewee nr. 3 sums up the situation in the seventh district quite well: “[...] my theory is that this gentrification process did not succeed in a way as in any other ordinary capitalist countries, [...] it couldn’t properly evolve within a short time and then came the crisis on top of this. Between 2006 and 2009 it was really precarious what will happen there and in this uncertain period came the artists who made it even more fashionable.” Gentrification was hindered by different causes mentioned earlier – the cultural heritage site prevented the big demolitions, the speculative attitude of investors – and uncertainty was intensified by the crisis. The artists could appear because of the romantic appeal of this neighbourhood and then “pub owners saw that there are empty places there.” I am not very confident about the current level of the gentrification process in the eighth district, but László Sajtos considers it as “quite a dynamic gentrification process, that
they try to push the poor people out and move in inhabitants with higher earning capacity. Obviously students move in here because of the cheap rents.” This stage – called ‘studentification’ – is directly strengthening the settling in of pubs and clubs to the neighbourhood (Csanádi et al., 2012). He feels social responsibility with saying: “Of course there is a special situation here in the eighth district. [...] there is an impoverished group of people who are completely pushed out to the periphery of society. You try somehow to shape their way of thinking.” From the side of Auróra very similar thoughts turned up: “This district is in a process of change. In a really tough gentrification process - which is pushed from the top.” He explains the first step as the heterogenization and polarization of inhabitants, while the second is when the investors wait when to sell the empty flats for a high price to the incoming higher-status buyers. He made then the conclusion that they are in the middle of the process, while Erzsébetváros is already over it (Interviewee 2).

I believe that the outcome of the gentrification process in Józsefváros will be different, since the housing composition there is different than in Belső-Erzsébetváros. “Basically there is no place for this in the eighth district” (Interviewee 3); “Here are a lot of street-front parlours compared to let’s say in the eighth district” (Ábel Zsendovits).

I would say every selected place is aware that their presence has an amplification effect on these processes and at the same time they even contribute to the changes. The difference is in what position they see themselves and how conscious they are about their decision’s outcomes. Edina Mihály mentioned only that social transition “is a bit like catch-22, that has been induced and then the appearance of ruin pubs even catalysed this process. There is a migration, there are more and more expat³ inhabitants in the district and there are more and more hostels.” A beautiful example for their own contribution to gentrification is that the owner of Szimpla is just about to move to the end of Kazinczy Street. Zsófia Szepesi however told me “it is sad that with our existence we support not only the spontaneous, but even the directed gentrification aspirations of the local government.” She said they have no connection with the local government, but the reason for this is that they serve their interest as being “young intellectuals who brought capital into the district.” What she sees as a more serious case is that “they can even look at us as partners”, when she told me they will probably host an upcoming food charity programme, that should be eventually rather on a public

³ Expat is the short form of expatriate [lat.] who is a person living outside of their native country (Oxforddictionaries.com)
space. She seems very confident and reflexive with the statement “...in every single decision we make, we take into consideration how our actual tiny decision will influence different social strata.” One pillar of Gólya’s mission is targeting only the local society and I will talk about it in more detail in a later section.

Interviewee nr 2 sees Auróra – then he adds, along with Gólya –, in a ‘gentrificador’ position. He meant by this those groups who were sent to slums on purpose to increase the real estate prices and then they went on to other districts. Those poor people who are pushed out only have the chance to move into an even worse condition or to the countryside. Auróra is a socially active place, but knows exactly that they supplant other groups just as Gólya. He moreover stresses that the situation in the seventh district was really favourable for the mayor and the local government – “who lack any social sensitivity” – to simply push out certain groups from the district, so when they saw the potential in the newly opening places, they started to support the ruin pubs.

Interviewee nr 2 also feels personal responsibility for those who didn’t have that freedom or chance in their life as he did and “everybody who works here has a really high commitment.” The predecessor of Auróra – called Sirály – was located in the seventh district and “for a lot of people it was important in this thing, to move from the seventh district as it turned into an entertainment district, they wanted to go elsewhere.” They had a problematic relationship with the local government in Erzsébetváros, but now are renting the house from a foreign owner. Although they did not want to go specifically to the eighth district – “I told them, anywhere just not in the eighth district” – but they wanted to distance themselves on purpose from this newly evolved Belső- Erzsébetváros. This can be interpreted as one level of resistance, very similar to the artistic community in Montmartre as I already explained in the literature review. Now Auróra has “a really good relation with the local government, because I think they don’t know who we are. They are really happy and this has some connection to racism. This place is not run by gypsies, but by young white intellectuals. This coincides with the social strategy of the local government.”

His opinion about the essence of the place – as for instance, for some it is rather an artistic place – is “that different groups are meeting. [...] different resources and knowledge starts to combine.” He told me about the community organization, a joint project with the inhabitants, within which they “try to identify local problems and try to organize people in a way, to be able to work together on different issues.” He has already gained experience in this kind of scope of activities, because he worked in the
USA for a community organization NGO. In Hungary however this is a brand new practice, Auróra is already present in domestic and in international community organizational networks as well (Interviewee 2).

4.4. Mainstream or underground?

During the interviews I simply asked my respondents what their opinion was about mainstream culture, because I wanted to know how they personally relate to mass culture and mass consumption and if they see their own ruin pub as authentic or not. First of all I would like to circumscribe what an authentic Hungarian pub means. I would argue that it is not connected to beer at all, but are usually small basements where the main offer includes wine and cheap shots. According to Interviewee nr 3 however, the authentic pub culture of Budapest is a matter of socialization. “When I was first served in my teenage years – not legally –, then you needed to go downstairs, there were tiles so it was easy to clean up vomit. [...] people really did their shift there, drinking till nine pm. and that was authentic. This cannot be presented well to foreigners.” He reminded me that Szimpla Kávézó was the same basically, where people went to get drunk, this was our drunkenness-oriented pub culture. At the end he added that this ruin pub culture is too new to be authentic.

In contrast, for Ábel Zsendovits Szimpla Kert is a “living and independent entity”, so concerning at least the space, for him it is absolutely authentic. To the question, if ruin pubs in general are authentic, Interviewee nr 5’s answer was: “None of the ruin pubs, I think, Szimpla used to be authentic, but it is now gone.” If we broaden the scope of the term ‘authenticity’ and are allowed to use ‘uniqueness’ as a kind of synonym, Zsófia Szepesi named Gólya’s operating form, which makes it different from every other pub. In most of the cases I felt that my respondents connected uniqueness with creativity. Since no proper definition was given for ‘authenticity’, I got really mixed answers, depending on the interviewee’s interpretation.

This was pretty much the case with the topic of mainstream culture. I got answers within a wide spectrum, starting from “I don’t know what that is” (Ábel Zsendovits) – which was quite surprising – till some concrete answers as “That is crap” (László Sajtos). From the side of Szimpla, Edina Mihály sums up mainstream culture as “a really important thing” and that Szimpla belongs to it rather than to an underground
culture. “The place where 5000 people come and go per day, is not underground at all.” The owner of Szimpla refused to answer: “I don’t say anything. Everybody should tell what he or she sees in it.”

This forbearance from categorizing themselves is not a new thing around Szimpla. Attila Kiss – another founder – said during the interview with Gábor (2014) for the question ‘What makes a place a ruin pub?’ that “We don’t like this definition – we don’t consider ourselves as that – but through the years we had to accept this kind of generalization”. The interview with Edina Mihály verified the presumption that they want to refuse any adjective: “By the way, there are always such terms we fight against.” She mentioned first ‘ruin pub’, then ‘Jewish Quarter’ and the latest is ‘party quarter’. I feel they want to be one step ahead of any category or any classification. If something has a name, is it not exceptional anymore? I really liked the wording of Interviewee nr 5: “...it is a trend, too, if I don’t follow any trend.” This is a kind of attitude, to distinguish myself from others at all costs. Although the statement “We try to break, tear and jump through every kind of genre limits, boundaries” by Ábel Zsendovits shows clearly, he does not want Szimpla to be mainstream.

Back to the original topic of ours, Interviewee nr 5 does not see popular culture a bad thing either, since “a lot of things are coming from the underground culture that suddenly are just taken up. [...] there are problems if they start to be produced.” Being a member of the cyclist subculture, he seems sensitive to commercialization: “What bothers me is when they start to use the nuisances, movements and slang that is typical to a certain group, while they don’t really have anything to do with it. [...] they don’t know the meaning and still use it.” The same awareness or consciousness is expected from Zsófia Szepesi: “I think it is not reprehensible when people do something just because a social wave takes them there. But I think it is really important to know what the reason and root are in someone’s act.”

Besides Zsófia Szepesi Interviewee nr 3 also mentioned that mainstream culture is not a coherent aggregation anymore, it became diverse. “Basically it is for entertaining people, to make them feel good. [...] In my opinion this whole mainstream culture is really segmented.” This is what Baudrillard calls fragmentation of our contemporary culture. Fragmentation in the sense of being disconnected from each other in their history, origins and contexts. “That is, in postmodern culture something is an entity only insofar as it presents or represents (in general, communicates) an image (as a bundle of symbols)” (Fuat Firat, 1991). This just strengthens our picture about Szimpla.
However, Interviewee nr 5 claimed that Szimpla did nothing directly to become mainstream. Interviewee nr 3 sees it the same way: “Szimpla was a little bit of an underground place, and when they moved to the new place in 2004, then it had to be managed properly. I would say, the difference between underground and not underground is how professionally it is run.” The last argument, which says that Szimpla cannot be underground is the presence of security guards. This takes away a great deal of the place’s familial nature.

I already quoted László Sajtos who does not like what he sees around himself as cultural content, because “There are no values mediated, it is meaningless. [...] All kinds of cultural values are lost.” What turned out to be interesting is that his opinion is that Gólya definitely does not belong to mainstream culture, while for Zsófia Szepesi “Gólya is balancing on the boundaries, it rolls out a bit from everywhere. You cannot say that it is authentic, neither that it is mainstream.” My respondent from Auróra contributes to a balanced picture, since he admitted: “I consume it, I like it. [...] I really, really like it.” He emphasized that mainstream culture is nothing else as the actual product of society, a materialization, as he called it. “Every single type of materialization tells us a lot not about the materialization itself, but about the society that exists around it, and is beautifully mapping the society’s values and norms.” In his reading people are inseparable from mainstream culture, since the mainstream is inseparable from society, and society is inseparable from people. But still, he thinks that the border between popular- and counter culture is blurred, these are just categories. In real life “those people who come here, they practically represent a subculture. However subculture in Hungary is the same [as popular culture]. You know, this is not like the counter culture in the 80s. It is not like ETA4, which was really a counter cultural movement.” Along with Gólya, reference to counter cultural aspects were present in the discussions, such as “it is a top-down system, because this is what you can find on the streets, this is what you live in. You live not to do anything, you will be told what the hell to do.” Moreover he drew my attention to an additional feature of mainstream culture that it can serve as a mutual platform, a possible connecting point between different social groups (Interviewee 2).

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4 He referred to the Basque nationalist organization.
4.5. Missions – ideology and values

I think I do not exaggerate when I say that the mission of the different places is the most important aspect. I was searching for the underlying ideologies; along what principles do the founders think and act and how seriously they take them. I intend to use this as the basis to my typology.

I was a bit in trouble with Szimpla, since Ábel Zsendovits simply said they did not have a mission, while Edina Mihály quoted the sentence from their website which describes their aims since 2002: “Szimpla is operated in order to figure it out whether it is possible to finance subculture, survive seemingly hopeless constructions, operating a kitchen in a balanced way, project own distributed movies in the cinema garden, organize animated film festivals and stuff like that. The answer for the present is: YES” (Szimpla.hu, n.d.). I thought this in not a satisfactory answer to my question, so I started to look for interviews from the past, and in one of them I found a statement by Gábor Bertényi, who is among the owners: “Actually what led us at the foundation of Szimpla [kávézó], was to create a place, where not the upper-middle class scions are sipping their latte for 470 forints….” (Hvg.hu, 2012). In my interpretation this means that they were against the bourgeoisie and wanted to create a place that is available for everyone, “where you can come together” (Ábel Zsendovits).

We see it today – as it happened with the Butte – that the bourgeoisie discovered the place for itself, first just from time to time, then Szimpla Kert became even more well-known and became commercialized. “They wanted to make a good pub, which is not like the others” (Interviewee 3); “By now I think the prices are a bit high” (Interviewee 5). Many of my respondents in the mini questionnaire mentioned the expensiveness of Szimpla as a negative thing.

On the other hand Gólya was clear-cut about their missions. The first is the ‘cooperative form’ and the spreading of it. “This means that we would like to experience and prove that within capitalism […] it is possible to create and operate a non-hierarchical and anthropocentric workplace. […] By the way, it does not seem to be accomplished, yet” (Zsófia Szepesi). “Well, this is a kind of attempt at a more equal distribution of capital. […] We have this kind of aim too, to spread this critical point of view that Gólya represents” (László Sajtos). In short, they want to devise an economic organization that could be a “liveable alternative” to capitalism and so, could be interesting for others. Their second mission is to be a centre for young, civil activists, where they can gather.
They call this the ‘community space’ function, while the third function of Gólya is the ‘community house’, which targets only the inhabitants of the eighth district. “To be some kind of community place for these people, where they could come freely” (Zsófia Szepesi). They want to communicate and cooperate with these people; they feel responsibility towards local society. They didn’t want to be more specific in their ideologies, as László Sajtos put it: “These principles are really hard to phrase in a way, not to be labelled.” But I would like to note that both of them mentioned they were Leftists.

Zsófia Szepesi named Gólya a “trash recycling factory”, in both an intellectual and a physical way. She used an environmental concept that assumes post-materialist values – along with yoga being her favourite free-time activity – just as the promotion of sustainability. “Everything you see is what we lumped together by ourselves, from friends. We made it with our two hands” (László Sajtos). The same values were mentioned by Edina Mihály: “… every object is being recycled by Bandi, and every one of them gets a second chance and a new life. […] and there is a green recycling line in it, too.” The only difference is that by now in Szimpla there is a designer employee (Bandi) who is responsible for the décor.

The situation is a bit different in Auróra, because “the modular furniture was designed by one of our activists, who graduated at MOME I think, […] that how much this expresses Auróra, that there are more things, you can build something up from it” (Interviewee 2). When they built the counter for example, they got the timber from theatres and organized architectural workshops at the same time. This suggests to me that their ideologies are represented in material things, moreover through functionality. “Basically anything can be built from the modular furniture of Auróra: gatherings, cultural events, symphonic orchestras, playground, social awareness, paradoxons [sic] and donation jars. Really. Anything. It’s modular!” (Auróra, 2014). On the other hand, there is nothing retro in it, the feeling of grandma’s living-room is absent, but is still made from lost-property, so the recycling line is present.

Moving on to Auróra’s purpose it is a “social venture, a community space, which connects civil activism, communal and cultural programmes and entertainment” as it is written on a leaflet for recruiting volunteers. Their project’s – as they call it instead of mission – main focus is on the promotion of social justice with the active involvement

5 Moholy-Nagy University of Art and Design Budapest
and participation of those concerned. This project has three main pillars: community building and the reinforcement of democratic activism; strengthening of civil organizations and activist groups; sustainability and social venture. The final aim is to raise the number of socially active citizens and thus the widening of democratic practice in Hungary (SozialMarie, 2015).

Interviewee nr 2 explained to me that people should be taught how to live and act in democracy, since “in Hungary after the transition we managed to adopt capitalism, but not democracy itself and its conception. We don’t know how to do this [...] how consensus has come to be, at all.” This mission can be called as the education of the public, where democratic, cooperative values and behaviour takes priority. Furthermore he admitted “this place is politically active” which can cause trouble in the future (Interviewee 2).

I think it is worth mentioning that among my respondents for many, their job is a way of self-expression and serves their self-fulfilment. Both Zsófia Szepesi and László Sajtos basically told me: “This is what I always wanted to do”. I think they found their place within the frames of Gólya, as they previously felt they do not belong to the materialist world. I think the one for whom this is at least true among the founders, is Ábel Zsendovits, whose answer to the question: “To what extent can you identify yourself with your work?” was: “Well, I try, since there are not many other ways, how you can pleasantly be in this life.”

Interviewee nr 5 drew my attention to another “function” of Szimpla, namely dating without responsibilities and consequences “which is a quite strong attractiveness of Szimpla, let’s be honest.” László Sajtos mentioned the masses of English stag parties as a stereotype that is strongly present in connection to Szimpla lately and Edina Mihály confirmed this: “So it is that the stag party attendants mostly come here to pick up girls.” Moreover I can quote from a Hungarian interviewee of Gábor (2014): “It is obvious why I go to ruin pubs. Why every other man does. You can pick up girls…” She found that 79% of the visitors are men, and most of the people go to ruin pubs not because of the programmes, but because of the company (Gábor, 2014).

When I asked Edina Mihály why Szimpla is attractive to guests, surprisingly I got the answer: “Budapest compared to a Western European average salary is a very cheap city, but in exchange for this cheapness they get a very good quality.” She was only thinking about tourists and took their perspective. The ratio of foreigners to Hungarians is 80% to 20% on a normal evening (Edina Mihály). And what about Hungarians?
There was an opposition from the side of the inhabitants of Belső-Erzsébetváros and she got hired in order to deal with this situation. They opened Info Bar in Kazinczy Street to serve as a mediator and promote the programmes of AZÉRT members (Csanádi et al., 2012). Since then the place “became devoid of purpose, because by then we were able to handle the situation and we didn’t need it”, so they closed it. They set up this platform to be able to communicate with the locals, build local relationships, but I see this as a compensation, something they originally did not want, but the evolving situation forced them to handle it. “The aim was specifically to target those who had a share only in the bad things in connection to Szimpla” (Edina Mihály).

After they organized community meetings, introduced the 50% discount for pensioners and opened the Sunday Market for mainly the locals – there are also programmes for children – they have poured oil on troubled waters. They were targeting diverse social groups, and it seems to be successful, but I am still wondering who was honestly interested in pensioners or children and to what extent was this a “must” to meet their demands set up by themselves, such as to be a ‘cultural reception space’. “We were a closed place for a long time. […] It is still the case partially, but we would like to step out from this frame. So here is a Sunday Market, which obviously could be on the Klauzál Square, I don’t mind that it is here, but in fact it belongs there” (Ábel Zsendovits).

Interviewee nr 3 thinks that “this whole Szimpla Sunday Market is a kind of thing, that in Szimpla anything can happen. So there is a big random factor in it.” He says they organize the market just because anything can go there. Then he continues his line of thought: “I think this whole market garden thing is a bit of PR, that we are neat, it is not just about drinking.” With this kind of programme Szimpla is promoting the image of new types of values and authenticity. I find these efforts shallow, along with the frequent usage of attributes such as ‘farmers’ (őstermelő) or ‘artisan’ (kézműves), which became popular labels for food products recently. I see these as re-enchantment efforts, but they end serving commercial interests, resulting again in disenchantment.

For Interviewee nr 5 – as a member of a subculture – this is quite woeful: “I have a problem now, that everything is called artisan, starting from the beer to the hamburger, everything is artisan. This became a calling word, which I put into the nonsense category.” I found his opinion about the programmes in Szimpla interesting, too:

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6 Az Élő Erzsébetvárosért Egyesület, where Ábel Zsendovits is the chairman.
“Szimpla has programmes, kind of hit or miss, to be able to say that they have programmes. But strictly speaking, no one is going there because of the programmes” (Interviewee 5). In my mini questionnaire three persons mentioned the Budapest Bike Mafia’s programme – collective cooking hosted by Szimpla – and six persons mentioned the Sunday Market they have already visited, the rest of the respondents have never been to any programmes in Szimpla. “Szimpla has this cultural side to be able to operate, while in other places they have entertainment to make the other side function” (Interviewee 3). This statement is pointing towards the last section of the analysis, where I am going to talk more about the inner structure of ruin pubs.

When I asked the same question – ‘Why is your pub attractive to visitors?’ – from my Gólya respondents, both mentioned the good programmes. László Sajtos characterized their regular visitors as “mainly this young sociologists and people with humanities studies, and well, those who are here for the very first time, they will obviously come because of the programmes.” This is somewhat in contrast with Auróra, where they organize the parties to attract people who will then “join the cause”. Basically what they sell - cheerfulness or having good time – is a sort of campaign for the matter. This was not mentioned before. “This was a communication strategy, how to bring and attract people. [...] This is the idea, that you will have fun here and then you will join. [...] They come here to party and then they discover this place” (Interviewee 2). I see in the case of Gólya as a drawback that they do not promote what they are fighting for, they are hiding their values of choice. “There are very few people who know that this place was created under such a holy purpose [...] Then it could be attractive, but we don’t communicate it properly, so at the moment it is not attractive” (Zsófia Szepesi).

4.6. Business and organizational structure

I would like to start with something that could have been already mentioned within the topic of urban processes, but I think it is a part of a broader project or vision. I already mentioned that Szimpla became a brand, but “everybody admitted that Szimpla in itself is not a number one tourist attraction, but it is, because of its location” (Edina Mihály). This represents well the quarter or neighbourhood level approach, which is originating from interest. As Ábel Zsendovits mentioned, Szimpla was a closed place for a while, but they started to be more open in the last few years. I see the founding of their NGO
in 2009 – AZÉRT – a good evidence for this. They started to think in a bigger scale, organizing street festivals together with other places in Kazinczy Street. He told me they are an interest-group, whose members are not just the pubs but shops, restaurants and even tenants. For example it is on their agenda to make Kazinczy Street a pedestrian only zone. “We have a street marketing. So, by now, Kazinczy Street became a brand, the unity is strength…” (Ábel Zsendovits). Based on international literature, Csanádi et al. called this a ‘cluster’ and defined it as the geographical concentration of places with similar profile, that can be a part of a city or even a street. Then they drew attention to the fact that if we take the cluster as an organizational structure, it can be important for applying to certain EU tenders (Csanádi et. al., 2012). As Interviewee nr 5 put it: “In the seventh district a lot of places are rather useful than harmful to each other, because for the whole neighbourhood or the ‘Jewish Bermuda Triangle’ they make their own gravity. […] The more people come within it, the more it can magnetize.”

What was clear at the end of the interview with Ábel Zsendovits was that he is thinking on an even bigger scale. On one hand he would like to see Belső-Erzsébetváros as an independent district, on the other hand connect this part of Budapest to the Pest Broadway. “This would bring something new. It appears that there would be demand for this. Tourism is on the rise. […] Twice as many people are coming here than 5 years ago and almost all of them are foreigners” (Ábel Zsendovits). And if this was not enough, there are already two more places operated by their firm in Berlin.

After these, no one can be surprised that Szimplacity Kft. is running a healthy profit, in the magnitude of hundreds of millions of forints (Edina Mihály). After 1 year of opening Szimpla Kert in 2005, their total income was 95 million forints, while their initial capital was 4.5 million forints in 2001 (Somlyódy, 2007). I am presenting these numbers because they give the impression how profitable this ruin pub business was – and most probably it is still highly profitable. “Since 2012-2013, everybody who has 5 million forints on his bank account, and does not want to or cannot spend it, opens a ruin pub. […] It is cheaper to buy premises in the party quarter than a flat” (Interviewee 3). This made possible the boom of ruin pubs in Belső-Erzsébetváros.

“I used to say, we only ask money for the beer, but for that we ask that much to be able to provide concerts and exhibitions for free” (Edina Mihály). It turned out that now the rent for the building is millions per month (Somlyódy, 2007). To get to the present point it was a long and self-generating process: “…they started with a certain price per
square meter and then slowly the guy, who is the owner, started to raise it, which led to a more professional operation. [...] if you operate on a more professional level, you have more and more income and then the owner will raise the rent even further” (Interviewee 3). To some extent this forced Szimpla to operate in a more organized manner, which then contributed to greater success in the long run.

When I asked Ábel Zsendovits about the organizational structure of Szimpla, he replied: “That would be good, if I could see a good structure. I would not dare to try to describe it.” So he did not provide that much information, but I would say that the professionalization has not finished yet, and though this does not mean that their structure is not bureaucratic, just not in the Weberian sense. We cannot say that they have a settled business model which they follow, it rather takes shape in a so called ‘trial-and-error’ style. Based on Edina Mihály’s answers I could discover a kind of hierarchical structure, where the owners and the managers take the top positions, while in the middle layer are the employees who run the different project-based operations (e.g. Sunday Market)... and Bandi, while on the last level are all the remaining staff, like bartenders, chefs and cleaning personnel. I think this is a realistic division, since on a meeting for managers, no bartender is present and vice-versa. All the persons working in Szimpla adds up to 50-60 people. Here I would note that in Auróra there is a plenary session every third week and in those sessions everybody can freely attend.

The similarity between Gólya and Szimpla is that in the beginning they started from loans and from their own money. And that is it. Gólya had a predecessor as well, called Friszkó. They moved from the ninth district “because the place has grown out of itself and a lot of programmes could not be organized because there was not enough space for them. And during the summer, Friszkó always had to be closed, since it didn’t produce its own expenses” (László Sajtos). There are six members currently in this unique cooperative (communal) form – as I have already described it earlier –, but this number is likely to change. Zsófia Szepesi talked about how they are a quite closed community, because “in a very open community I find it hard to imagine to develop so deep trust and interdependence between two persons, as it is in this small, family-like place.” This ever-present trust makes it hard to involve new members, which would be much needed, as Gólya reached a certain level in the entertainment field. They do not have a firm organizational system, either, but they are experimenting all the time. Their newest attempt is to consult with an organization developer to figure out “how new persons could be involved without the compromise of the collective trust.” They have
financial troubles till this day because the owner of the building wanted the rent to be paid in one amount. They take the financial burdens, but agreed on a minimum salary for themselves that is fifty thousand forints per month. They have 14 employees, who do voluntary work as well, and “that strange situation can appear that our employees earn more than we do, which is not sustainable, especially because we work three times more.” This shows their deepest commitment to their original mission. To my question “Would you be happy if Gólya was published in the CitySpy magazine?” Zsófia Szepesi answered: “Considering what financial problems we face, it does not matter to me what principles it violates that foreigners come here or not.” Though this question is dividing the other members of Gólya, they started to reach the recognition that they need first the money, to be able to reinvest into the entertainment and the programmes and to ensure their own sustenance.

When Interviewee nr 5 talked about the promotion of a certain subculture, he noted that it is not possible for a pub to operate permanently as a closed subculture and thus financial aspects are important. “Without money I cannot help them. [...] To put it very simply, it cannot operate as non-profit, it is simply not sustainable.” The founders of Gólya form a group in decision-making, which is non-hierarchical and only consensus is accepted. In other words, they do not settle for the process of democratic decision-making, which makes certain decisions even harder, such as the expansion of their circle. “This membership admittance is going in a spontaneous way, on a quite personal basis. [...] the membership can be expanded only, if all the members agree on the given person in 100%” (Zsófia Szepesi). This obviously cannot be maintained if they let a lot more people into their circles and should apply the majority decision-making process, but I think in their case it is a really important aspect that when a decision is finally made, everybody is satisfied with that. This is what keeps the common interest in the long run. By the way, all the future members will come from the actual employees, ensuring that friendship, and so trust can be upheld.

They have functional units, called working-groups, which are again non-hierarchical, and one person of the founders is a kind of coordinator for these groups. “Basically between members and non-members there is hierarchy, but within working groups and among members there is no hierarchy. [...] Every member has to do additional donkey work for 18 hours per week” (Zsófia Szepesi). All of my respondents from Gólya and Auróra said that they have no free time. They do everything by themselves and this supposes a high ability for cooperation within their organization. Interviewee nr 2 told
me that “This is really, really hard work, that we put into this, with really a lot of working hours in it”, but they do not communicate this, so to an outsider this stays hidden, otherwise not many people would be interested. These examples are not in line with the already presented leisure time activities of the artistic or counter culture communities.

Auróra outnumbers the two other places regarding the number of people involved, as all together there are around 140 persons who have done something, but only around 20 persons belong to the strictly speaking ‘club’. According to Interviewee 2 they still have HR problems despite their active recruitment efforts. “To organize such thing, to put the same amount of energy in it all the time, this is really difficult to maintain.” We can see that he draws our attention to the temporary, occasional and vulnerable nature of this whole phenomena: as easy and quick people come, as fast they can disappear.

Similarly to Gólya they organized working groups, for example within the ‘programme working group’ one is for parties, the other is for theatre-related programmes. The presence of the theatre line is strengthening the inclusion of art, compared to Szimpla, where instead of support, cooperation would be the proper word (Edina Mihály). My respondent was there during the “birth” of Auróra, and they planned everything from the beginning. The values were given, but they were aware that they cannot bypass the real market.

Auróra was in a fortunate position, as an organization called Marom Klub Kft. financed the building and all the reconstruction that was needed before the opening. This group is present on multiple fronts – for instance they organized the N6N7 festival – and works as an umbrella organization. Marom does not have a strong formal leadership, and someone’s position depends only on his degree of involvement and activism.

Auróra’s source of income is based on renting out offices for civil organizations – as a community-based working environment –, rooms for programmes and all the consumption by the guests – including the parties, of course. This seems viable and financially sustainable, but “this is not profitable at the moment. [...] The purpose of a social venture is not to actually generate profit and counting the money” (Interviewee 2). We already saw this, that for all the places the money is needed to reach their different goals.

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7 Negyed6Negyed7 is the cultural festival of the Jewish Quarter
As I already discussed the position of Szimpla in the Belső-Erzsébetváros cluster and why it is important, I was quite surprised that something similar – if at least the intent for it – exists in the eighth district as well. They have a common newspaper – called Neked8 – that contains twelve places at the moment and their aim is to convince people to visit other places in the neighbourhood. The presence of other places is simply important to induce experience. I think this shows that they try to make a quarter well-provided with pubs, but this would be a value-based cooperation. “In the eighth district it had to be done, to stream people between different places which are endowed with similar values. If different circles do it, it is really exciting. I think there is no overlap, they are completely diverse” (Interviewee 2). One could argue that there is no difference between this cooperation and the one in Erzsébetváros. With the words of Edina Mihály, there is albeit one attribute that they like to use, when they characterize their quarter, which is ‘multicultural’. The same attribute is used by KultUnio, a civil organization, promoting area based commercial activities to shake up the sixth and seventh districts of Budapest. Probably Ábel Zsendovits was referring to this saying: “this [the seventh district] was always a virulent place. Till ’44, I have to say, this was a quite super place. Then came a dark 40-50 years and now it has started to resuscitate.” However the aim of this KultUnio is clear: “we deliberately wish to strengthen the image of the ‘Quarter’, invigorate trade flows, furthermore to keep it continuously with social cultural programmes in focus” (Kultunio.hu, 2015). Szimpla perfectly fits into this image that uses cultural programmes to keep itself in focus.

5. Discussion and analysis

After having presented the findings I now focus on the different aspects in a brief way and to connect them to the literature review.

I see a strong similarity between Szimpla and the Butte, since in the beginning both were a gathering point for the artistic community – although Szimpla not intentionally – but then both became the victim of their own success and turned into commercialized venues. Ruin pubs in general are attractive to visitors with their special bohemian and carefree atmosphere, which made them a perfect leisure time place.

In the early 2000s the situation of the real estate market in the inner city – low rents, loads of old, dilapidated houses and the passive local government in Belső-
Erzsébetváros – all contributed and later fostered the opening of such places. Renting out these premises and selling the old housing stock at higher prices were included in the local government’s objective, to finance themselves in the long run. As Kovács discussed (2006), from the year 2000 the changes started and prices rose, but still because of the heritage site character, buildings couldn’t be demolished.

The emergence in the number of ruin pubs promoted another important urban process, namely the gentrification of the neighbourhood. Csanádi et al. (2012) concluded after their research (they conducted exactly in the ruin pub district) that although higher status residents moved to the seventh district, the process couldn’t unfold in a similar way as it did in other capitalist countries. One reason for this was that buildings in the Jewish Quarter came under heritage protection in 2002 and the other one was the economic crisis that reached Hungary in 2008. These two reinforced each other and basically kept the foreign investors out of the neighbourhood.

The aforementioned reasons manifested moreover in the local government’s short term contracts for rents that only contributed to the obscure situation. All of the local governments’ aim is to attract higher status residents, while getting rid of the poorer inhabitants – by not working on the inclusion of these groups – to revive their own district. The ruin pubs evoked the gentrification process and later they reinforced it by squeezing out lower status groups.

One difference between the three ruin pubs I was focusing on is that both Gólya and Auróra are aware of these processes and they know their position within it, as it was put by Interviewee nr 2, they are in a ‘gentrificator’ role, while similar self-awareness from the side of Szimpla cannot be mentioned.

Comparing with the counter cultural aspect of the Montmartre, I would say that there is no such radical and open counter cultural formation present in connection with these three ruin pubs, albeit within them they can be separated. In the case of Szimpla, I think the founders wanted to challenge the bourgeoisie norms by creating an entertainment place that is affordable for students and alternative circles. What matters a lot in the survival of Szimpla is that they were really fortunate in their placement selection, because Kazinczy Street has a central location, which is easy to approach from every direction with public transportation and by bike as well. The other important fact is that they rented the place from a private owner, not from the local government, so they could not be evicted.
I was told, however, by the Interviewee from Auróna that their predecessor, called Sirály, wanted to move out from this Belső-Erzsébetváros party district. I see this physical distancing – similar to Montmartre – as the opposition to mainstream or modern urban culture – some even say bourgeoisie. Another level of opposition of Auróna can be found in their projects: learning how to live in a democracy and to make decisions as part of a group; civic activism in such areas as drugs, gay rights, Roma issues, that are mainly neglected in the Hungarian media and public life. Gólya belongs to the counter cultural scene, too, by trying to create a new economic organization, which could be an alternative to capitalist economic organization and is functioning without hierarchy or a bureaucratic structure.

For Szimpla it is true that it still remains attractive because of its insight into socialism that can evoke nostalgic feelings and for tourists Szimpla has the unique atmosphere, but they don’t know the narrative behind it. We saw in the analysis part that design in Gólya and Auróna is actually not a topic, since for them it is not essential. There are two things that arise from the design, one is the topic of authenticity the other is disenchantment. First, I would say, none of the ruin pubs are authentic in a strict sense, since they imitate something else – what Baudrillard calls simulacra (Fitzpatrick, 2012) – for example the retro feeling. There is a high demand for authenticity in our society as an opposition to mainstream culture that produces mass goods. This is widely used to sell products, let us think to the emergence in the spread of labels such as ‘artisan’ or ‘farmers’.

In my opinion interior design is essential for Szimpla as it has to maintain its image to be ‘true to itself’, so they have an employee who deals with the design. Following Weber, the image of the retro or the Socialist-era is though not real but it is continuously re-enchanted. With this conscious enchantment, they basically want to achieve maximum profit, this can be deduced from the prices that are made for tourists not for Hungarians. Their explanation to this is to be able to provide programmes and concerts for free. In fact, Gólya’s and Auróna’s prices are much lower and they still provide all the programmes for free. For me Szimpla is what Ritzer (2010) calls the ‘cathedral of consumption’ that serves as a new way of consumption. These type of places need re-enchantment as they attract more and more consumers. They often look like – as Huyssten (2010) calls them – a maze that captures and keeps the look of the visitors, who feel as if there was no outside world. This characterization however can be seen in most of the ruin pubs, since they usually consist of several distinct rooms, in
order to host more programmes at the same time with for instance different music genres. As we saw the relation of Szimpla to design and to profit/prices, I would contradict my starting quote by AZÉRT and state that commercial ruin pubs are ‘ruins’ and ‘pubs’ indeed.

Based on organizational theory, DiMaggio and Powell (1983) concluded that organizations tend to model each other and create a homogeneous field. They mention that what the organizations adapt could be innovations - all tend to pick up the ‘ruin pub’ character – and not just structures. I see the whole Belső-Erzsébetváros as a very good example of this. Csanádi et al. (2012) called it a cluster which contains organizations that gather around similar values, will have the same goals and provide similar services. Though this district is well-known to be ‘multicultural’, everything is about entertainment and commercialization.

As Whiting and Hannam (2014) emphasized, entertainment as experience and aesthetics, rather than goods or products are the demands of tourists lately, and as Szimpla perfectly fits into this surrounding, this can be the reason behind the boom of tourists in the last 5 years. I would say that a cluster is just about to form in the eighth district as well, but based on their shared values and not on interest. It is uncertain to what it will evolve but it could form a counterpoint cluster as an alternative to mainstream entertainment and culture, in a form of a subcultural association.

In short, I would not say that Szimpla has a Weberian bureaucratic organization, but rather has a project-based hierarchical system, while Gólya and Auróra have a much more flat – working-group - and network-based – structure where working-groups are responsible for different fields. All the pubs in the seventh district realized that competition would not lead to any advantage, so they rather formed an interest group to be effective against the local government if needed. For instance when they wanted to close the pubs at midnight because of noise pollution and the lot of complaints from the inhabitants.

Finally I would like to reflect on Whiting and Hannam’s (2014) ‘creative class’. What I found in common in all the founders of the studied pubs is that none of them could find their place in mainstream culture. All of them are highly self-expressive individuals – maybe the only exception would be the owner of Szimpla – who can completely identify themselves with their current “job” as it is not really a work for them. But what they lack on the other side is that their life is not that ‘carefree’ as it was in the case of the bohemians.
6. Conclusion

On the one hand, my objective in this thesis was to ascertain how and why ruin pubs are concentrated in the seventh district and what stands behind their recent boom, as well as to determine if there was a change in their target group. On the other hand, I wanted to make a detailed comparison with two other not so well-known ruin pubs in Budapest to be able to create a typology.

Since ruin pubs have evolved in many different directions, it makes it hard to create a unifying definition, but after all I would say simply that a ruin pub is such a unit that is functioning in an old building supplemented with a garden or yard and combines artistic and cultural values/activities with the capitalist economy to survive. According to which end on the continuum they converge, we can name three main types: commercial, community and radical. For further clarification more analysis would be needed including other ruin pubs, which this thesis could not undertake due to limitations in length.

In the Hungarian literature I already could find some typology, but that concentrated mainly on Erzsébetváros – the pubs that I would refer to as ‘commercial’ ruin pubs. I tried to look deeper under the surface of Szimpla, but no serious ideological values could be found. Within the ‘commercial’ ruin pubs there are already first -, second -, and I would suggest – even third generation ones, those which opened in recent years, but reflect little from the original ruinous or retro feeling. These kinds of changes clearly show the demand of the upper-middle or higher class consumers – including tourists – for ‘high standard’ ruin pubs with clearer design.

I call the second type a ‘community’ ruin pub, Gólya being the example for that, where they try to remain a friendly and a somewhat closed community, putting hierarchy on the side.

Finally the ‘radical’ type of ruin pubs, for example Auróra, is most in line with radical grassroots community politics as espoused by Alinsky. Rules for Radicals (1989) was written for community organizers – that is one central point in Auróra’s projects – how to unite low-income groups to empower them. I would refer to those who are involved in Auróra as associationalists since they try to strengthen community ties with the involvement of deprived social groups while in Gólya they are rather communitarians who prefer the more traditional, family-like gatherings (Gough et al., 2006).
The places can be clearly characterized based on their financial situation, too. This is a sensitive issue how they balance between keeping original ideologies and turning into commercialized venues. The most common case is probably that of Szimpla, that could be forced to operate in a more efficient way as new pubs have opened up in its neighbourhood, or simply because the owner of the building was increasing the rent, so they had to make more profit. This is a kind of self-generating process, how they evolved to a more professional level. Auróra recognized the importance of market processes and the reliance on them but consciously fights against becoming a business. Since Gólya’s mission is to create an alternative to capitalism, they are in a much more difficult situation, but probably sooner or later they have to admit – that at least to some extent – working within a capitalist economy is technically inevitable to survive and to be able to help (Gough et al., 2006).

I speculated at the beginning of the thesis that the success of the ruin pubs in Belső-Erzsébetváros was somehow unfavourable to the local government. I drew this conclusion from the sharp resistance from their side not so long ago. However this turned out to be false, as now entertainment places and local government work together to revive the new Soho of Budapest.

Ruin pubs in the beginning served as an alternative to our drunkenness-oriented pub culture, but for me it seems most of them are returning to this function. For the commercial ones cultural programmes are needed to maintain interest from visitors and so to run the business – and to maintain the image that it is not just about drinking – while community and radical types need the entertainment side to be able to finance their projects and missions. The priorities and the stresses are thus on the opposite side. A strong sense of cynicism appears to exist in Hungary which is directed towards the political establishment. One way of changing this attitude could be realized through reconnecting social groups, so that trust can be re-established. One possibility to reach this goal is through associationalism (discussed on p45). This would need the local governments to be willing to increase resources, capacity building and learning from good practice, in particular from groups like Gólya and Auróra. Community and radical ruin pubs could provide the potential for transformative change, prompting and facilitating major societal influence.

It will be of interest to see how this aspect of Budapest life develops, and whether it will flower into a space of radical creativity and counter culture or as with Montmartre be subverted and diluted by consumerism and marketization.
Appendices

Appendix 1 - Letter of consent

The original Hungarian text:

Alulírott Takács Karola, a Budapesti Corvinus Egyetem Társadalomtudományi Karának hallgatója kijelentem, hogy a budapesti romkocsmákkal kapcsolatos szakdolgozatom elkészítéséhez adott szóbeli információkat bizalmasan, a kutatási etika elveinek megfelelően kezelem. Ezen adatokat másutt nem használom fel, harmadik félnek nem adom át.

Alulírott ………………….. beleegyezem, hogy Takács Karola a mai napon folytatott beszélgetésünket szakdolgozatához felhasználja.

- Hozzájárulok / nem járulok hozzá, hogy a beszélgetés rögzítésre kerüljön
- Hozzájárulok / nem járulok hozzá nevem közléséhez a szakdolgozatban

Budapest, [dátum] és aláírás

The text in English:

I, Karola Takács, student at the Faculty of Social Science at Corvinus University of Budapest, hereby declare that I will treat the information given to my thesis concerning ruin pubs in Budapest confidentially, in accordance with principles of research ethics. I will not use them outside my thesis and will not disclose them to any third party.

I, ……………………. hereby consent to Karola Takács using the contents of our conversation today in her thesis.

- I consent / I do not consent to the recording of the conversation
- I consent / I do not consent to the publishing of my name in the thesis

Budapest, [date] and signature
Appendix 2 - List of questions

How well is work and leisure separated in your life?

What is your original occupation?

To what extent can you identify yourself with your work and/or leisure time activities?

What is your opinion about/attitude towards mainstream/popular culture?

Why did you choose this part of the city to open your pub? – How did it happen that you opened your pub here?

With whom did you start [name of pub]? Do you still work with them? If not, why?

Does [name of pub] belong to mainstream/popular culture?

How is creativity present in [name of pub]?

What do you think was the original mission of [name of pub]?

How this mission have changed over the years?

What different programmes do [name of pub] offer at the moment?

What are your impressions about the place’s interior?

Does the place look like as you’ve dreamt about, or it evolved through time?

Why do you think [name of pub] is attractive to visitors?

What do you think is [name of pub]’s main profile?

Who are the target groups of [name of pub]?

What is the ratio of Hungarians and foreigners in the pub?

Do foreigners contact with Hungarians?

Do [name of pub] support artists or artistic communities?

Do you think gentrification is present in this area?

What do you think is the reason behind the boom of ruin pubs in Belső-Erzsébetváros?

Do you have any working/business relationship with other bars, pubs in your neighbourhood?

Is there any competition in the neighbourhood?
What do you think makes [name of pub] authentic/original? Does it change over time?

Does anybody want to use [name of pub] as a model?

How is your organizational system?

How important is for [name of pub] to generate profit?

Do residents support the pub? (What is your position regarding heavy drinking and the effect of drunken consumers in the neighbourhood?)

Was there any conflict with the neighbourhood/how did it influence the place?

How is [name of pub]’s relationship with the local government?

Do you have any strategy that targets tourists/foreigners?

How is the place’s relationship with the original inhabitants of the neighbourhood?

Do you have programmes for the inhabitants?

Do you apply for tenders?

What is your vision about this part of the 7th/8th district in 10 years?

Will you work here in 10 years?

If you would make your own pub, how would it look like?

If not [name of pub], which is your favourite pub?

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Appendix 3 – Short questionnaire

1. How often do you visit Szimpla?

2. What is your purpose of the visit?

3. What do you like about Szimpla?

4. What do you not like about Szimpla?

5. Have you ever been to any programme organized or hosted by Szimpla?

6. Do you know Gólya?
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