

**1968-2016 – 48 years of Economic and Research Institute of Trade Unions in
Hungary**

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Origins and 1st period 1968-1988 – the “golden age”

The unique trade union institute in Hungary was established originally under the name “Szakszervezetek Elméleti Kutató Intézete” – SZEKI - – that is “Theoretical Research Institute of Trade Unions” in 1968. The institute operated from 1968 until 1990 as part of the Hungarian unitary peak trade union federation - SZOT (National Council of Trade Unions).

Since it has been the unique research institute in Hungary dealing with issues important for the trade unions and connected to trade unions. The idea to establish a trade union research institute came from the need to explain the essence of the so called new economic mechanism implemented in 1968 in Hungary as a novum in the former Eastern block countries. The “new economic mechanism” of 1968 promoted by the Hungarian leadership was the major postwar economic change in the region meaning a comprehensive reform of the economic system, implementing market relationships among firms, using prices as allocative functions and firms responding to prices to maximize profits, using profits to budget new investments. So it meant totally different ideas and practice as the previous. The role of trade unions were considered as "transmission belts" between leadership and workers. The leadership – the Hungarian Socialist Workers’ Party (MSZMP) – *had to have to explain to the nation, population, workers what this economic reform meant and why was it needed. The only cross-sectoral national level confederation, called National Council of Trade Unions (SZOT), its members, the sectoral federations should had important role on it, first of all because of their company level trade union organizations and trade union shop stewards. They had primordial role on explaining the Party’s Central Committee’s document on May 7 1968 which detailed the changes in the firm’s role under the new economic policy.*

Within such circumstances SZOT decided to establish its own research institute with the aim to support this task intellectually as well and to back theoretically the trade union activities originated from their task and economic responsibility. The institute employed then in average more than 60 researchers. At 1970-ies and 1980-ies the staff included researchers of different backgrounds and became a real think-tank. It was due not at least to the wide vision director, Márton Buza. He created the conditions for researchers to be able to do not only the “obligatory” tasks but also to carry out real researches with topics on interest representation, workers’ living and working conditions and the reports created could have critical tone and approach. The debates organised around the results of researches or papers were important and forward events. At the same time Márton Buza worked on theoretical topics as well such

as the workers' participation in the company management and the trade unions role (see Buza Márton-Vas János: A munkahelyi demokrácia és a szakszervezetek, Táncsics 1980 and Buza Márton Szakszervezetek Magyarországon, Kossuth 1985).

In the same building - Budapest II. Tárogató út 2-4 – too operated the Trade Union School, the only institutionalised and complex education institution of the Hungarian trade union movement then and now. The staff of the institute and the school cooperated and there were also several overlaps: several researchers were teaching in the trade union school disseminating the newest findings and results of researches which included several field researches, using interviews and own data collection. Unfortunately after 1989 – the change of regime - the Trade Union School closed leaving a large gap behind.

The research institute was open also in the sense of international relations; it had the department of international researches, managed by Anna Pécsi. The institute cooperated with several foreign (Western) research institutes; for example it had a close working relationship with the French Institut de Recherches Economiques et Sociales (IRES), the Istituto di Ricerca Economico e Sociale (Ires)– Cgil, Roma, the Finnish trade union research institute. The French IRES and SZEKI carried out a joint – comparative - research in the Hungarian bus factory Ikarus and in the undertakings of the French Renault with the title “Working conditions in the assembly line” (1986).

The open-minded atmosphere gave the possibility to promote such PhD dissertations like “A Social and Economic Development Model in Latin-America – the Raul Prebisch model” prepared by Szilvia Borbély (1988), or Pál Forgách already in 1981 analyzed and disseminated in Hungary the topic of transnational companies and the possible trade union strategy toward them.

The institute dealt among other with topics like the theoretical and practical issues of the workplace democracy (1968), the socialist brigade movement, the political and cultural education at workplace (1972), the reform of political institutions and the place of trade unions in it (1988), the effects of the automatisisation on the labour force in different sectors (1973), the consequences of scientific-technical revolution on the workers (Györgyné Kerekes, 1981). There were also such methodological topics like the measurement of the workplace democracy, a diagnostics of the participation system (László Babics, 1984) and the value structure of the trade unions (Mária Vanicsek, 1988). These types of works were based on wide empirical basis of the world of work.

The institute tried to take part actively in the decision making process through papers like trade union activity helping the carrying out the macroeconomic decisions (Ottó Juhász, 1985). The gender and equal opportunity issue was also already at the agenda of the day, see the analysis of the women's situation between 1970-1981 using data of Central Statistical Office (1982), Julia Turgonyi's research on the women's problems working in the industry (1981). The institute concerned also people with disabilities, there was carried out for example research on the social causes leading to disability (Mária Novák, 1985).

The institute dealt with historical issues like the working and life conditions of coal miners in 1945-1948 (1988) and the history of miners' trade union in 1934-1944 (1978) or the history of textile workers until the first world war (1975) or the first stage of workers organization in Hungary between 1830 and 1872 (1972) or the history of development of health and safety with particular view to the trade union activity (Ernő Kolozsvári, 1984).

At late eighties the papers and debates in the institute paved the way to the change of regime. There were such issues as at the agenda of the day like the concept of welfare (István Makó, 1988), the contradictions and their possible alleviation in the society of 80-ies, the functions of laws and regulation in the social and economic life (dr. Antal Tóth), the economic progress and the goals and interests behind it (Ottó Pirityi, 1987, 1989), the reform of the political institutions and the place and standpoints of trade unions (István Kardos, 1988); the concept and role of wage and income from the employees' point of view (Ottó Pirityi, 1989), the housing situation and wellbeing in Hungary in the eighties (Gabriella Ernst, 1988); the cost of child raising after the tax reform (Dr. Gyula Fekete, 1988), the role of education in the income and wealth differentiation (Katalin Szikra Falusné, 1989). László Dura - one of the institute researchers – in 1988 took part in the foundation of the Trade Union of Scientific Workers (TUDOSZ) and became general secretary which meant the explosion of a monolithic trade union structure until then.

We could characterize the activity of the Theoretical Research Institute of Trade Unions in this period such as the inner critic of the actuality on the bases of the empirical facts. The economic and social organizations began to take off their uniform and show their diversity. Appeared the special interests of the different branches and professions and claimed different organizational forms. This process was followed by the trade union research institute's investigations in the topic of organizational theory. Meanwhile time has changed and the so called socialist regime reached the end point in 1989. Case studies presented the newly formed trade unions as TUDOSZ, TDDSZ, Liga and their special interests relations.

2nd period 1989 – 2000 – the transition period

In 1989 as the founder Márton Buza went to the pension; under the new director – Erzsébet Gidai (1989-1991)- the institute changed its name from Theoretical Research Institute of Trade Unions (SZEKI) to Economic and Social Research Institute of Trade Unions (Szakszervezetek Gazdaság és Társadalomkutatási Intézete (SZGTI). Its acronym in English is ESRITU. The institute was the basis of the 11th World Conference of The World Futures Studies Federation, in Budapest, Hungary, May 27 - 31, 1990. Some new staff was hired, like László Andor - acting from 2010-2014 Commissioner for Employment, Social Affairs and Inclusion in the Barroso 2nd administration of the European Commission - was research fellow of the institute between 1989 and 1991, as well as Béla Galgóczi, who later became researcher of European Trade Union Institute, Ildikó Ékes, statistical analyst, etc.

In 1990 after the collision of SZOT four confederations (MSZOSZ, Autonomous, SZEK and ÉSZT) were emerged. The institute became part of one of the new confederations, the MSZOSZ (National Confederation of Hungarian Trade Unions), considered as direct successor of SZOT. Following the rise of the new confederations – in addition to the previously mentioned – also the Liga and Works councils – the distribution of wealth – including real estate properties - of former SZOT was put on the agenda. As the building where the research institute operated was handled to Works Councils, the institute had to move, first to the headquarters of MSZOSZ, later – when this building was sold – to the building of Metall Workers' Union and when MSZOSZ bought a wing in the building of Miners' Trade Union, the institute moved here too and has a place at present time as well (Budapest 1068, Városligeti fasor 46-48).

In 2001 István Kamenicky followed Erzsébet Gidai in the director's chair. Following 1991 until 2001 the institute loosed its institutional independence and started to function as a department of MSZOSZ. It lost then the majority of its staff, some of researchers left the institute for ministries, banks, etc. and some were downsized due to budget constraints.

Despite of decreasing staff and budget constraints during the nineties the institute tackled new topics emerged from the needs of the era, like ownership relations and rights (István Makó, 1990); collective bargaining and agreements in the countries of market economy (Szilvia Borbély, 1993, 1994).

As István Kameniczky left soon the institute for the post of deputy general director of National Health Insurance Fund, Ildikó Ékes became director from 1992 to 1998. During this time there were some important surveys like a serie of surveys on structure of consumption in 1990-1994, survey on health care expenses to background the changing social security system and study on changing hoseholds in changing regime.

The institute in 1989 publised the first issue of “Szakinfo”, which became a regular bulletin until 1999. It had 114 numbers issued first in 1500 samples and from 1997 in 3000 samples. Szakinfo had the permanent columns like “Economy and politics”, “Socialpolicy”, “International news” trying to follow and interpret the domestic and international economic and social changes from theoretical and practical points of view. Among the authors of “Szakinfo” we find György Ungár, Péter Pozsgay, Szilvia Borbély, Anna Pécsi (international topics, eastern european countries, and EU), László Thoma (changing trade union movement, debates on trade union wealth distribution), Zsuzsa Ferge (changing society, growing poverty). Szakinfo tackled new topics in Hungary like privatisation, grey labour, the emerging unemployment, the new type of industrial relations and social dialogue, the workers’ participation through works councils, the new topic of European Works Councils, the European Social Charter, etc. In 1999 Szakinfó has been taken and edited by MSZOSZ.

In 1999 raised the idea that the institute should continue as public utility foundation. The promoter of the process was Judit Lux, who followed the previous director who left the institute to manage the research department of Central Statistical Office.

3d period 2001- until today –the era of projects

As a result of the attempts in 2001 MSZOSZ founded the SZGTI Public Utility Foundation. At the present it is managed by a Board of Trustees, including the president, Dr. Janos Horn (delegated by Miners' Trade Union), and the members of board, Mate Komiljovics (delegated by Railway Workers Trade Union) and Dr. Szilvia Borbely (delegated by the founder MSZOSZ). At present the institute is working on project base with ad hoc research teams and without any permanent staff. The administration is done by the member of board in voluntary basis.

The charter of foundation includes the topics and tasks to deal with, like industrial relations, employees' working condition; elaboration of projects supporting workers; supporting the employees in disadvantaged situation, including the minorities and migrants; supporting adult training and employability of young and old people and also preparing and disseminating publications.

Since its emergence the foundation has carried out various projects and researches. Among others projects on labour market, employment, atypical works were realised by the institute, like "Atypical works and their influence on the employment" financed by National Employment Agency (OFA) in 2000. Also the institute took part in the preparation for EU entrance. For example in 2001 the research on "The possible consequences of European Union entrance in the field of productivity, wages and employment" dealt with this issue as well as the studies on preparing to enter the European Union in the car industry, in Hungarian National Railways or in the Hungarian Electrical Works, all of them financed by National Employment Agency.

As concerns the preparation for the EU admission the free movement of labour was one of the most important issue for the trade unions and workers. In 2002 the institute took part in the Hungarian –Austrian joint research on cross-border migration which had the title "The dilemmas of enlargement from the Austrian and Hungarian employees' viewpoint" - Burgenland Forschungsgesellschaft/RSB, (Research Society Burgenland) Eisenstadt. The papers were prepared by Krisztina Arató, Szilvia Borbély, Andreas Polsterer and Kálmán Németh.

As it is also laid down in the charter, the SZGTI (ESRITU) the papers, studies, projects carried out by the institute are entitled to support the strata with disadvantaged labour market position. This was the objective of the studies like "Support of strata and individuals with disadvantaged labour market position" in 2003, financed by OFA, or the EQUAL H005 project between 2006-2009 "Equal wage for equal work! Preparing e-berbarometer", carried out in partnership with the Dutch Wageindicator Foundation, financed by EU and maintained until today (see the website www.berbarometer.hu). The research financed by FSZH in 2009 dealt with the problems of industries employing mainly women (FSZH-1258/2009-400/4150). In 2009 was launched the carrier guidance project financed by Labour Market Fund Adult Training Part and it is maintained yet with the help of its website, www.palyatanacsadok.hu. The institute won a project within the framework of Hungarian operative programme,

TÁMOP (Social Renewal Operative Program), financed partly by the European Social Fund and Hungarian Government. It was entitled TÁMOP-5.5.1/A-10/1-2010-0024 “In good track! Good practices and their further development and implementation for the labour market integration and equal opportunity” (2010-2011). The aim of the project was to promote the labour market (re)integration of women, young people and persons older than 45 years and to help participants to choose the “right track” which best suits their interest.

In 2013 was realized the research “Measuring dimensions of poverty in Hungary”. In 2014 the institute took part as Hungarian partners in the EU project dealing with the situation of Hungarian youth in the trade unions (VP-2013-001-0113, YOUNION: Union for Youth, ADAPT Italy, 2014). The relationship of collective negotiation and the wages was studied in the project VP 2013/001/0149, CAWIE II, Collectively agreed wages in the new European economic governance- alternative views and perspectives HIVA KU Leuven, 2014. The SZGTI (Szilvia Borbély and László Neumann) produced the chapter “Similarity and diversity in the development of wages and collective bargaining in Central and Eastern European countries - a comparison of Hungary, Slovakia and Czech Republic”. In 2016 the institute (presented by Gabriele Medas and Szilvia Borbély) takes part in the project VS/2015/0380 - *OPEN EWC* – Making multinationals more transparent, inclusive and accessible to employee involvement, 2016-2017, leading by FILCAM-CGIL. The gender wage gap and equal rights has remained among the topics of the institute; research on “Gender pay gap: causes and solutions with special view to the public sector” was carried out for OKÉT, that is National Interest Reconciliation Council in Public Sector (Szilvia Borbély, December 2015).

Within its public utility and information activity the institute used to issue regularly newsletters on different topics: in 2004-2005 and 2012-2013 on carrier guidance and grants and tenders; in 2006-2011 Wageindicator (Bérbarométer) newsletters on wages and gender wage gap. The Guidebook for jobseekers was edited first in 2009 and again in 2015 with renewed content.

There are some editions of the institute available in English like [“Gender inequalities of the labour market Decomposition of the gender pay gap in Hungary”](#), EQUAL H005 (András Rigler, Maria Vanicsek); “Gender wage gap, Belgium, Hungary and the Netherlands, [1st. joint research report](#), eSolution (2007), “Working conditions of women and men with focus on the reconciliation of duties at work and in the family Belgium, Hungary and the Netherlands”, [2nd joint research report](#), eSolution, (2007).

The institute created an E-learning material with title “Equal pay for equal work! Towards the economic equal opportunity of genders” which is a kind of basic training for employees” available also in English. It concerns theoretical and practical issues of equal opportunities of genders, and is downloadable for free use (<http://www.berbarometer.hu/main/karrier/e-learning-tananyag>).

Since the beginning – 2008 - the institute has taken part in the network of Trade Union Research Institutes launched by the European Trade Union Institute.

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