Sociology of Work in Hungary

Introduction

In our study, we have set a double goal to ourselves. On the one hand, we wish to present the findings of sociological researches into work by Hungarian scholars and by some foreigners conducting research in Hungary, and on the other, we wish to refer to the economic and social conditions these works reflect upon.

First, we outline the tradition of work sociology and fact-finding, descriptive sociography, which responded first of all to the state and stratification of the peasantry and to the differentiation of peasant roles.

Next, we embark on the main institutional and structural conditions of the state socialist transformation and on the changing role of sociology under the changed circumstances. We touch on collectivization, the second economy, and the segmentation of the labor market and the informal wage bargain. We present the case study investigations whose major aim was to find out how enterprises actually functioned in reality.

Analyzing the work sociological aspects of the major social transformation of the ‘90s, we survey the impacts of the spread of private property, the dominance of the service sector and unemployment. Reference is to be made to the emergence of the entrepreneurial class, the dualization of the labor market, fears about unemployment and the decline of internal labor markets.

Information concerning the workshops of work sociology is to be published in the appendix.

I. Early industrialization, forerunners' work

The prehistory of research into work in Hungary belongs to social criticism and sociography. On the whole, it has one general feature: it is primarily problem- and not paradigm-oriented. On the one side, its conceptual frames are less subtly elaborated, but on the other side, it has a deep insight into reality and responsiveness to social problems. Accordingly, the studies written around the turn of this century have two features in common: a drive to improve society and a descriptive character. Outstanding among the early works are Manó Somogyi’s studies (Somogyi, 1900), Lajos Leopold’s critical work (Leopold (1988 [1917]) and the account of the lord lieutenant of Csongrád county, Andor Vadnay about the "laborer question" in the Great Plain (Vadnay, 1900). Good overviews of such and suchlike exploratory efforts on this subject can be found in "The first Hungarian workshop of sociology" and "Hungarian sociographies of workers" (Litván-Szűcs, 1973; Litván, 1974).

These studies of the turn of the century, which mainly aroused the leftist and liberal thinkers, found their continuation in sociographic writings about the peasantry in the 1920s-'30s. In view of their influence upon public discourse, the social polemics centered on the achievements of "populist" writers and sociographers.

The political climate of the conservative right-wing regime after the lost world war, the unsuccessful bourgeois democratic and socialist revolutions of 1918-19, and the ensuing immense loss of territory and population was not in favor of the worker theme. Although the Socialist Democratic Party was a legal parliamentary party and the manufacturing trade unions were not banned either, their influence was marginal in the entire period. While industry's contribution to the national income was gradually, increasing and that of agriculture dropped from two-thirds in 1900 to a quarter in 1941, the rate of the population employed in agriculture remained above 50%. Thus, the peasantry remained a massive social formation implying grave problems. One of the major topics of the public discourse was the living condition of various layers of the rural society. The poorest stratum of the peasantry was envisioned as an underclass with the heaviest social burdens.

As for the typical figures of the "populist" writers and sociographers in the interwar period, they were first-generation intellectuals coming of peasant families. Hence, their natural milieu, self-interpretation and problem-orientation were all focussed around various groups of the...
peasantry. The work of highest literary merit belonging here is Gyula Illyés's the People of the pusztta. It is an accurate and at times highly upsetting account of the living conditions, inner relations and motives of manorial laborers living in the venue of his childhood, a large estate. (Illyés (1979[1936])).

At the other end of the spectrum is Ferenc Erdei's several works including Drifting Sand (1937) and Hungarian Peasant Society (1942). Erdei's sociographies are characterized by scientific precision and the sensitive analysis of a sharp-eyed observer. He describes various forms of landless rural society from servants through day-wagers and agricultural laborers to skilled workers in agriculture. What differentiated them from the landed peasant was not merely the lack of own land, but also a significant feature of their way of living and attitude: they were employees whereas the farmers were "their own masters", who had to take decisions concerning their economic activity and to control the work of others. The ambivalence of the situation of an agricultural laborer, Erdei claims, derives from the fact that his employer the landed peasant expected him to behave in accordance with the peasant work ethic (all-round subordination to work, that is) but at the same time, he felt exonerated from the obligations of care traditionally devolved upon him.

In The Situation of Tard (1937), the description of a village in Northern Hungary, Zoltán Szabó grasped the tension fed by the experience of "it's not worth being a peasant - but you have no chance of rising". In his next writing entitled Spiffy Misery (1938), he also gave an insight into transitory situations, the lives of North Hungarian miners and metalworkers. Those constituted two separate groups of this labor force who had been transferred to colonies, workers hostels or barracks, and who commuted from nearby villages for temporary and permanent work. The latter lived from the mine, but not as miners. In the knowledge of local prestige relations and hierarchies, Szabó realized with acumen that the large enterprise brought capitalism to this region and learnt feudalism there.

The autobiography of the avant-garde artist and writer Lajos Kassák evoking a working-class milieu is a worthy parallel to Gyula Illyés's work about the poor peasantry. (Kassák,1983[1928]).

A pioneering work was Gyula Rézler's account of the Hungarian manufacturing workers who evolved as a class at the end of the 19th and the beginning of the 20th centuries. (Rézler, 1938) Although the stress is laid on aspects of political history, there is a separate chapter devoted to the relationship between the working class and other social groups. Relying on reports by
industrial inspectors at the end of the last century, he tried to outline an empirically well-founded picture of the social position of the emerging working class. This aspect was elaborated in more detail by another volume edited and lengthily prefaced by Rézler (Rézler, 1940) whose chapters are devoted to the workers in various branches of industry one by one. Though by different authors, the chapters discuss the question in a unified structure. They present the production and employment conditions of each branch, the situation of the trade unions, the development of working time and wages, and at the end, the welfare situation. Under this heading, some chapters touch on questions of family income, diet and housing.

II. Sociology of work during state socialism

II. 1. Collectivisation, restructuring the working force, reforms

The war economy, the lost world war, the German, then Soviet occupation of the country, the nationalization of the industrial enterprises at the end of the '40s and the emergence of the monolithic one-party regime, followed by the collectivisation of agriculture, provided new institutional frames for the period of reconstruction (Jánossy, 1966). Its main effect with relevance to our theme is the prevalence in the early phase of planned economy of employee status without property, obligatory work and shortage of labor (Kornai, 1993), together with a substantial drop in agricultural employment up to below one-fifth in 1970 (Andorka 1982). About half the considerably boosted industrial labor lived in villages, and many commuted between their work and home. (Vági, 1982)

The other impact of the political turn was the blocking of sociological fact-finding research. Those, however, which highlighted work returned relatively soon, around the mid-'60s. At this time, the importance of sociological research lay in ushering the public discourse towards reality, without touching on the basic ideological tenets including the question of "the power of the working class". In their book, András Hegedüs and Mária Márkus, for example, devoted a separate chapter to the labor turnover and concluded on the basis of empirical investigations that there might be structural and justifiable personal reasons for mobility, with only few of the reasons being "socially unacceptable" (Hegedüs-Márkus, 1966, p.236). This realistic tone also implied a criticism
of direct state control over the labor market. The authors argued in a similar vein in support of the second economy, stating that professional ambitions impossible to realize at the full-time main job could be acted upon in it. Social history research from these years described the working class of the interwar period with statistical terms. (Laczkó, 1968) All this effort to transform the ideology and the public discourse was connected to the economic political debates preparing the reform of 1968.

The economic reform aimed at indirect enterprise control, intensive development and enterprise efficiency entailed two structural corollaries affecting the labor market. One was the appearance of industrial and construction-oriented subsidiary units in agricultural cooperatives, which were lucrative owing to their flexibility. Some calculations conclude that they produced more than half the added value of cooperatives and could offer more favorable wages to skilled workers (Rupp, 1983)

The other development was also partly related to cooperatives, to the exploitation of the household plots of the coop employees. (Juhász, 1978) These agricultural households originally producing for their own subsistence began to increasingly produce for the market from the '70s onward and became a leading component of the second economy. Specialists estimated the working hours spent in the second economy at about a quarter of that spent in the first, the second economy income amounting to a fifth of the GDP (Gábor R.-Galasi, 1981).

The findings of researches into the segmentation of the labor market were presented in The structure and working of the labor market in Hungary (Galasi, 1982) and a selection of writings in English (Galasi-Sziráczki, 1985). Researchers have exposed the peculiarities derived from the dysfunctional features of a "labor market without a capital market" (Fazekas-Köllő, 1990, Gábor R.-Kővári, 1990). The state wanted to achieve desirable labor allocation with a market-imitative tool, the normative influence of the wages, which means that it restricted wages to be paid by state enterprises.

Since there was full employment, the labor demand of enterprises was inflexible, their sensitivity to expenditure on wages was poor. The wrangling about wages and performance derived from labor shortage resulted simultaneously in the pressure of wages inflation and waves of correction via state intervention.
II.2. How did enterprises really work?

The empirical organization studies just launched parallel with and closely connected to the economic reform drives of the sixties wished to explore the dysfunctional working of the typical economic organization of the age, the state-owned enterprise. Probably the most influential researcher of Hungarian work sociology, István Kemény extended this basically economic research. Reviving the tradition of pre-world war workers sociographies, he described the inner stratification of the industrial labor force, the most populous class of Hungarian society by 1970.

Kemény's best-known work is the Assembly-line in the motorbike factory (Kemény 1990:[1968]). The control of technology over man planned by the "Scientific Management" was absolutely not typical of the Hungarian variant of the conveyor-belt. Lacking the conditions of the ideal Taylorian-Fordian organization, the worker was able to mould technology for his own benefit in order to assert his own interests. A degree of workers' autonomy derived from the "disorganization" of the economy of shortage, which led to wage and effort bargaining.

His study reveals what family-household income strategies the intra-factory behavior types fitted, and what role the second economy played, as well as the roads of mobility along which the actors arrived at their current status. A highly elaborate analysis of the social status of preceding generations afforded him the background against which he could describe both the traditional working layers of artisan-origin and the various agrarian groups who left agriculture for industry. (Kemény 1979: [1972]). With his colleagues, Kemény also conducted a survey to investigate the inner stratification of the working class in which one of the largest Hungarian firms at that time and a county were also involved. (Kemény-Kozák, 1971).

His method - the case studies of enterprises - became the basic instrument of research in the next decades, particularly through the endeavors of reform economists. On the border of economics and sociology, an empirical school emerged - for want of a better term - which became an important constituent of reform economics. The research themes of the "economic mechanism" no longer remained with the dysfunctions of an enterprise's inner working, but laid the emphasis on the investigation of the environment of the firm, with special regard to the bargaining mechanisms between party-state center and the firm. (Tardos, 1978, Laki, 1979, Laky, 1979). The meticulous analytic elaboration of a number of partial phenomena of the economic system of state socialism
(e.g. shortage, rush periods of production, development decisions and bargaining for investment funds) paved the way for the systematic description of the socialist economic system in the '80s (Kornai, 1980, 1992).

The other research launched in the late '60s is associated with two young sociologists, Lajos Héthy and Csaba Makó. They relied on the technique of sociometry in their investigation of informal organizations. First they examined the behavior of the sheet-metal workers in a railway coach factory, then the electricians of a construction company. At both places, the informal organization of the workers enabled them to fend off with concerted effort (performance maneuver) the so-called norm-settlement, an action by the enterprise management threatening their customary advantages. (Héthy-Makó, 1989: [1972]).

The book of the early seventies that made the greatest stir abroad was the sociography of a young writer: “A Worker in a Worker’s State” (Haraszti 1988:[1979]). The book written by a participating observer described the piecework system prevalent in Hungary. (The original title of the book was Piece-wages.) It presented the everyday practices of a factory in which the allocation of work and income deviated from the formal directives, including the tendentious distribution of "good jobs" and "bad jobs", the privileged role of head foremen and the specific form of workers' reaction: "looting" which meant the flouting of all technology, quality and safety requirements in their pursuit of performance percentage rewarded by the wages system. The author, continuing the tradition of fact-finding journalism, introduces the organization, the social gap between workers and leaders, from the vantage point of the lowermost position in the hierarchy. The manuscript of Haraszti's book was confiscated by police and the author was brought to court. Haraszti's critical approach confronted the ideology of the system with reality. The unpublished works of Kemény, Haraszti and others were circulated in Hungary as "samizdat" literature.

In the '70s, the practitioners of labor economics revived the research into worker behavior. They approached the topic from the angle of rational employee behavior: workers wish to realize the largest gain with the smallest effort, or, to put it in another way, to maximize the relative net advantage. Although the worker is restricted in his decisions about length of time spent in work, acceptable wages and work intensity by various other conditions(R. Gábor - Galasi, 1979). The first attempt to analyze the value system of workers started in the 70s too. (Hankiss, 1978)

István Márkus continued the sociographic tradition. Still a pupil of Ferenc Erdei, he began the profound investigation of a market town in the Great Plain, Nagykőrös, then repeated the field
work in the seventies. He applied the term after-peasantry to the local conditions and provided meticulous descriptions about variants of the newly adopted ways of workers living. (Márkus, 1979) From the current of sociographic fiction, let us emphasize the livework of Zsolt Csalog whose method rested on the collage of original interviews. Apart from his representations of Gypsies and peasants, his portraiture of four workers is redolent with first-hand experience. (Csalog, 1981) The writing of Sándor Tar about young Hungarian guest laborers in East Germany made a stir with its exposive, critical tone. (Tar, 1977) In the seventies, his work won the sociographic competition of a periodical but it could not be published for its delicate contents. It was circulated in a samisdat publication entitled Profile. The writer has devoted several volumes of short stories to themes of workers.

In the '80s the impact of work organization and technology on interest protection was examined. The dichotomy of core-periphery was introduced to describe various bargaining positions of the workers in the organization (Makó, 1985). Another investigation showed that changing the products, work organization or other occasional external factors transformed the informal organization of the workers, that is, their positions were very vulnerable. (Simonyi, 1978)

A set of case studies conducted in different fields in the '70s-'80s aimed precisely at showing up the differences in the position of workers and exposing the factors that explained the differences in bargaining power. János Köllő's study about female workers in a cotton-mill revealed value preferences that relegated the behavior to maximize the net advantage to second place and prevented collective action. (Köllő, 1981) In one of our largest vehicle factories Károly Fazekas carried out investigations about attempts to solve the shortage of labor (performance press, incorporation of "rural" units, etc.), examining their effects upon the internal labor market and the workers' behavior.

The two most momentous discoveries of the Hungarian economic sociology of the '70s were the phenomenon of informal wage bargaining in the factory and the doubling of the labor market (in addition to the labor shortage in the first economy, extra-enterprise income sources became stabilized). By the mid-'80s, the labor economics approach realized that various employee strategies also offered the enterprise a variety of choice. The different handling of worker layers with different training, motivation and social background led to the enterprise's adaptability and the rational economy of labor costs. (Kertesi-Sziráczki, 1988:[1983]; Galasi, 1982)

This approach was strongly inspired by the theory of internal labor markets, however, the
specificity lies in the preponderance of informal regulation and the resultant instability. True, the Hungarian elite worker also had some job control and advantages derived from seniority, but these were not supported either by trade union bargains or written enterprise rules. The differences between the two economic systems and work organizations were explored in depth by comparative researches triggered off by Michael Burawoy's and David Stark's endeavors in the second half of the '80s.

Burawoy and János Lukács compared prevalent opinions ("mythologies") chiefly detrimental to socialist enterprises with reality and with the findings of Burawoy's American investigations of similar fields. A major insight of their research is that the environment of the capitalist enterprise causes the insecurity of employment while the rules of the internal labor market create wage security. The opposite applies to the socialist organization: employment is guaranteed but wages are insecure. In his similar mirrored opposition, Stark presented differences in the internal labor markets of the capitalist and socialist enterprises through the operation of the Work Partnerships within the Enterprise. (The WPEs were the mass outcome of transformation in economic organizations over the '80s: a select group of privileged workers could become sub-contractors to their full-time employer in overtime.) While the insecurities of a capitalist enterprise originate in the market, those of a socialist enterprise are bureaucratic in origin. Consequently, the compensating mechanism is bureaucratic in the former and adjusted to the market in the latter. The aim in both cases is the retention of "valuable" employees, but while the capitalist enterprise achieves it by guaranteed wages and the fixing of the rules of promotion, in a socialist enterprise flexible work organization based on informal operation and the institutions of selective wage bargaining provide for the enterprise's adaptability. (Stark, 1986)

Finally, it is an outcome of the '80s that a new wave of researches into the labor history started. Tamás Gyekiczki exposed the nature of repression through analyzing the sabotage trials against workers in the fifties: the early state socialist regime penalized not only former prominent socialist democratic activity but hosts of the most helpless in the labor segmentation also became its victims (Gyekiczki, 1986). The investigations of László Varga analyzed the position of the skilled workers' elite and especially the foremen of the period. (Varga, 1983) In this wave of labor history Gábor Gyáni investigated archive materials concerning housing and living conditions of workers in the late 19th and early 20th century. (Gyáni, 1992)
III. Sociology of work and the social transformation

III.1. Major trends shaping the labor process

The central factors influencing the labor process in the period of social transformation include the spread of private property and private enterprises, the appearance of unemployment and the predominance of the services sector.

In the mid-'90s, nearly two-thirds of the labor force was employed by privately owned firms. The predominance of the private sector also applies to industry, since by the latter half of the '90s, privatization of this sector was practically over.

Statistics registered nearly some one million enterprises in 1997, 70% of which were actually active. It is also noteworthy that three-quarters of the enterprises were self-employed for simplified taxation, a third of the entrepreneurs were only part-time businessmen and a mere 3% of enterprise had an employed staff of over 10 people. Thus the spectacular achievements of the emergence of the private sector only had a restricted labor absorbing effect up to the mid-'90s.

In the early 90s, the unemployment rate was 10-13%. Local unemployment rates in heavy industry districts and in agrarian areas where cooperatives ceased to exist and tiny cut up family plots did not offer mass employment surpassed the national average two or three times. (Laky) About half of the unemployed remained out of work lastingly not finding employment after the dole ran out. This group constituted the core of the marginalizing masses (Csoba). The Roma population is massively overrepresented in this group. (Kertesi) The unemployment rate was suppressed below 10% by the second half of the 90s and the re-employment chances of the lastingly unemployed also improved somewhat (Lázár-dr. Székely, 1996) The unemployment rate of men has been higher than that of women. The reason is that the structure of female employment by branches was different from the men's, and also, they became inactive at a higher rate while far fewer of them applied for the dole (Nagy, Tardos). A corollary phenomenon is that in the '90s the rate of the inactive population surpassed the rate of the active in the adult population. The rate of those afraid of losing their jobs (thus subjectively defined as potentially unemployed) was one-sixth at the end of the '80s and one-fourth in the late '90s.
While in the '80s two-fifths of the earners worked in the tertiary sector, in the mid-'90s their rate was three-fifths. Thus, the sector of services became predominant, employing more than the industry and the agriculture taken in one. The rate of the latter plummeted more sharply, from 18% in 1990 to a mere 8% in 1996, while industrial employment dropped only slightly remaining around one-third. The tertiary sector is however itself very complex, with financial institutions of large staffs on the one end of the scale and self-employed in services and retailers on the other. This polarization throws the dualization processes felt in the whole of economy into deeper relief in the tertiary sector (Gábor R., 1997). While in the late phase of planned economy, the duality of the first and second economies meant the dual economic roles on a mass scale, in the phase of transitional economy, dualization takes place between the segments of large and small firms. In the second half of the '90s, more than half of the employees of small firms, and a third of the employees of large enterprises earned below the average income. The position of the latter was more favorable in terms of income as well as job security, and hence promotion chances. What small entrepreneurs felt to be in favor of them was a somewhat greater decision-making competence and control over the work process than large-company employees.

As regards the action potential of interest representation in the second half of the '90s only about half the active population would take part in permitted demonstrations or labor strikes, the rate growing slightly from the beginning of the decade, but the number of real actions is insignificant. The rate of those who would emigrate or try to find a job abroad is very low at 2-4%, with great temporal stability.
III.2. Enterprise restructuring during transformation from state socialism

From 1989 on a profound institutional transformation of the economy was triggered off together with a grave economic recession which started in the early eighties and lasted until the mid-'90s. Former full employment ceased to exist during this critical period and several "atypical" work relations appeared. With privatization coming to a head and with the influx of foreign capital, the ratio of various sectors of ownership changed substantially. Within the private sector that rose to predominance in 1996 firms owned by foreigners produced 43% of the added value of the enterprises and employed 25% of the labor force.

As one outcome of the economic change, the differences between the workers further increased, both in terms of the chances of getting a job and of income differences within a staff. This is revealed by the secondary analysis of official figures of the jobless and the employed carried out by Kertesi, Köllő, Fazekas and Nagy. Their statistical analysis included wage differences between enterprises, occupations and regions, correlations between wages and unemployment, characteristic features of employment at foreign-owned firms. (Kertesi-Köllő, 1995; Köllő-Fazekas, 1997a; Köllő-Fazekas, 1997b). In addition to the tangible spread of macrostatistical methods, the micro methods also used earlier proved better suited to the exploration of new phenomena entailed by the economic transformation. Thus the radical changes in the economic and organizational environment of the labor process came into the focus of various researches: decentralization and privatization of the typical large state-owned enterprises and cooperatives of state socialism, followed by the appearance of multinational enterprises.

The range of empirical microeconomic research tried to keep tab on the adaptability, transformation of firms with several case studies. Among researches into economic adaptation, the typology of Mihály Laki deserves mention, together with case studies of the history of the restructuring or privatization of certain enterprises (Laki, 1991). Within the trend we would call the "mechanism research" Éva Voszka deserves special mention, who followed the entire process of privatization, various techniques of privatization and the emergence of the state-run agencies of privatization through case studies and analyses (Voszka, 1997). Investigations highlighting the insiders-turned-owners or conflicts entailed by such conversions were closer to the work process. An article by Gabriella Fogarassy and Zoltán Szántó tackled the questions of managers acquiring property. They tried to explore the sociological nature of the conflict between the actors through
the application of the theory of triads (Fogarassy-Szántó, 1996). Dorottya Boda relied heavily in her analyses on former work organizational researches, which enabled her to pinpoint the selective nature of becoming owners and even the surviving segmentation of the internal labor market within enterprises formally transferred from state to employee ownership. In Hungary, however, employee ownership is initiated by the firm managers, and the predominance both in ownership and control delimits the possibilities of the democratization of the work organization from the very beginning in most enterprises. (Boda, 1996; Neumann, 1997)

The dismantling of this sector, however, affected the labor force of former large enterprises more directly and on a mass scale: nearly one million "typical" jobs were abolished. A case study exposed the inner conflicts of an early firm liquidation. It revealed the selective treatment of laid-off workers, the complete lack of safeguarding the interests of the weakest (Bódis, 1993). Other researches follow the process in the course of which the former employees of a disintegrated large electronic company of yore try to organize into small enterprises on a mass scale to keep alive on the market of a rural town. Not only the unfolding or dying away of the earlier entrepreneurial germs deserve attention, but also the powerful differentiation that took place in the very first or second business years both between and inside the enterprises. (Leveleki, 1994)

As can be deduced from the above said, the main area of informal bargaining between management and employees was the transformation of the enterprise setup: various units becoming independent, acquisition of property by employees and managers in the course of privatization, mass cutbacks in personnel all provided a chance to use the skills acquired in former bargaining. At the same time, sweeping organizational changes and the radical transformation of the environment, as many authors have noted, threatened a great part of the elite workers with the loss of their vulnerable positions.

To what extent does the change of owners affect the positions developed in the previous informal wage-effort bargains, the former attitudes of the workers? That was the main question targeted by the research led by the late László Csontos trying to reformulate in the idiom of up-to-date sociological theories the experiences of previous decades. (Csontos, 1994) Will rent seeking by workers or worker groups monopolizing certain posts in the process survive? In the end, the almost anthropologically meticulous researches of Lajos Bódis carried on in a large clothing factory answered in the affirmative. There is still strong differentiation in the distribution of wages not justified by differences in performance, and this can only be levelled out in the long run.
The informal organization tagged by the author "insurance-like" recompenses the young worker for their inputs only decades later (Bódis, 1997). Another member of the research team found in a machine manufacturing firm of long standing that although the just arrived foreign management tried to deprive the workers with a firm-specific knowledge of their privileges, the disastrous consequences made them recant. (Janki, 1996)

Different is the case when there is an owner with more ambitious changes in personnel policy, technology and organization, when the domestic traditions are confronted with western practices, or, as will be touched on below, when multinationals carry out greenfield investment or introduce standard technologies (Swaan, 1994). Reports about these might suggest that the former tools of individual interest protection, the wage and effort bargaining, have limited possibilities. The emergence of oversupply in the labor market and the abolition of wage regulation brought about a substantial change in the evaluation of formerly "dual status" employees. High degree of absenteeism is no longer tolerated during agricultural peaks. "Presence bonus" as an incentive is incorporated in the wage system, those who are much absent are given the sack. This change in managerial attitude is not restricted to foreign-owned firms, and the Hungarian employers also try to utilize the for-them favorable transformation of the labor market. It is an indication of the rudimentary character of manpower policies that case studies did not find significant differences between state-owned and enterprises privatized to different kinds of owners in a sample of 14 firms (Whitley et al., 1997). The authors conclude that the private owners' control over the newly acquired enterprise has limited influence upon the employment and work management practices of the firms - for a variety of reasons.

A relatively new area of research without antecedents is the description and analysis of the industrial relations of the emerging market economy. Since in state socialism, independent trade unions and employers' organization only formally existed, no effective reconciliation of interests or its research could exist. Neither did a strong unionist movement evolve during the period of transition, since neither the legacy of the state socialist system, nor the changed labor market situation or the small-scale units of employment gaining ascendency during the economic changes facilitated its emergence. About a fifth of the employees noted membership of some trade union, the corresponding rate being below one-twentieth among the jobless. This is one reason why strikes are very rare in the country, and the majority of trade unions are considerably cooperative. Since the systemic change, the efforts of the governments, employers and trade unions all concentrated
on the building out and development of national and sectoral interest reconciliation. The majority of researches on this topic also addressed themselves to these institutions and the participants of these negotiations, the national employers' organizations and trade unions (Ladó-Tóth, 1996; Héthy, 1994).

Though there is far less coverage on company level industrial relations and trade union action within enterprises, it can be concluded that there is strong polarization among the employers. A smaller segment of employers consolidated the collective bargaining, they regularly sign collective agreements regulating wages, work hours, terms and conditions of employment. The institutional way of collective interest representation can however only be trodden by a minority of employees, mainly those working in large enterprises or the state sector. In small and medium-scale enterprises and certain multinationals there is no trade union or collective agreement at all. In the study of the industrial relations of an enterprise the approach from the angle of labor law is predominant, with relatively few empirical sociological researches at firm level being conducted. Possibly the reason is that such researches have no precedents in Hungary. The only possible exception is the works council introduced by the Labor Code of 1992, whose implementation stirred much attention. (Tóth, 1997)

Precisely sixty years after the publication of his first book, Gyula Rézler held his inaugural lecture as the external member of the Hungarian Academy of Sciences with the title The Sociology of Arbitrage, elaborating his experiences as participatory observer he had gained over the decades in America.

Researches were also launched into exploring the changing roles, internal organization and actions of trade unions. (Makó, 1998) The work organization of multinational automobile manufacturing firms are in the focus of attention in Hungary and abroad alike, since they provide almost laboratory circumstances of how the world-wide applied technologies and work management ideas (just in time, team work, etc.) can be put into practice amidst the cultural and production traditions of a particular country. In his study comparing the assembly-lines of Suzuki and GM Opel, however, Tóth also discovered substantial differences in the practices of two plants. The two firms employ worker layers of diverse social backgrounds, pursue different work management practices and as a result, implement the work organizational principles of their industry differently. (Tóth, 1999).

With the break-up of large enterprises, the role of small and medium-scale firms has been
promoted in employment. Yet, little is known about their labor relations. The "labor policy" of small firms is rarely touched on by research into small entrepreneurship, since small firms are often practically self-employing, that is, their extra labor power is maximum that of the family. Should they hire non-family members, the selection criteria are stronger. The result is higher level of training and more personal and caring boss-staff relations. In return, the employee is expected to produce higher work intensity and loyalty (Kuczi 1984, Laki 1998). However, there is a segment of small and medium enterprises which is said by labor inspectorate reports, supported by trade union complaints, to elicit different opinions. These are believed to frequently employ black labor exploiting the helplessness of the employees when it comes to remedying the violation of their rights or interests.

Relying on the empirical traditions of research into the former second economy, it has become a significant trend to study the activity forms and markets of the informal economy. The empirical investigation of the "grey economy" is in part connected to the examination of migration and commuting even beyond the frontier. The latter has become important research topic recently, with the protracting economic crisis of the East European countries and the hope of Hungary's joining the European Union. (Sík 1998, Hárs 1995, Gagyi-Oláh, 1998)

Empirical research into "atypical" employment practices has just started. Case studies explore the traditions and variety of seasonal work form of employment, and also uncovers the typical situations of employers and employees that facilitate this type of legal or semi-legal employment (Simonyi, 1997). Writings based on secondary analysis touching "atypical" work relations (part-time job, putting out, casual work, etc.) deal with the description of the legal environment, statistical registration, educational background or presentation of the possibilities provided by the government employment policy. (Laky, 1997, Timár, 1996)

Finally it is also to be noted that an important achievement of the '90s is the social scientific elaboration of 1956. The contribution of the spontaneous organizations and workers' participation was specifically emphatic here. One of the early analyses is by an foreigner, Bill Lomax, who devoted great attention to the history of workers' councils. (Lomax 1976) In the vein of the sociographic tradition, the Hungarian researchers have published interviews and analyses about the leaders of one-time workers' councils (Kozák et al., Valuch). A separate volume is devoted to the history of the armed groups of a Budapest district, with some portraits of the participants added to the events. (Eörsi 1996) A sociological investigation concerned about 1956 (Tyekvicska 1996)
stressed the role of railwaymen, commuters and family networks in the life of a village concerning the spread of information and the structuration of events.

Conclusion

The prehistory of Hungarian research into work and workers can be retraced to the turn of this century. The features these early researches share in common was their problem-orientation and social critical attitude. The greatest achievement of Hungarian work sociology is tied to the examination of informal bargaining between economic actors and the second economy, formulated more or less consciously in opposition to the official ideology propagating a society free from conflicts of interests. This approach continued the early 20th century sociological tradition characterized by a sensitivity to social problems in its choice of topics and a critical call for change, while its method was chiefly that of sociographic fiction. At the same time, the economics of work also largely influenced the sociology of work, thus work economics and work sociology became closely intertwined.

The drive to change the political and economic systems coming to a head at the end of the '80s considerably changed the role, themes and methods of work sociological researches. The economic foundation for this change was undoubtedly the abolition of all-round employment, the relegation of labor done in the classical Taylorian work organization in factories and cooperatives in significance. The political-ideological background was provided by waning importance of the "question of the working class" given high priority by both the official position and its opponents. During the emergence of the institutions and actors of a market economy and the restructuring of the economy, the conditions of labour, the situation of the employees and the collective interest protection of the job-takers are not important public issues. As a result, a shift in the choice of research subjects can be detected in the '90s: from the social problems and the focus on labor organization shifted towards problems sensitively affecting the macroeconomic performance and policy-making (e.g. employment, unemployment, small firms, corporativism). As for the chosen method, the sociographic-case study approaches are giving way to mathematical-statistical and survey methods.
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Appendix: Institutional context of research

Ministry of Labor and ILO support targeted researches and reports. Basic research is financed by the Hungarian National Science Foundation and the Research Support Scheme of the Soros Foundation.

Major workshops of relevant research:

Dept. of Human Resources, Budapest University of Economic Sciences (BUES), head of dept. Gyula Nagy,
Dept. of Social Policy, Janus Pannonius University of Sciences, Pécs, head of dept.: Endre Nagy
Dept. of Sociology and Social Policy, BUES, head of dept. György Lengyel,
Dept. of Sociology, József Attila Pannonius University of Sciences, Szeged, head of dept.: Gábor Feleky
Dept. of Sociology, Kossuth Lajos University of Sciences, Debrecen, head of dept.: Csaba Béres
Dept. of Sociology, Miskolc University of Sciences, head of dept.: Béla Kolozsi
Institute of Economics, HAS head of institute Jenő Koltay,
Institute of Sociology and Social Policy, Eötvös Loránd University of Sciences (ELTE), head of inst.: Mihály Csákó
Institute of Sociology, HAS head of institute Pál Tamás,
Labor Research Institute (of Ministry of Social and Family Affairs), head of inst.: Lajos Héthy,
National Labor Market Center (of Min. of Social and Family Affairs), head of center Judit Székely

Committees:

Committee of Labor Studies of the Hungarian Academy of Sciences (honorary president: János Timár, president: György Kövári, secretary: Ildikó Ékes),
Committee of Sociology of HAS (president: Dénes Némedi, secretary: Péter Róbert)
Committee of Economic Sociology of the Hungarian Sociological Association (president: Teréz Laky, secretary: György Lengyel)
Sub-committee of Labour Issues of the Task Force for European Integration (of the prime minister) (president: Teréz Laky)