



## THE EASTERN EUROPEAN UNIONS' SECOND SEMINAR IN BUDAPEST

As directed by the resolution of the Convention in Dansk earlier this year, the three day long seminar was held in Budapest at the end of September. We talked about current events and problems in the region, specifically about unemployment and the role of labor organizations in this change to a market economy.

Participants were:

- The all Ukrainian Union
- Cartel Alfa /Romania/
- The confederation on Labor
- PODCREPA /Bulgaria/
- CS KOS /The Czech and Slovakian Republics/
- The independent Trade Unions' Confederation FRATIA /Romania/



- LIGA /Hungary/
- Solidarnosc NSZZ /Poland/
- The Union of Independent Trade Unions of Albania BHSPH
- Workers' Councils /Hungary/
- Workers' Union /Lithuania/

The following sent observers:  
The International Confederation of Free Trade Unions /ICFTU/, the AFL-CIO from the USA, DGB from Germany, two French

labor organizations the CFDT and FO, the European Council, the *Friedrich Ebert* Foundation, and the United States' Department of Labor.

The participants concluded that in this age of fragile social balances, it is in the best interest of all to safeguard social tranquillity. We determined that none of the governments in these newly formed republics have developed a comprehensive program to deal with unemployment. We can not accept that so far the only attempt for a solution has been administrative. Labor organizations are requesting a change of official labor practice: we should be invited to participate by the government when policies concerning conditions that lead to unemployment, such as the manner of privatization, are being formulated. Two resolutions were adopted: 1) to request a larger voice in the United Nations' Labor Council, and 2) to request from the ILO a joint educational program in Geneva for independent labor organizations from developing countries in Eastern Europe. We also shared mutual concern that so far there is no comprehensive solution in any of these countries regarding the division of the old communist union establishments' assets.



# SUMMARY OF THE DISCUSSION ON UNEMPLOYMENT PROBLEMS HELD AT THE SECOND SEMINAR OF CENTRAL AND EASTERN EUROPEAN FREE TRADE UNIONS

Budapest, 25-27 September 1992

Concerned that the rapid growth of unemployment presents the greatest danger for workers all over Central and Eastern Europe, representatives of the region's free trade unions unanimously chose it as the main focus of the second seminar.

In the two-day seminar, some general causes of unemployment arising from the transition period after the fall of communism were discussed; these trends can be observed in every country in the region. These same causes result from the general features of the transition itself (e.g. inefficient production, accumulation of huge manpower stock within the enterprise, and the collapse of a politically based external trade system.)

Transition processes also show national differences. In the Czech and Slovak Federal Republics the growth of unemployment seems to have stopped, while in Bulgaria, Hungary, Poland, Romania and the Ukraine, it continues to grow. Lithuanians are fearfully contemplating the inevitable collapse of huge former "all-USSR" enterprises. In Albania, the larger part of the active population is unemployed. Differences between countries are linked to such issues as the progress and speed of privatization and governmental policies.

It is more worrying that not one of the governments in Central and Eastern Europe has elaborated an appropriate and comprehensive policy to combat unemployment. In the name of free trade unions, we declare that our governments must not refuse the responsibility of creating a national employment

policy; we will do all we can to make them fulfill their duty.

Free trade unions have made efforts to provide elements of such policies and to influence governments and international bodies in this direction. Some examples include the joint commission of *Solidarnosc* and the Polish government set up to identify crisis regions concerning unemployment, *LIGA's* demand that the trade unions should participate in privatization processes, and the intervention of Romanian trade unions at the 79th ILO Conference in Geneva.

At the local level, trade unions assist unemployed workers in job seeking, retraining, and in shaping their individual strategies to change their situation.

Because of the fragility of the new economies and democracies, and because of the unions' limited power, trade unions in Central and Eastern Europe are motivated to find ways to negotiate and keep social peace while making efforts to raise job security and create jobs.

As the problems we studied at the seminar need further analysis, the participants analysis, have decided that

(1) we will regularly collect and exchange data, information and trade union experience concerning unemployment; circulate a newsletter spreading this information to serve as the first step in establishing an information base in Gdansk, and use the *Trade Union Information Bulletin* launched by EC DGX and written in local languages, for the same purpose;

(2) with assistance from international trade union confederations, we will analyse information collected on unemployment at both the national and international level. (*ICFTU, WCL, ETUC*);

(3) we will study the feasibility of employing large numbers of jobless workers to develop badly needed infrastructure throughout the region (a possibility to which both European and American analysts have drawn our attention);

(4) we demand that our governments make a clear shift in their employment policies and develop appropriate programmes to combat unemployment;

(5) we demand that trade unions be consulted in policy development whenever processes which may generate unemployment are being considered we also demand a minimum standard of trade union rights be set up with international guarantees; we ask ILO for assistance in this work, particularly through the new ILO Office for Central and Eastern Europe opened recently in Budapest;

(6) we will strengthen our activities to assist unemployed workers, enlarge the scale of our methods and exchange experience in this field.

The success of this 2nd seminar of the Central and Eastern European free trade unions convinced us of the usefulness of the Gdansk initiative which unites our efforts as a part of the international family of free trade unions to better serve workers' interests in this part of Europe.

## Central & East European Free Trade Unions

Guest of the conference was Mr. Róbert Gábor the advisor to the Chairman of the AFL-CIO, the largest American Trade Union Federation. Mr. Gábor, who is also chief editor of the AFL-CIO press service, or sends out 3-4 editorials weekly to the more important democratic newspapers of the world. I could not help but ask Mr. Gábor about the danger from the right-wing.

*What kind of political role could the trade unions play in taking steps against a swing to the right?*

Very significant! I think the greatest danger in Eastern Europe - including the successive states of the former Soviet Union - is the rapid increase in unemployment. As always in history, the extreme right or extreme left may use the masses who have lost their jobs. Nationalistic slogans and antisemitism come to the fore front. Therefore, I think that the primary task of trade unions is to fight against unemployment. In this context, we have to deal with organizing concrete projects. It is not enough in this region, or anywhere else, solely to abuse the government. One has to take steps with specific programme projects.

*Talking about programme projects, the idea of introducing communal labour frequently appears. What is your opinion about its role as the solution of unemployment?*

In my speech I stressed that the American Trade Union is naturally for a market economy, but in the economic situation I see in this region, it is absolutely necessary to have something which might be called even "communal labour". Unfortunately, on account of its historical background, this expression sounds bad in Hungary. If you can, you must find a better expression although. I haven't succeeded yet in finding one. I do not mean by communal labour refuse collection or snow shovelling, but serious infrastructural investments. As an example, one may mention the communal labour organized during the time of the Marshallplan. When I am talking about infrastructure I think first of all about road - and bridge building, canal-digging, pollution control, development of a telecommunicational network.

*Who should finance these investments?*

Naturally, this is the most difficult problem. As far as I know, the European Reconstruction and Development Bank is discussing subsidizing communal labour. The World Bank does not support such projects, but we hope that we shall succeed in changing their view and that they will also realize that this is the only answer to solving unemployment. We and the World League of Trade Unions will do our best to see that Eastern-European governments will get money for this purpose from the big banking corporations. I hope that trade unions may have a leading role in this region in the organization of communal labour. Special institutions should be established in Eastern-European countries for the organization of these works, and employees, employers, and the government should all have a place in their management.

### Communal labour = communal happiness?

As can be seen from the closing statements of the conference, trade unions stress government responsibility for the elaboration of policy for handling unemployment. The expression "active employment policy" can frequently be heard in this connection.

*I asked Mr. Gábor Horn, chairman of LIGA, what this worn out expression actually means?*

Here's a list of some of the new labour opportunities which must be created, such as a new vocational training which is the only answer for unemployed youth since it orientates young people towards suitable professions. The fight against unemployment also contains such tools as regional crisis-handling programmes or a programme for privatization in which the point is not only who the purchasers are but what kind of labour opportunities they are offering. This means not only at the level of principles and declarations, but during the actual tendering. We understand that the government not only not exhausted these means, but has not even begun to use them. Our firm standpoint is that these means should be brought into action. At the same time it can be seen that unemployment by '93 will

reach a point where even with these means, the problem will still not be able to be solved. It is also clear that the real solution lies only in an economic boom rather than in a trade union programme or a government policy.

*I just had a talk with Mr. Gábor and his opinion is that present unemployment may be remedied only by the introduction of large-scale communal labour. What is the standpoint of LIGA?*

The LIGA has not yet formed an opinion in this case. However, these are matters to be pondered upon. The question is whether the means applied to the '30-ies in the United States can be applied in the recent Eastern Europe in the present?

If we believe in modernization, then we have to build our modern infrastructure with modern means for which labour demand is not high. Nowadays, the development of infrastructure is primarily not a question of labour but of investment. In this region, we still have memories of this institution and therefore we are a little bit afraid of reintroducing it. We should not call it "communal labour" if we put brooms into the hands of the poorest and send them out to clean the streets. This will only increase their being at someone's mercy. Naturally, all this does not mean that we would turn down the idea of communal labour. LIGA takes everything into consideration which has even the slightest chance for reducing unemployment. We stressed the responsibility of the government in our declaration because we felt that besides the introduction of communal labour there are a number of other measures which could improve our situation.

*Would you name some of them?*

It is not certain that we must lose our markets from the former COMECON countries. One should improve the system of retraining, or there is the situation of the domestic market for apartments. An unemployed person in Ózd would find it a waste of time to go to Pécs to try to improve his luck. The market for apartments is so tight that he would have very little chance of getting another apartment in at the new place. A programme for construction of cheap new flats would not only create work, but also help to re-group the labour force.

Kristóf Varga

## STRENGTHENING FRIENDLY CONNECTIONS BETWEEN THE SENIOR CITIZENS OF THE ITALIAN CGIL AND THE HUNGARIAN LIGA



On the 31st of October 1992, a three member delegation of Italian senior citizens visited LIGA's Budapest Committee of Senior Citizens.

The get-together was held in the early morning hours in the conference room at LIGA Headquarters. The Italian delegation was represented by *Giorgio Bucci*, *Ottario Di Loreto* and *Bruno Pierozzi*. The Hungarian Committee participants were *István Biró*, *Dr. Nándor Cseresznyés*, *Elemér Gyujtó*, *Dr. András Kis-péteri*, *Jenő Pintér*, *Andor Sallak*, *Katalin Federmayer* (interpreter) and *György Makai*.

After the introductions, concrete discussions continued between the delegations throughout the morning.

The main topics were:

- what is the importance of senior citizens' organizations in political, economic, and public life;
- what kind of independent safeguards exist to protect the interests of retired people,
- how are senior citizens' organizations linked to active trade union workers,
- what kinds of experiences can Hungarian and Italian Trade

Unions as well as senior citizens draw upon to safeguard their interest;

- how will, the letter planned for the constitution of senior citizens be prepared,



- what preparations have been made for the realization of the planned European Letter of Constitution for 1993.

- when can the expected European Conference of Senior Citizens be convened.

After the discussions which continued until noon, we es-

corted the delegation to the Committee Conference of activists, already meeting for the second day. The members of the delegation were greeted by the Chairman of LIGA, *Gábor Horn*, *Giorgio Bucci* on behalf of the Italian delegation, greeted the Conference in the name of the Italian Trade Unions.

The conference was followed by lunch. Afterwards, the guests were taken by bus on a short excursion. We visited Dobogókő (highest peak at the Danube bend), the Danube bend at Visegrád and the Cathedral at Esztergom. After visiting the sights and museums, the excursion continued into the evening hours. Returning to Budapest, we had dinner in one of Buda's restaurants and to-

ok our leave from the members of the delegation at 9 p.m. Both sides highly valued the meeting.

Even though our time together was short, it broadened our experience and promoted the expression of friendly solidarity.

*György Makai*

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## NEWS

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The LIGA TEAM's festivities on 26 September met with great success. There was music and entertainment all day long for the people of Csepel. LIGA officers participated to explain union and representation related question. As we reported elsewhere, the Nagykanizsa Brewery is now owned by LIGA members. They also came to the event at Csepel and told their success story.

Member organizations of EURO-FIET held a conference in Budapest. The talks, lasting for three days at the end of September, concerned employment and youth, and education and reeducation for the unemployed. Unemployment is new in Hungary and representatives of LIGA realized how much we have to learn to deal effectively with creating jobs and training people to fill them.

One of the concluding resolutions by the 80 participants,

addressed concern about increasing racism and hatred towards foreigners.

There were grape harvest festivities on the 3rd and 4th of October organized by the LIGA youth group of Mór. The festival ended with a Dance Party with international guests from the German trade union DGB, Austria and Italy.

A shipment of commodities from our Belgian brothers and sisters in Mechelen arrived on September 19 at the LIGA Regional Office; it was taken to the Nagyatád Yugoslav refugee camp.

The Teachers' Democratic Union held a five day seminar in Eger. *Ray Mackey* and *Harry Wilson* representing the American Federation of Teachers joined in. President *Gábor Horn* represented LIGA.

*Brother Jack Otero*, Vice President of the American AFL-CIO

was our guest for three days at the beginning of October. He is also the President of the Transportation Workers' union. He held conferences with LIGA VP *Csaba Őri* and representatives of various trades within LIGA.

*Ursula Polzer*, Head of the ÖTV's International Department, and *Andreas Braun* International Representative of the same transportation union visited Hungary between the 9th and 11th of September. They met with VP *Csaba Őri* and leaders of two member unions of LIGA.

*Anca Hssing* from the Washington based Free Trade Union Institute spent some time in Budapest during September to receive a briefing on current Hungarian union affairs.

The Confederation of East-European Unions held its second conference in Budapest during September.

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## Statement by the LIGA Unions

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LIGA is interested in a tripartite reconciliation of interests which works reliably and efficiently.

We are convinced that a serious, mutually observed agreement resulting from a conference of all the partners, would be an important safeguard of social peace.

To our regret we have to state that the operation of the National Reconciliation Committee (NRC) has become increasingly unpredictable, erratic, and weightless.

It is essential that in order to reconcile interests, social partners sit down at the conference

table as equals with respect for each other's positions. Administration participation with unprepared inappropriate level delegates and repeated blackmailing by confronting Labor with accomplished facts, is contrary to this internationally recognized philosophy. We reject the Administration's practice of spur of the moment improvisations, and professionally ungrounded propositions. We reject the Administration's attitude of not allowing partners either the time or the opportunity to form their positions in a res-

ponsible way, namely, after democratic discussions with their membership.

Based on the above, we deem it necessary that the activities of the National Reconciliation Committee be revised and reformed without delay.

To indicate our determination, we will not participate in the plenary sessions of the NRC until the Goodwill Committee of the NRC finds a satisfactory manner in which this crisis in the reconciliation process is brought to an end.

## B-E-E-R SPELLS SUCCESS

For the last few weeks, the 419 employees of the Nagykanizsa Brewery have been able to sip their own beer with a new sense of pride – the pride of ownership. After questionable deals which threatened to pass government ownership to private hands, the workers, with LIGA's help have triumphed. The fight lasted for two years, but in the end, the work force prevailed over larger Western Brewery interests. The fight for survival especially to produce a competitive product, is their next hurdle. The Company was deeply in debt. This debt has been assumed by the new owners along with a sizable loan in order to purchase securities of the firm. Having the ownership straightened out, their aim now is to target the cutthroat domestic market which is flooded with imported brew. The new, young management and sales team need to meet both lender and business contact expectations.

Naturally, there are internal arguments among the new owners are heated but one should expect this from people without experience in a market economy. Let us hope that sentiment will cool with the freshly bottled beer and that eventually, they will all be able to sit back and enjoy job security, self government, an affordable life style, and last but not least, their own excellent product.

## THEY CHOSE LIGA...

"It's difficult by yourself, but nothing is impossible for many," said the great Hungarian patriot Széchenyi. This is exactly what happened to the union local at the Railroad Workers' Hospital. They used to belong to the larger Railroad Workers' Union, a part of the old union establishment. MSzOSz failed to represent the members' needs so they decided to join an Independent Union namely, LIGA. The workers met in May of 1990, and realized that their problems were closer to those of workers in the health care industry than to those of railroad workers. They chose *Gizella Bercsényi* as their Secretary a person who continues to bear the membership's trust. The workers came to the conclusion that their interests would be better served by a federation which includes member organizations representing hospital workers. They met with several confederations and arrived at a conclusion. Votes were cast and the overwhelming majority chose LIGA.



*On  
behalf  
of the reorganized  
editorial  
staff we wish you  
a Merry Christmas and  
a successful New Year. We would like  
to thank in this way  
all those who by their self-sacrificing work  
enabled the renewed publication of the paper.  
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