Hungary: inertia of the old actors, constrained innovation from the new
Imre Szabó

Introduction

In addition to the long-term challenges of membership loss, political fragmentation and delegitimisation (Tóth 2001; Bohle and Greskovits 2012), Hungarian trade unions have had since 2010 to face a change in the political environment (Tóth 2012; Szabó 2013). The Orbán government used its centralised political power to transform labour market institutions; it adopted a new Labour Code, abolished the tripartite council and introduced restrictions on the right to strike. These measures further weakened the institutional guarantees of collective bargaining and hindered trade union access to the policy-making process.

Many of the established trade unions and confederations protested against the measures but could not prevent them. This chapter claims that the established unions have not fundamentally altered their strategies in view of the challenges and have been forced to accept the new ‘rules of the game’ set by the government. In this context, innovation comes from new actors who often do not even define themselves as trade unions but fulfil the same function: they collectively speak for workers in bargaining situations. To illustrate this argument, the chapter analyses four such actors: the Hungarian Resident Physicians’ Association (Magyar Rezidens Szövetség, MRSZ) and the Independent Trade Union of Healthcare Workers (Független Egészségügyi Szakszervezet, FESZ), operating in healthcare; and the Movement of Public Works Employees for the Future (Közmunkás Mozgalom a Jövőért, KMJ) and the Trade Union for Public Works (Közmunkás Szakszervezet, KMSZ), active in the public works sector. Despite their different professional and political background, the emergence of these new actors demonstrates the potential for heightened employee engagement at the margins of the labour movement. At the same time, however, the limits of these initiatives have also become clear: the new organisations have fragile structures, are unable to overcome political divisions and/or are constrained by operating in limited professional domains.

The chapter’s findings are based on a review of the secondary literature and media sources, as well as on interviews with representatives of trade unions and emerging actors that do not officially define themselves as trade unions. The list of interviews conducted by the author is presented before the reference list. Two of those interviews – with a representative of the Hungarian Resident Physicians’ Association as well as one from the Trade Union of Teachers – were part of the author’s dissertation research. The section on the resignation campaign of junior doctors is based on a chapter in his dissertation (Szabó 2016a).
The chapter is structured as follows. The first section briefly outlines long-term developments in the Hungarian trade union movement after 1989 and the short-term political challenges they have faced since 2010. It identifies the main reasons for the inertia of the old actors. The second section presents the role of the new actors and outlines the drivers of their emergence. The chapter concludes by comparing the examined organisations and highlighting their limited impact on the broader labour movement in Hungary.

1. The inertia of old actors in the context of long- and short-term challenges

The first section of this chapter deals with established trade unions’ reactions to the long-term challenges of structural decline and to the short-term changes in the political environment. It will show that the space for innovation by established actors has been rather constrained, and that their behaviour has not been driven so much by strategic decisions but rather by current economic and political circumstances. The long-term context of trade union activities in Hungary is not so much different from that in other countries, so the narrative will focus on the political challenges that emerged following the electoral victory of Viktor Orbán’s FIDESZ party in 2010 and the corresponding trade union reactions. The account demonstrates that the two interrelated instruments mentioned in the Introduction to this volume by Bernaciak and Kahancová, namely political action/lobbying and short-term mobilisation, have dominated mainstream trade union activity in Hungary in recent years. However, this did not imply innovation for two reasons. First, both instruments were already long present in unions’ toolboxes, but became dominant only after 2010 due to the lack of strategic alternatives. Secondly, they could not make up for unions’ failure to recruit new members and to coordinate their strategies across different confederations.

1.1 Trade union movement in Hungary: setting the scene

Hungarian trade unions have low and declining membership rates and are characterised by a high degree of fragmentation. Table 1 shows that, between 2001 and 2015, trade union density in Hungary halved, dropping from 19.7 per cent to 9 per cent. There are significant differences in trade union presence across economic activities, with employees being more likely to be union members in transportation, utilities and public services than in the private sector. Even in public services, however, unions have a difficult time attracting and keeping members. Healthcare – one of the focal areas of this study – is still relatively well unionised, but the membership decline trend is similar to that characteristic in other sectors of the Hungarian economy. In 2001, the union density rate in health and social work was 33.8 per cent, whereas in 2015 it stood merely at 17.7 per cent (Table 1).
Hungary: inertia of the old actors, constrained innovation from the new

As of 2012, Hungary had six trade union confederations: MSZOSZ (National Confederation of Hungarian Trade Unions); LIGA (Democratic League of Independent Trade Unions); SZEFSZ (Forum for the Cooperation of Trade Unions); ASZSZ (Autonomous Trade Union Confederation); ÉSZT (Confederation of Unions of Professionals); and MOSZ (National Confederation of Workers’ Councils). MSZOSZ, LIGA and SZEFSZ were the three largest, representing two-thirds of all trade union members in the country (Kiss et al. 2015). These organisations were partly formed around historical and political cleavages, with MSZOSZ and SZEFSZ regarded as ‘legacy’ unions of the communist system, but also along economic sectors and activities. SZEFSZ represents public sector workers and ÉSZT represents professionals; while the rest of the confederations have mixed membership. Otherwise, there is no clear demarcation between the different confederations and affiliate unions tend to compete for membership at the workplace level.

In terms of the long-term political economic context, Hungary shares many similarities with other countries. Unions have had to face structural challenges stemming from capital mobility, de-industrialisation and the spread of non-standard employment practices. Even before 2010, Hungarian labour relations were characterised by managerial and state unilateralism, with a limited role for collective bargaining and social partnership (Koltay and Neumann 2006). Declining membership rates, difficulties organising precarious groups, and differences in unionisation rates across sectors (with unions much better represented in larger firms and in the public sector) are all challenges that are not specific to Hungary but constitute regional or, in fact, global problems for the labour movement.

Socialist legacies still have an imprint on Hungarian trade unions’ attitude towards the state and towards each other. A legacy of their transmission belt function within the state-party apparatus is that trade unions have little experience in organising and instead rely heavily on state-mandated institutional channels of influence. In other countries, these legacies were either not so strong to begin with (in Czechia, for example, a unified trade union movement survived the transition: Avdagic 2004) or are gradually fading away (in Poland, hostilities among union confederations are less pronounced now than they used to be: Varga 2015); however, in Hungary they seem to persist, an issue which will be detailed later.

In addition to these long-term trends, Hungarian trade unions have had to adapt to the restructuring of the political and institutional environment of labour relations after

---

**Table 1  Trade union density in Hungary, 2001–2015 (%)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>19.7</td>
<td>16.9</td>
<td>12.0</td>
<td>9.0</td>
</tr>
<tr>
<td>Health care and social work</td>
<td>33.8</td>
<td>26.3</td>
<td>20.0</td>
<td>17.7</td>
</tr>
</tbody>
</table>

Source: Busch et al. 2010; KSH 2016a for 2015. László Neumann’s help in guiding me to the 2015 data is gratefully acknowledged.
2010, when the Orbán government, with a parliamentary ‘supermajority’ and a statist-conservative agenda, came to power (Neumann 2012; Szabó 2013). It is a matter of debate whether a critical juncture took place then and a strict separation of the post-2010 developments from what was going on between 1989 and 2010 is justified. The author of this chapter pointed out in an earlier contribution (Szabó 2013) that the direction of the recent change is also controversial, with some measures pointing towards increasing labour market liberalisation and others towards more extensive state involvement in employment affairs. Liberalisation is in line with pre-2010 developments but the increasing role of the state is a new phenomenon in the Hungarian context. Examples of the former process include the adoption of the new Labour Code that frees up the hands of employers in many areas; while the latter centres around a more unilateral and interventionist tax and employment policy of the government (Neumann 2012; Szabó 2013).¹

It is difficult for trade unions to adapt to the newly emerging socio-political setup, precisely because the developments are highly contradictory. On one hand, more flexible labour market regulation could galvanise workplace-level bargaining processes and would require a union strategy that is focused on strengthening their presence in the workplace. The available evidence suggests, however, that this activation of local bargaining had not, as of 2015, taken place (Laki et al. 2013; Dabis et al. 2015). On the other hand, the state’s increased involvement in the micromanagement of employment would call for a trade union strategy of pressing directly the government – a dimension that has always been more prominent in the Hungarian case than workplace-level presence. Finally, the recent changes affect the public and the private sector differently. The changes in the private sector are themselves substantial, but they are constrained to a reshuffling of the ‘rules of the game’, i.e. the adoption of the new Labour Code. In the public sector, by contrast, the state took advantage of its employer role and became much more intrusive. The central government regained ownership of schools and hospitals from municipalities and set up administrative bodies to control them. It also modified wage systems in education and healthcare and launched extensive, centralised public works programmes (Busch and Bördös 2015).

The new environment does not only make it difficult for unions to decide which level of activity – the workplace or the national – they should focus on to represent the interest of the largest number of employees in the most efficient manner, but it also weakens institutionally guaranteed channels of representation at both levels. This is because the new Labour Code reduced the number of protected union representatives at a given workplace and weakened their time-off guarantees (Neumann 2012). At the national level, the abolition of the tripartite council was a major blow to the institutionalised channel of unions’ influence on government policies (Szabó 2013).

1. It needs to be emphasised here that government activism and unilateralism does not favour employees against employers; it rather has its own logic cross-cutting the labour-capital divide. For example, new tax policies had equally negative effects for low-income earners (the introduction of a flat tax system) and service multinationals (the introduction of sectoral taxes on finance, utilities and retail). Likewise, employment policies created a new precarious employee group – participants in public works programmes – whose employers, however, are not private sector firms but state agencies.
1.2 Established union responses

What were the established unions’ reactions to the above challenges and how innovative were their actions? This subsection outlines the two most widespread responses: lobbying\(^2\) and protest mobilisation; while it also looks at the failure to reconcile intra-movement cleavages and to regain organisational capacities. It argues that short-term protest mobilisation and lobbying have indeed featured prominently in the repertoire of action of established unions, but these tools are insufficient for union revitalisation as long as there has been no progress in terms of organising. By the same token, no long-term commitment has been made from rival unions and confederations to overcome long-standing divisions and work together.

Throughout the examined period, the established unions in Hungary continued to regard influencing legislation and government decisions as their main task, despite having fewer formal channels to access legislation and the executive than before 2010. This was especially evident in the public sector. The main education union, PSZ, for example, was highly critical of government policies but it insisted on maintaining its image of a responsible, professional actor that played by the rules. Until 2016, the organisation’s activities focused primarily on legal scrutiny of education reforms and legal help to members (interview PSZ 2015). When in 2016 it called a one-day strike, this happened at the tail-end of a grassroots protest initiative by NGOs. The largest trade union in healthcare has taken an even more conservative position by agreeing with the general direction of government policies since 2010, not calling protests and trying to achieve concessions exclusively at the bargaining table (interview MSZ-EDDSZ 2015).

In their lobbying activities, unions do not only target the Hungarian government directly; they also try to influence it by approaching international organisations. When the Orbán government issued the first draft of the new Labour Code, which contained even more radical changes than the finally adopted version, major trade union confederations turned jointly to the International Labour Organisation and the EU Commissioner for Employment, Social Affairs and Inclusion. Both institutions expressed serious concerns about the draft legislation. According to Neumann (2012), the intervention of these international actors provided a breakthrough in the negotiations; in consequence, the government was ready to scale back on some major issues, such as guarantees of union presence at the workplace.

Protest is related to lobbying as it is also a way of trying to affect government policies in the absence of bargaining or social partnership institutions. Street demonstrations and other forms of public campaigns, such as petitions and referenda, have been an increasingly dominant part of the trade union repertoire at least since 2007-2008, when the LIGA confederation initiated a referendum against the healthcare reform of the

---

\(^2\) For the purpose of this chapter, lobbying is understood broadly and is conceptualised as attempts to influence the policy decisions of the government and the legislature. When institutional channels of influence are narrowing down, there are two ways in which unions can have an impact on policy-making: through direct (often informal) lobbying and through protest mobilisation; and therefore their innovative strategies will also focus on these two areas. Both dimensions were present when traditional formal channels of influence were stronger but, while the latter institutions are losing strength, the former are gaining increased prominence.
socialist-liberal government (Neumann 2012). After the government change in 2010, street demonstrations continued to be the most prominent way of expressing societal dissatisfaction and an attempt to alter the course of government policies. This time, however, protests were more equally distributed across confederations and unions with different political affiliations, gathering both MSZOSZ and SZEF-affiliated unions that were traditionally linked to the socialist party and LIGA-affiliated organisations, considered to have ties to FIDESZ.

Despite the increased frequency of protests, demonstrations in themselves can achieve little and trade unions’ increasing reliance on them should not be read as a sign of strategic innovation but rather as a suboptimal course of action forced upon them by the political environment. Against this background, the weakness of the established labour organisations demonstrates itself in several areas. First, trade unions’ most important traditional weapon, the strike, has almost completely disappeared from their repertoire since 2010, which means that street demonstrations could be less and less efficiently backed by threats of industrial action. Data collected by Berki (2016) on labour protests in Hungary lends support to this statement. The number of labour-related protest events increased substantially after 2005, and remained higher than the 2005 level up until 2014. However, in the 2006-2010 period, strikes made up 27 per cent of all protest events but, after 2010, their share has dropped to a mere 6 per cent (Figure 1).

Secondly, there is consensus in the literature on Hungarian labour relations that the established unions continue to be largely unsuccessful in recruiting and retaining their

Figure 1  Number of labour protest events in Hungary, 1990–2014

![Number of labour protest events in Hungary, 1990–2014](chart)

Source: Berki (2016).

---

3. The Hungarian Statistical Office records a similar decline in strike activity (KSH 2016b).
members. Neumann’s (2012) study concludes that there is little organising activity in the private sector, and my interviews in the public sector confirmed this finding. A high-rank official from the main teachers’ union expressed her union’s attitude to organising in the following manner:

‘Last year, we adopted an organising strategy and we also carried it out. The results did not match the enormous amount of work that we had invested. The recruitment and the retaining of members depend primarily on the personality of the shop steward at a given school.’ (Interview PSZ 2015)

The main healthcare union’s official acknowledged that her organisation faced declining membership numbers but she also highlighted that this was a worldwide problem. Rather than referring to specific organising campaigns, she claimed that, in the Hungarian context, membership decline would be reversed as the union’s policies – and its cooperation with the government – brought positive results:

‘This is not a question of strategy... this is a provisional symptom which we experience right now, and the situation is going to improve gradually, as we get out of this slump. People will see our decent work, and will decide where they want to belong.’ (interview MSZ-EDDSZ 2015)

The available literature also suggests that the main selective incentive that unions use to recruit and retain members is service provision. For example, in the wake of the adoption of the new Labour Code, MSZOSZ urged employees to have their new contracts examined by a union lawyer before signing (Neumann 2012). Legal assistance was also mentioned as an important tool to retain members by a representative of the largest teachers union (interview PSZ 2015). However, Laki et al.’s (2013: 18, 51) comprehensive study of recent industrial relations developments in Hungary points out that the ‘package deal’ of servicing and organising is not sustainable in view of unions’ dwindling financial resources. In the private sector, this model is also being challenged by the new Labour Code’s provisions. Under the old regulation, union officials were allowed to cash in their legally guaranteed reductions in working time. This provided a financial resource for unions that was on a par with membership fees; for example, at a LIGA branch covered in the cited study, it covered up to 40 per cent of expenditure (Laki et al. 2013: 18). The new Labour Code abolished the option of cashing in working time reductions, dealing a serious blow to the servicing-union model.

Continuing membership loss is a particularly salient challenge in the public sector. If current trends are not reversed, labour organisations operating in the public sector might soon lose their right to conclude collective agreements at the national level. According to the current legislation, a 10 per cent density is required for a single union to be acknowledged by the employer as a bargaining partner. In the private sector, where company-level bargaining prevails, unions can reach the 10 per cent threshold in key factories and establishments. For public sector unions, however, the national level has become more important as a result of the centralisation of the provision of health and education services by the government. According to the most recent survey
that took place in 2014, the two largest unions in the public sector reached, but barely surpassed, the 10 per cent threshold nationally. In their relevant domains (education and health, respectively), PSZ organised 12.56 per cent and MSZ-EDDSZ 11.80 per cent of employees (NMORB 2014).

Thirdly, the old actors – and in this chapter trade unions established during the regime change after 1989 also come under the ‘old’ label – remain hostile to each other. Both at the confederal and at the sectoral level, high levels of fragmentation persist among unions with different historical backgrounds. There were a few examples of joint protest against the most radical steps of the Orbán government, but no long-term cooperation or even coordination grew out of them. In addition, as pointed out by Neumann (2012), the government takes a selective negotiation approach: having abolished or set aside the tripartite bargaining institutions, it prefers negotiating with single unions. This adds further fuel to the already existing tensions among the organisations.

Out of the six confederations existing as of 2010, the three that were anyway closest to each other beforehand (MSZOSZ, SZEF and the Autonomous Federation) did start merger negotiations. Even from among these three, however, the two larger bodies (MSZOSZ representing the private and SZEF the public sector) could not agree on a final institutional merger. At the same time, feuds broke out within LIGA, the arch-enemy of MSZOSZ, with one of its largest constituent unions leaving and formed a new confederation on its own (Hetedik Szövetség 2014). At the sectoral level, politically divided unions continue to dispute each other’s representational domain. A telling example in this respect is education, where the smaller Democratic Union of Teachers attacked the official representativeness figures of the larger Union of Teachers in court (Fővárosi Törvényszék 2015).

2. **Innovation from new actors**

This chapter presents innovative practices coming out of the new institutions of employee representation in the Hungarian public sector. It was mentioned earlier that, in the public sector, the state not only changed the ‘rules of the game’; it also directly shaped employment trends (Fazekas and Neumann 2014). Most importantly, the Orbán government took over the control of hospitals and schools from local governments and extended public works programmes that, by 2016, constituted a substantial and stable part of employment by the state (KSH 2016c). Therefore, the public sector serves as a test case for the emergence of new actors under the circumstances of radical restructuring.

Within the public sector, this chapter focuses on new actors in healthcare and public works. New movements of employees in uniform emerged, but their strategies were either less innovative (street demonstrations) or had lost momentum by 2013. In education, a grassroots protest campaign that was supported by the established unions had similarly subsided by the second half of 2016. Moreover, apart from a one-day strike

---

4. In the public sector, triannual administrative surveys are used to establish union density.
in April 2016, the larger union in education continued to rely on traditional institutional channels, negotiating with the government in a strike committee. Compared to the ongoing protests in education, then, the activities in healthcare and in public works can be judged as more innovative and persistent.

The two (sub)sectors can be viewed as most different cases in terms of their legal background as well as that of workers’ structural power and social status. In healthcare, labour shortages and increasing migration opportunities grant a high degree of structural power to employees, especially to skilled groups such as nurses and doctors (Kaminska and Kahancová 2011; Szabó 2014). By contrast, public works programmes exclusively target the unskilled, formerly long-term unemployed population, predominantly in rural areas. Participants in public works schemes have a vulnerable legal status, are employed on temporary contracts and receive compensation that is lower than the minimum wage (Cseres-Gergely and Molnar 2015). Nevertheless, both healthcare and the public works sector saw the emergence of new employee representation groups, some of which do not even call themselves trade unions but which fulfil very similar functions. This chapter accordingly focuses on four such organisations: the Hungarian Resident Physicians’ Association (MRSZ); the Independent Trade Union of Healthcare Workers (FESZ); the Movement of Public Works Employees for the Future (KMJ); and the Trade Union for Public Works (KMSZ). Table 2 summarises their main characteristics.

Table 2  New forms of employee interest representation in Hungary’s healthcare and public works sector

<table>
<thead>
<tr>
<th></th>
<th>Hungarian Resident Physicians’ Association (MRSZ)</th>
<th>Independent Trade Union of Healthcare Workers (FESZ)</th>
<th>Movement of Public Works Employees for the Future (KMJ)</th>
<th>Trade Union for Public Works (KMSZ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation year</td>
<td>1999</td>
<td>2011</td>
<td>2012</td>
<td>2012</td>
</tr>
<tr>
<td>Number of members as of 2015</td>
<td>Maximum 3 600 active</td>
<td>Around 3 000</td>
<td>Less than 100 permanent</td>
<td>N/A</td>
</tr>
<tr>
<td>Main event organized</td>
<td>Resignation campaign in 2011</td>
<td>Street demonstration in 2015</td>
<td>Global Day against Poverty in 2013</td>
<td>Hunger March in 2013</td>
</tr>
<tr>
<td>Affiliation</td>
<td>No confederal affiliation</td>
<td>Munkástanácsok (National Federation of Workers’ Councils)</td>
<td>No confederal affiliation</td>
<td>MSZOSZ, MSZSZ (Hungarian Trade Union Confederation)</td>
</tr>
<tr>
<td></td>
<td>Action Group for Honesty in Healthcare</td>
<td>Hungarian Anti-Poverty Network</td>
<td>MSZP (Hungarian Socialist Party)</td>
<td></td>
</tr>
</tbody>
</table>


2.1 Hungarian Resident Physicians’ Association

The Hungarian Resident Physicians’ Association (Magyar Rezidens Szövetség, MRSZ) was established in 1999 and, up to 2007, its activities were confined to lobbying on professional issues. MRSZ’s first contentious public action took place in 2007, when it collected 4 000 signatures against the government’s plan to introduce a tuition fee for
resident training (Fabók 2011). Under new leadership, MRSZ organised in 2009 the first mass demonstration of junior doctors in protest against unfair working conditions. In 2010, another campaign was triggered by the government’s intention to oblige state-funded resident physicians to sign a contract to work in Hungary as a specialist for a certain period of time after finishing their resident training, which was dubbed as the ‘serfdom clause’.

During 2010-2011, the emigration of Hungarian healthcare professionals reached unprecedented levels. For those who have left the country, this was an opportunity but it increased the pressure on those who remained and who continued to work for the same wage since 2008, when public sector wages were frozen. Moreover, the exodus increased labour shortages and, as a result, working time and the working conditions of doctors remaining in Hungary deteriorated even further.

MRSZ was dissatisfied with the established union actors who acknowledged the problem of emigration but, for a long time, it did not take action: it was only in May 2011 that the union launched a resignation campaign among junior doctors. Doctors’ demands focused mainly on a pay rise and the improvement of wages and working conditions for young doctors, but more general claims were also formulated, including the long-term goal of increasing the wages of practising physicians to three times above the national average (Szabó 2014). From the outset of the campaign, MRSZ targeted not only junior doctors but also senior practitioners, asking the latter to join the campaign. The initiative was also supported by the Medical Chamber (MOK) and the Federation of Hungarian Physicians (MOSZ). Their contribution remained largely symbolic, although the president of MOSZ called its members to consider joining the initiative and also to refrain from taking up compulsory overtime in case the demands of MRSZ were not met (Origo.hu 2011).

In early autumn 2011, MRSZ leaders toured the country to convince the employees of regional hospitals to hand in their resignations. MRSZ – as a small organisation – managed to keep its message clear, simple and consistent, but the government was initially unwilling to negotiate with it. This was because MRSZ was not formally a representative association, and the government was not legally obliged to enter into negotiations on wage claims with it. For this reason, the Health Secretary started talks only reluctantly, and these broke down in October 2011. MRSZ subsequently approached other members of the cabinet and MPs in the parliamentary faction of the governing party with its demands (Papp 2011).

By mid-November 2011, MRSZ claimed to have collected 2 300 letters of resignation that were to take effect on 1 January 2012. Sixty per cent of the resignations came from specialist doctors (Papp 2011). Therefore, it had become increasingly difficult for the government to ignore MRSZ, while events taking place in neighbouring Slovakia in early December gave a warning sign, too: after their notice period ended on 1 December 2011, 1 200 Slovak doctors refused to report for work. In response, the Slovak government declared a state of emergency in 15 hospitals, which obliged the resignee doctors to take up work. However, many of them just called in sick and the Slovak government had to
request neighbouring countries (including Hungary) to provide substitute medical staff (Cziria 2012; cf. Kahancová, this volume).

Meanwhile in Hungary, the number of resignations approached 3 000, which was set by the MRSZ leadership as the critical level. In one of the major regional hospitals, 70 per cent of doctors filed their notices; a much lower percentage would have been enough to paralyse a medical facility if key professional groups, such as anaesthetists or radiologists, left (Hvg.hu 2011). There were built-in checks in the system of employment law that helped the government prepare for possible service disruptions, however. Even if the resignations had taken effect, the government and hospital managers would have had three months to tackle the crisis during employees’ compulsory notice period. Moreover, in December 2011 the government designed a contingency plan that allowed them to order doctors to go back to work even after the latter had terminated their employment contracts (Szijjártó 2011).

During last minute end-of-year talks, the government convinced MRSZ to postpone the resignations by three months. In exchange, a bargaining process on salary increases was initiated. Negotiations were later extended to include the government’s regular bargaining partners – the Federation of Hungarian Physicians, the Medical Chamber and the nursing union MSZ-EDDSZ (interview MRSZ 2015). By the end of March 2012, following MRSZ’s threats to renew the campaign, an agreement was eventually reached. It provided for a two-stage wage increase that favoured resident physicians in the first stage and specialists in the second stage, but also included a wage increase for qualified nurses (interview MRSZ 2015). Resources for the increases were partly derived from a tax on unhealthy food items that had been introduced a year before.

All in all, the doctor’s resignation campaign was the only major workplace-related protest event in the Hungarian public sector after 2010 which also resulted in significant wage increases for all professional groups within the sector.

2.2 The Independent Trade Union of Healthcare Workers (FESZ)

Another major protest event in healthcare took place in 2015. The contention was manifested mostly through street demonstrations; MRSZ participated in their preparation, but this time the initiative came from the Independent Trade Union of Healthcare Workers (FESZ) that represented nurses and other general occupations in healthcare. László Kiss, the chair of the union until October 2015, said in a radio interview that FESZ was established with 16 members in 2011 with membership numbers growing to 3 000 in just four years (Kiss 2015).

The 2015 protests were called to push for wage increases as the pay scale put in place in 2012 after the resignation campaign of MRSZ had not been updated in the following years. FESZ member Mária Sándor became the face of these protests: a practising nurse from a Budapest hospital, she gained widespread media attention by launching a campaign of wearing black to express her ‘grief’ for the Hungarian healthcare system.
In her media appearances, apart from low salaries, she mentioned inhumane work schedules (for example overlapping day and night shifts) and working conditions as the reasons for the grave state of Hungarian healthcare.

FESZ was the most active and most radical actor in the 2015 protests but, not being a representative union, it exerted pressure on the government by liaising with other professional associations. FESZ accordingly joined the action group/umbrella organisation Honesty in Healthcare that also included the Hungarian Resident Physicians’ Association (MRSZ), the Association of Hungarian Physicians (MOSZ), the Trade Union Alliance of Medical Faculties (OSZSZ) and the Association of General Practitioners in Villages. On 12 May, the international day of nursing, the members of the umbrella organisation held a joint rally in front of Parliament and the Ministry of Health. The Chamber of Hungarian Healthcare Professionals (MESZK) held a separate street demonstration at the same time, and the two groups joined forces in front of the Ministry.

The momentum of the protests subsided, however, once the government made minor concessions: it incorporated the 2012 increases into base salary, which meant that overtime pay and other bonuses were now calculated on top of the regular (higher) rate. Moreover, the government expressed readiness to engage in regular bargaining talks only with the two representative unions in their respective domain, i.e. with MSZ-EDDSZ and the union of paramedics. The two chambers, however, were also to be involved in these talks as observers.

FESZ had the explicit goal to achieve representativeness as this would pave its way to the bargaining table. Despite the rapid increase in its membership between 2011 and 2015, with 3 000 members the union was still far away from this goal and it was unclear whether it could reach it in the foreseeable future. Partly due to procedural glitches made during the expansion phase, such as that of the central committee not registering new local branches, FESZ went through an organisational crisis during its convention in October 2015. Both the leading figures in the May demonstrations, General Secretary László Kiss and Mária Sándor, left the organisation in the wake of these disputes (FESZ 2015). Under new leadership, FESZ continues to be active but has a less confrontational attitude towards the government and the larger healthcare union MSZ-EDDSZ (FESZ 2016).

2.3 Movements and trade unions in public works schemes

One of the most salient employment policy measures of the Orbán government was the extension of public works schemes. These programmes provide employment opportunities for the long-term unemployed in various – mostly unskilled – activities such as cleaning, maintenance and assistant tasks in elderly care and agricultural work. Participation in the schemes is compulsory for those who wish to claim social assistance and do not have other grounds for doing so (for example, do not have young children). In recent years, employment in public works programmes has increased rapidly, from 87 000 in 2010 to 159 000 in 2014 (Szabó 2016b). Its participants occupy a precarious
Hungary: inertia of the old actors, constrained innovation from the new

legal position compared to employees both in the public and the private sector. Their legal status is distinct from, and inferior to, that guaranteed to workers by the Labour Code. They can only sign fixed-term contracts and they are entitled to compensation that is around 30 per cent lower than the minimum wage (Bördős 2015; Busch and Bördős 2015; interview KMJ 2016).

This large and new group of precarious workers is not represented by established unions given that Hungarian trade unions have neither the tradition nor the long-term strategy of organising precarious employees, not even those who fall under the jurisdiction of the Labour Code (Meszmann 2016). The result is that organising in the public works sector takes place through two channels, neither of which is directly linked to the established labour organisations. The first, grassroots channel is represented by the Movement of Public Works Employees for the Future (KMJ), a Budapest-based activist group that relies on cooperation between socially-conscious organisers with different social backgrounds and the actual participants of public works schemes. It is part of a broader activist network in Hungary that engages in anti-poverty campaigns and has very close links to NGOs standing up for other marginalised groups, such as Város Mindenkié ("The City is for All"), an advocacy group for homeless people. It also cooperates with trade unions representing workers employed on the basis of regular contracts in low-paid activities where public work is widespread and, therefore, putting a downward pressure on regular employees' wages. These include labour organisations representing workers in public facility management and in public archives and museums (Interview KMJ 2016).

KMJ was able to attract media attention with a street protest in early 2013, during which it handed a petition to the Ministry of the Interior that was, at the time, responsible for managing public works (Vojtonovszki 2014). The petition called for the improvement of labour standards in the public works sector.

Owing to KMJ's extensive media presence, the Ministry at least communicates with them and, in some cases, also takes measures to address the issues raised by the organisation (Interview KMJ 2016). However, the Movement faces severe difficulties in building and maintaining its membership base and its organisational structure more generally. Organisers mention the fear of employer retaliation as the main reason for this lack of commitment on the side of workers (Vojtonovszki 2014).

KMJ provides services that are open to non-members, such as language, computer and communications skills training courses as well as legal advice. With these measures it not only tries to attract new members, but also helps empower and upgrade the skills of participants in public works schemes in order to increase their chances of finding employment in the regular labour market. The focus on service provision reflects the two-track approach of organisations active in public works programmes: apart from addressing short-term instances of injustice within the system, which are related mainly to poor working conditions, the main goal of the activists is the abolition of the entire system and its replacement with regular employment contracts. In this regard, the provision of job-seeking services to the participants of public works schemes is a step towards the reconciliation of these two goals. Following KMJ’s recommendation,
the Ministry has indeed implemented measures allowing workers to take time off when they attend a job interview on the open labour market (Interview KMJ 2016).

KMJ does not even call itself a trade union, rather a movement, but there is also a trade union of public works participants in Hungary. The Trade Union for Public Works (KMSZ) was also established in 2012 but, compared to KMJ, it followed a different, top-down path. The president of KMSZ is a socialist party-affiliated mayor in a village in northern Hungary and its vice-president is an MP from the same party. Moreover, its first secretary has a background in trade union bureaucracy (he used to be vice-president of MSZOSZ) and was, furthermore, also formerly an employment secretary in a socialist government (Kordás 2015).

KMSZ relies on socialist party organising structures in rural areas, and its activities are concentrated on the poor northern region of Hungary, where public works are the main source of income for a significant proportion of families. Taking advantage of having a base in the countryside, the movement’s leaders, and other socialist party-affiliated politicians, organised a ‘Hunger March’ on Budapest in February 2013. The march was repeated in later years but attracted dwindling public attention. There was also mounting criticism of the union on the government side for involving discredited socialist party politicians.

Similarly to KMJ, KMSZ also faces difficulties building a stable membership base. On the other hand, thanks to its links to MPs, it can channel grievances directly into political debates (Kordás 2015).

**Discussion and conclusion: the limited impact of new actors**

All four organisations discussed in this chapter are innovative in the context of Hungarian labour relations. They emerged, as new actors, to fill the gap created as a result of traditional trade unions’ inability to address changing labour market conditions. The two organisations operating in the public works sector responded to the government-led restructuring of low-skilled, precarious employment structures. For legal and organisational reasons, the established trade unions did not target employees on public works programmes, but the two newly emerging organisations did. In healthcare, the two new organisations tapped into emigration-related employment dynamics. Using Beverly Silver’s terms, emigration increased the marketplace bargaining power of healthcare employees as they could rely on a credible threat of exit from the labour market (Kaminska and Kahancová 2011; Szabó 2016a). At the same time, through making labour shortages more severe, emigration also deepened the work-related grievances of those who stayed in Hungary. This combination of grievances and opportunities was not picked up by the major representative union or by the traditional professional associations, but by MRSZ and FESZ.

Moreover, the four cases are similar as they all involve experimentation with innovative forms of labour protest compared to traditional actors, both with regard to the selection
of protest instruments and issue framing. The most successful case in this respect is MRSZ, which relied on a coherent set of innovative practices during the resignation campaign in 2011-2012. The organisation used the threat of mass resignation as an innovative protest tool and framed its wage demands not only in the context of labour shortages and increasing emigration rates, but also linked them to wider issues of public concern, such as patient safety and the prevalence of informal payments in the Hungarian healthcare system (interview MRSZ 2015). Likewise, demonstrations organised by the new healthcare union, FESZ, highlighted the need to create a united front across all groups working in healthcare; at the same time, they also made the gendered dimension of contention explicit given that the organisation mostly represented nurses – a highly feminised profession in which long working hours put substantial pressure on employees who also have additional care responsibilities at home. In public works, despite their very different origins, the two analysed groups framed their demands in terms of the fight against poverty. During their protest events, such as the Hunger March in 2013, they criticised the government for not paying living wages to participants in public works schemes, thereby preserving rather than resolving the problem of poverty among the long-term unemployed in Hungary. All in all, their strategies have been geared towards raising awareness of the problems of poverty, unfair treatment and exploitative employment practices that would otherwise escape the attention of government officials and the broader public.

The main differences among the four cases lie in their organisational structures and in their long-term alliances. Among the four initiatives, FESZ is the only trade union in the strict legal sense, with formalised membership rules and governance structures. KMSZ calls itself a union but lacks the required structures and has low membership. MRSZ, by contrast, continues to see itself solely as a professional association that, from time to time, has to use its emigration-related market power to achieve concessions from the government (interview MRSZ 2015). It does not have fee-paying members but benefits from a consolidated organisational structure and has clearly-defined goals. Finally, KMJ continues to have a loose structure while its activities are based around recruitment, training and the organisation of issue-based campaigns.

In terms of political commitments and alliances, MRSZ and KMSZ are at opposite extremes. MRSZ frames its activities using non-political language; it does not have links to political parties or social movements even though it supported FESZ’s protest campaigns as a trade union ally would. KMSZ, by contrast, is explicit about its affiliations with the current political opposition and its leadership has close links to the MSZOSZ confederation. KMSZ organisers were, from the beginning, linked to the Hungarian Socialist Party and KMSZ’s influence on traditional trade unions is reflected in the former head of KMSZ being elected secretary of the new confederation formed in 2014 after the merger of MSZOSZ and the Autonomous Federation. The other two organisations analysed in this chapter, FESZ and KMJ, occupy a middle position in terms of political alliances. KMJ does not have links to political parties but is firmly embedded in a network of movement-type civil society actors (interview KMJ 2016). Finally, as the only ‘trade union proper’ among the four groups, FESZ went through an organisational crisis partly because of the emerging political divisions within the
union, where the old leadership was criticised for not consulting the membership before talks (even though non-binding) with opposition parties. The new leadership elected in November 2015 has a more cautious attitude to reaching out to oppositional political forces and takes a less confrontational stance vis-à-vis the larger, established healthcare union MSZ-EDDSZ.

The above comparison highlights the limits of trade union innovation coming from the newly emerging actors. It suggests that there is a trade-off between short-term campaigns focusing on grievances and emerging opportunities, on the one hand, and building long-term organisational capacities and securing a stable position within a complex system of institutional structures and political alliances on the other. Under these circumstances, the questions are whether the established unions could learn from the experience of these new actors and use their innovative framing tools in their own strategies; and whether they will be able to notice the structural and political opportunities emerging in the future.

Interviews

Interview with the Movement of Public Works Employees for the Future (KMJ), Budapest, 22 June 2016.

Interview with the Hungarian Resident Physicians’ Association (MRSZ), Budapest, 10 June 2015.

Interview with the Democratic Union of Employees in Healthcare and Social Work (MSZ-EDDSZ), Budapest, 30 September 2015.

Interview with the Union of Teachers (PSZ), Budapest, 17 June 2015.

References


Hungary: inertia of the old actors, constrained innovation from the new


Kiss L. (2015) Interview with FESZ President, László Kiss on Rádió Klub, 3 September 2015.

KMJ (2013) Üdvözöljük a blogunkon! [Welcome to our blog], Közmunkás Mozgalom a Jövőért (KMJ). http://kozmunkasmozgalom.blog.hu/2013/10/21/udvozlounk_a_blog_hu-n_21162


Szabó I. (2016a) Serving the public, fighting against the state. Labor unrest in the public sector across the EU, PhD dissertation, Budapest, Central European University.


Szijjártó P. (2011). A magyar egészségügyben nem alakulhat ki olyan helyzet, mint Szlovákiába [Hungarian healthcare will not mirror the situation in Slovakia], MTI - Hungarian Press Agency,

All links were checked on 23 January 2017.