The paper is an application of the economic anthropology of Karl Polanyi to contemporary rural Hungary. After addressing the influence of Polanyi’s critique of market society and his standing in the discipline of anthropology, the main focus is the community of Tázlár on the Danube-Tisza interfluve. The paper traces the history of the ‘fictitious commodities’ of land and labour in this relatively isolated settlement, which was not fully integrated into the national society until the socialist era. The innovative symbiosis of household and cooperative farming was destroyed in the 1990s. In the depressed economic climate of today, workfare schemes are popular because they treat villagers as human beings rather than as commodities to be exploited for maximum profit. The workfare initiatives of populist power holders can be interpreted as one facet of a complex ‘double movement’ in which postsocialist society seeks to defend itself against the domination of the market.

Keywords: Danube-Tisza interfluve, double movement, fictitious commodities, Hungary, Karl Polanyi, neoliberalism, (post)socialism, workfare.
**Introduction: thinking with Karl Polanyi**

The oeuvre of Karl Polanyi is remarkable, as is the continued fascination of so many scholars in different fields with his legacies. As a social anthropologist trained in the 1970s, I was obliged to read a few key chapters (his contributions to Polanyi, Arensberg and Pearson, 1957). But most of us felt at the time that Polanyi’s economic anthropology had been surpassed, that his ‘substantivist’ polemics against ‘formalists’ were old hat, superseded in particular by neo-Marxist approaches. In retrospect, it looks foolish and embarrassing that I made no use of Polanyi in my doctoral project in Hungary (Hann, 1980). In the new century students are once again grappling with those essays, and many teachers of economic anthropology find the approach of Polanyi more inspiring than that of Karl Marx, or Marcel Mauss, or indeed of any other scholar. Of course, the Polanyi revival is not limited to anthropology. The Great Transformation, his undisputed opus magnum has been republished and is debated in many fields (Polanyi, 2001 [1944]). Gareth Dale has written a best-selling introduction and his biography of Polanyi will be published shortly (Dale, 2010; 2016).

The renewed popularity of the scourge of ‘market society’ obviously has much to do with trends in ‘neoliberal’ capitalism in the last four decades all around the world. Even where details of Polanyi’s scholarship, for example his analysis of markets in antiquity, have been subjected to much criticism, his general approach retains its appeal. The challenge of Polanyi has been taken seriously even by the proponents of paradigms diametrically opposed to his, such as Douglass North, the most celebrated representative of the New Institutionalist Economic History (Krul, 2016). In short, Karl Polanyi is evidently good to think with. It is only natural that he should be particularly admired nowadays in the country where he grew up. Even though Hungary was not a major focus of his scholarly work following his early exile, Dale’s biography uncovers the lasting significance of his formative years in Budapest. Karl Polanyi never ceased to identify as a Hungarian. This was expressed in his final years when he set his scientific agenda aside to work with his wife on English translations of poetry idealising a pre-industrial Hungarian past and left-wing populist ideals for transforming it (Duczyńska and Polanyi, 1963). My aim in this paper is to think with Polanyi about the contemporary countryside in Hungary. I cannot operationalise every concept in Polanyi’s tool-kit. Rather, I focus on the path of postsocialist Hungary with reference to Polanyi’s classical analysis of how, in Britain two centuries earlier, the emergence of a market society was accompanied by a ‘counter movement’ in which society defended itself against the ravages of a ‘disembedded’ economy. I shall pay particular attention to labour, one of three ‘fictitious commodities’ in Karl Polanyi’s conceptual schema.

The idea behind the concept of ‘fictitious commodity’ is simple: the ‘goods’ of land and labour are given in nature (by God?) and not produced for a market. They are therefore of the highest moral value. So if these goods are made subject to the laws of supply and demand and become available for purchase by means of a third, even more sinister, fictitious commodity, namely money, then something is fundamentally out of kilter in that community. In notes titled ‘Community and Society’ formulated in 1937, Polanyi described the ‘treatment of human labour as a commodity, to be
bought and sold, like cucumbers’ as a ‘grotesque perversion of common sense’.¹ Yet this is what occurred in nineteenth century Britain.

Polanyi’s model is too simple for many critics. Historians point out that land and labour have been bought and sold since ancient times. For Marxists, Polanyi’s approach does not engage sufficiently with the sphere of production and lacks the rigour of their concept of labour power; for this tradition, his analysis of market society is superficially empiricist, because he fails to show how exactly capitalists exploit workers through the extraction of surplus value (Godelier, 1981). For Nancy Fraser (2014), Polanyi pursues a flawed communitarian approach. Above all, he overlooks the fact that many earlier forms of embedded labour, such as slavery and feudalism, were deeply oppressive. The rise of wage-labour was progressive to the extent that it brought emancipation from these dependencies, even though it was at the same time exploitative, as the Marxists insisted. Polanyi’s seductive concept, according to Fraser, must therefore be complicated by a more discriminating approach which pays attention to emancipation and also to individual liberties.

I shall complicate Polanyi’s narrative in a different way by focusing on work and the labour market in the longue durée of a Hungarian village. The essay is unashamedly personal, because I rely almost entirely on evidence of the village of Tázlár, where I have worked since the 1970s. In my early publications I outlined the complex interdependencies between farming households and a distinctive form of agricultural cooperative, the szakszövetkezet (Hann, 1980). Had I used Polanyian vocabulary, I would have described agricultural labour in this village as highly embedded (with the partial exception of an expanding day-labour component in the vineyard sector, though even here, in the hiring of napszámos, personal relations usually played a significant role). Though I was highly critical of some features of the socialist community, especially in the political sphere, I made no secret of my sympathy with socialist ideals, even though these were not shared by many villagers themselves. I can remember debating the choices available at the time of the ‘system change’ both in the village and in Budapest. Few of my acquaintances supported the re-named Hungarian Socialist Party in 1990. The villagers cast their votes overwhelmingly for the Independent Smallholders Party. In the capital, friends argued about the relative merits of the programmes of the Hungarian Democratic Forum and the Free Democrats. Perhaps influenced by my experiences in the countryside, I preferred the soft nationalism of the Democratic Forum to the rhetoric of civil society and market economy espoused by the more ‘cosmopolitan’ Free Democrats. Having lived through the impact of Margaret Thatcher on society and higher education in Britain, it seemed to me in 1990 that to embrace a ‘hard budget’ market economy of the kind theorised by János Kornai (1980) would bring no good to Hungary.

The apprehension I expressed at this time about the sudden impact of a new, disembedded market society (Hann, 1990) was perhaps exaggerated. Compared with most neighbours, especially Poland, Hungary’s transition in the 1990s was relatively smooth. But unemployment, already a problem in certain sectors and regions in the 1980s, increased almost everywhere. As de-collectivisation proceeded, the problems of ‘surplus’ labour became especially acute in the countryside. It did not take long

¹ Cited in Dale, 2016: 168, note 1905.
before the political rhetoric became coarser, reflecting the declining material conditions. As the embeddedness of the old market socialism gave way to the hegemonic forms of neoliberal capitalism, Viktor Orbán out-maneuvered the leaders of all the right-of-centre parties, eventually transforming the soft nationalism of the Forum into something much more virulent. One tool to theorise these transformations is Karl Polanyi’s (2001) notion of the ‘double movement’: the extension of the market principle evokes mechanisms of defence or protection in the society. Ironically, the marketisation process peaked under nominally socialist governments between 2002 and 2010. It was clear well before Orbán’s victory in 2010 that the socialists, bankrupt ethically as well as economically, were haemorrhaging support to new forms of populist reaction even in their traditional core constituencies (Kalb and Halmai, 2011).

I shall ask: in what sense, if any, can the Hungarian labour market be glossed nowadays as neoliberal? The first modest schemes to address unemployment through workfare were launched by socialist governments in 2009. Their massive expansion since 2010 stands in sharp contradiction to the principles of a free labour market. Yet some scholars have seen workfare as another facet of neoliberalism. Following Foucault, they argue that workfare serves a vital disciplinary or punitive function that complements the regular labour market (Wacquant, 2012). I shall argue that this analysis is inadequate, at least in the context of the countryside. In Tázlár, workfare schemes have established themselves in recent years. I interpret them not as distortions of some ‘pure’ labour market nor as the repressive underpinning of that market, but as a relatively benign instance of the ‘double movement’. These schemes are popular at the local level because they offer creative responses to the destructive logic of the market.

The privatised frontier in Tázlár

The village of Tázlár, about eighty-five miles south-east of Budapest, half-way between the Danube and the Tisza rivers, took shape as a product of the uneven impact of capitalism in Hungary (Hann, 1980; 2015; Szabadi, 1997). Small settlements existed here in the Middle Ages but they were destroyed by the invasions of the Tatars and later the Ottomans. When the Ottoman Turks were pushed back, Christian feudalism was consolidated afresh. Since the soils of Tázlár are relatively poor, this land was used for centuries as summer pasture by the inhabitants of various small towns in this zone of the Great Plain (classified by Hungarian geographers as the Danube-Tisza interfluve). In the course of the nineteenth century serfdom was abolished and expanding population pressure, in the absence of urban, industrial employment, led to the colonisation of even such infertile regions. Immigrants bought parcels of land of varying size as private property. They built their new homes (tanya) on these estates, but their freedoms remained qualified by geographical isolation and lack of development. Only after socialists came to power following the Second World War was there substantial investment in the infrastructure of a nuclear centre and pressure to give up the isolated farmhouse in favour of a village dwelling with modern facilities. Population peaked mid-century at around 4000.
From 1950, the purchase and sale of land was prohibited and the holders of an above-average acreage were vilified as rich peasants (kulák). Villagers came under pressure to join socialist cooperatives, which infringed the remaining property rights of owners in order to establish larger fields, better suited for mechanised agriculture. When they did so, however, they offered individuals compensatory plots elsewhere. Land was suddenly no longer such a scarce resource as many villagers moved away to work in industry. For those who remained, jobs were generally available in the cooperative. But most villagers of the Danube-Tisza interfluve preferred to continue family farming and, due to the importance of the vineyards and orchards surrounding scattered tanya, they were spared the rationalisation imposed in most of the rest of the country.

Tázlár villagers were forced to join a cooperative as members, but they did not have to work for it (beyond a nominal six days per year, which could be commuted into a cash payment). The cooperative helped them, by providing cheap fodder, fertiliser and marketing assistance, to become prosperous family farmers. This symbiosis of cooperative and peasant household was an extreme ‘private’ variant of a pattern found throughout rural Hungary (Swain, 1985). Elsewhere, villagers generally spent more of their labour time in the collective sector, where eventually, as in urban factories, they were remunerated in wages rather than on the basis of their ‘work units’. But everywhere the ‘household plot’ was a focus for ‘self-exploitation’ in the manner classically identified by Alexander Chayanov (1986) for the Russian peasantry prior to Stalinist collectivisation. Overall, the Hungarian variant of collectivisation was a great deal more successful than the Soviet prototype, economically as well as socially. Even before the formal adoption of the ‘New Economic Mechanism’ in 1968, Hungarian agriculture boomed; salami was exported to Italy, and villagers benefited from the conjuncture (and their own hard work) to build lavish homes with bathrooms and even import cars from the West in addition to the standard Soviet models. Iván Szelényi (1988) hailed this process as ‘socialist embourgeoisement’. Tázlár was not statistically representative but it exemplified the patterns of market socialism. That is why I chose to do fieldwork there. On the face of it, this was a remarkable story: thanks to the symbiosis of cooperative and household, the diminution of property rights was associated with economic prosperity, contradicting the economists’ assumption that efficiency is impossible without strong private property rights.

Despite the success of Hungarian collectivisation, the old ideology of private ownership was tenacious. It became politically decisive with the demise of the regime. The socialist cooperatives and state farms were privatised, a long drawn out process which did not guarantee former owners restitution of their patrimony and frequently led to bitter disputes within communities and even within families (Hann, 2006). With the collapse of the socialist symbiosis, the withdrawal of subsidies, and the disappearance of markets in other eastern countries, farmers have struggled to produce and to find new outlets. Accession to the European Union in 2004 brought the potential for a different source of agricultural subsidies for the new private owners. However, the land in Tázlár produces only a fraction of what it produced in the last decades of socialism. Given the low productivity of local soils, much of the surface is left fallow, overgrown with weeds (including vad dohány, which in theory might be
processed illegally as marijuana), and grazed by sheep. The village remains statistically unrepresentative, as it was under socialism. In other regions of rural Hungary the market in land is more active and prices have risen in recent years. Even Tázlár has a few entrepreneurial farmers who have managed to build up substantial businesses through acquiring suitable plots for cash. Grapes and wine are the principal products. The only other lucrative branch of the local agrarian economy in Tázlár is the mass production of poultry and foie gras.²

**Labour in Tázlár**

This zone of the Great Plain was resettled following the abolition of feudalism. Some large estates with semi-servile (or semi-proletarian) labour forces working under farm managers persisted into the twentieth century, but the dominant economic form following the large-scale parcellisation of the 1880s was the Chayanovian family-labour farm. The principal determinants of the division of labour were age and gender. A high proportion of what the household consumed was produced by the labour of household members even if the wider economy was becoming increasingly commercialised Tázlár households marketed their surpluses in the neighbouring towns and as far afield as Budapest, which was easily accessible by railway from the 1880s.

As in the much older settlement examined by the Hungarian ethnographers Fél and Hofer (1969), not all Tázlár households were able to achieve the ideal of the self-sufficient ‘proper peasant’. This was never a community of equals. As in the Russian case analysed by Chayanov, some of the inequalities could be explained by the developmental cycle of the domestic group. Households with a high ratio of consumers to workers (i.e. they had many children and/or infirm elderly) had to work harder to produce the food supplies they needed (Sahlins, 1972). An active market in land facilitated the necessary elasticity. Some households purchased or rented an extensive acreage when they had many mouths to feed, without thereby changing their social standing.

But not all inequality was of a demographically-determined kind that evened out in the course of the development cycle. Some of the households most in need of additional plots lacked the resources to obtain them and/or the skills and equipment needed to farm in the first place. Land was the prime determinant of social class, and the transfer of labour was the principal means by which this hierarchy was reproduced. Prosperous households in need of labour to farm their larger acreages could use money to meet their needs by hiring day labourers (napszámos) at peak periods (notably when harvesting wheat and grapes). Labourers could also be hired for longer periods. However, more important than such flows of cash was the institution of farm servants (cseléđ). Poorer households formed links with the wealthy via their children, who were typically allowed to visit their native families every second Sunday and remunerated in kind rather than in cash. These arrangements often persisted over generations. They were not sufficient to alleviate mass poverty,

² It is said locally that much of this produce ends up on the French market, partly because the production methods used in Hungary are deemed inhumane and are no longer legal in France.
especially during the Great Depression. In 1932 the local government provided aid to 331 village residents who would otherwise have faced starvation. The able-bodied were obliged to perform public work (közmunka) in return for the wheat they received (Szabadi, 1997: 109).

Such public works programmes were superfluous in the socialist decades. The institution of the cseléd disappeared in the course of the 1950s. The practice of day-labouring faded even earlier as the last major landowners were expropriated in the post-war land reform. Most left the village; wealthy farmers who remained were pilloried as kulák, the class enemy, in the repressive climate of the 1950s. The problem was that, especially in zones of poor natural endowment such as Tázlár, even the proprietors of relatively large holdings might barely be self-sufficient, let alone exploitative landlords. Communist power holders targeted everyone who met the criteria laid down nationally, and sometimes went out of their way to harass uncooperative individuals irrespective of their wealth and standing. One well-known case in Tázlár was that of Jani, born in 1929 into a family of poor peasants but adopted at the age of seventeen by an unrelated, more prosperous family which lived on a neighbouring tanya and lacked a male heir. Jani’s rural-proletarian background did not prevent his being classified as ‘kulák progeny’ in 1950 and sent off to the army for 27 months of forced labour. Back in the village, he again ran into trouble with the authorities in 1956 for allegedly damaging a statue of Lenin. He was imprisoned for four weeks before the charges were dropped for lack of evidence. Eventually he was allowed to resume work on a family farm now reduced in size to ten acres (Pavlovits, 1990: 41-2).

Socialist power holders encouraged cooperatives, an institution hitherto foreign to communities such as Tázlár. The early cooperatives were dominated by poor peasants who lacked the resources necessary for viable family farming. They did not function well. In a climate of political repression, members squabbled over the value of the resources they had contributed, which was often recorded at well below the market price, and of the ‘work unit’ (munkaegység) which formed the basis of their remuneration. Rationing was introduced when harvests failed in the early 1950s. The monetised economy was distorted and diminished in comparison with the pre-socialist era. The majority of ‘proper peasants’ resisted socialist institutions as long as they could. However, when the government of János Kádár imposed mass collectivisation between 1959 and 1961, virtually all Tázlár villagers were obliged to sign up. Unlike earlier schemes, this time the authorities were careful to nominate leaders who enjoyed the trust of their fellow villagers. To his surprise, given the class background of his adoptive family, Jani was proposed as chairman of one of the three new cooperatives. The institution was named after the Hungarian national hero Lajos Kossuth and not, as earlier cooperatives had been, with an alien socialist name or slogan. Jani served as chairman until 1971. The Tázlár cooperatives fused to form a single much larger entity in 1974, known as the Peace. During my first fieldwork in 1976-7 Jani was still a member of its leadership board and he took a friendly interest in my research project.

Socialist collectivisation generally meant the rapid transition to an ‘industrial’ division of labour. In most states, remuneration according to work-unit was eventually replaced by a wage-labour regime similar to that implemented from the beginning in
At the same time, industrial investment created new factory jobs. From the middle of the century onwards the population of Tazlár fell as peasants, especially from the poorer strata, moved away to take their chance in the city. Because housing was in short supply, others commuted to industrial workplaces while continuing to reside in the countryside and engage in farming on a part-time basis. In one way or another, the old ideal of the family labour farm was rapidly supplanted by a system in which at least one member of the household engaged in wage labour. Even these workers contributed significantly to production based on the ‘household plot’.

In the absence of any requirement to work more than a nominal six days for the new cooperative, yet supported by new mechanised technologies introduced by the socialist institution, the old populist ideal of the family-labour farm was rendered more achievable than ever before. In practice, most households depended heavily on the cooperative for fodder supplies and mechanical assistance. But I knew some in the 1970s who did their utmost to adapt traditional solutions to avoid the socialist institution, which they mistrusted deeply. The reasons were clear. In the words of the village chronicler, ‘There was never any concrete link between the results of the cooperative and the incomes of individual members .... Members remained convinced that the performance of the socialist sector was bureaucratic and ineffective. The leadership could not make working for the cooperative attractive to its members.’ (Szabadi, 1997: 140-1) Many, including Jani, continued to plough small plots with a horse in the traditional way. Presumably they found this work satisfying, or at any rate more satisfying than the alternative of working for the socialist institution. As a chairman, Jani found himself spending quite a bit of time coordinating plans in the central bisztró with other cooperative officials. His widow recalls that he seldom came home sober on the days when he ‘did the chairman’s business’ (elnökösködött). But he and the great majority of cooperative members managed to steer clear of the practices of both the work unit and wage labour. Presumably their satisfaction increased when they stepped up their ‘self-exploitation’ in order to slaughter more than one pig in the winter, and later to sell more animals through the cooperative for cash, which they then used to acquire materials for house-building and a burgeoning range of consumer goods. The cash economy expanded rapidly. Hungarian ‘goulash socialism’ diverged significantly from the paths pursued in neighbouring socialist states, and it penetrated the village from its beginnings.

Although villagers were suspicious of socialist institutionalised cooperation, they continued to cooperate according to their own norms, free of bureaucratic interference. Work groups were common at harvesting. New forms of cooperation developed to facilitate the labour process, e.g. when Jani joined forces with an unrelated household in the village centre to share the costs of maintaining the single horse that sufficed to meet their farming needs. Voluntary cooperation was most conspicuous in house-building, which peaked during the 1960s-1970s. These were primarily joyous occasions blending productive labour with eating and drinking. Wedding celebrations also required extensive cooperation (Vidaes, 2015). The sums
raised in this way constituted a communal endowment for the new couple. These weddings were a graphic demonstration of material prosperity and of the value attached to the post-peasant way of life (Hann, 2014; Sárkány, 1983).

Not everyone opted to avoid socialist workplaces and the discipline of wage labour. Admittedly, this discipline was generally lax. Workers made redundant for poor performance, or even for the theft of socialist property, generally had little trouble in finding another job which would bring more or less the same remuneration, either in the factories at nearby Kiskunhalas or within Tázlár itself. More white-collar positions were available to both men and women in the Peace cooperative’s headquarters in the village centre following the 1974 fusion. Manual jobs as tractor-drivers or labourers were generally a male domain. Men and women worked in the brigades of the Kiskőrös State Farm, which built up large vineyards on the outskirts of the village. Women had other wage-labour jobs available to them for the first time, notably in ancillary units of urban factories and later in small-scale units operated by the Peace cooperative itself. These jobs required little or no skill and seemed on the surface to be extremely monotonous. Yet they were appreciated not only for the income they brought and the pension rights which accrued, but also for their sociality. They were possible because, in line with the general socialist policy, a kindergarten was opened in the village in 1962. All children had their main meal provided at the daycare centre. Patriarchal traditions undoubtedly persisted and women continued to shoulder the greater burden of domestic tasks, including the raising of animals in the yard and tasks in the vegetable garden. Nonetheless, the socialist shift to wage-labour that emancipated male villagers from the dependencies of cseléd status was experienced as progress by women as well as men.

Within the cooperative a distinction emerged between members, generally those who took significant items of equipment and land into the collective sector when they joined, and the expanding workforce, most of whom were not members but employees (alkalmazott). The labour force of the state farm was more thoroughly proletarian. These employees were much more likely to stem from poorer families (the better-off tended to encourage their children to obtain qualifications and move away from the village). The distinction between the member and the employee had implications for social security entitlements (not until the postsocialist period were farmers who had opted to continue family-farming able to claim comparable pension rights). But neither group could be considered ‘precarious’ labour. Members were entitled to an ‘allowance’ (járadék) if they handed over their plots to the cooperative when they became too old to work them; but it was also still possible to transfer property to one’s children in the traditional way.

By the time of my fieldwork in the mid-1970s, the political vulnerability of the Stalinist years had passed (though not without leaving an indelible mark on its many victims), and the economic precariousness of this poorly endowed frontier environment had been effectively conquered by the ‘market socialist’ symbiosis. In terms of values, however, the traditional emphasis on physical work in a labour process under one’s own control continued to dominate (Fél and Hofer, 1969; Lampland, 1995).

I do not wish to idealise these late socialist conditions. In my first book I highlighted some of the negative aspects of these new divisions of labour (Hann,
Many villagers had punishing routines, e.g. getting up at dawn to commute to a factory job, returning in the early afternoon, and then working till late in the evening in their fields or around the tanya. The work they carried out ‘for themselves’ was not necessarily any less alienating than that undertaken in the factory, e.g. the weeding of vegetable plots (perhaps cucumbers), or the cleaning of pig sties. I argued that a higher form of socialism was desirable in order to curtail the opportunities for such self-exploitation. Few villagers themselves would have agreed with the Western anthropologist: to have more orthodox socialist institutions forced upon them was the last thing they wanted. No doubt they would have preferred to be able reap the same consumer benefits on the basis of more humane working lives and fewer hours of drudgery. High levels of alcoholism and other diseases were additional facets of this ‘market socialism’. But people made their choices voluntarily (today we would say that they exercised agency), albeit shaped by status competition and the rising expectations of the younger generation. What business could it be of the anthropologist to critique these patterns and, worse, propose alternatives which were an ideological anathema to the villagers themselves?

My own diagnosis was also influenced by the fact that, by the time of my first fieldwork in the 1970s, new social inequalities were beginning to emerge within the framework of this socialist symbiosis of public and private. Male and female villagers were again being recruited as day-labourers to meet the needs of prosperous families, especially those who, encouraged and subsidised by the late-socialist state, had invested in vineyards and needed labour at peak periods. Payment was in cash, usually supplemented by generous hospitality throughout the day (food and also drink). This payment was not taxed or officially monitored in any way. Until late in the socialist era it was not legally possible for family farmers to employ workers, either permanently or temporarily. But the ‘market socialist’ state turned a blind eye to these developments. In my doctoral research, I noted that economic prosperity in this nominally collectivised community was increasingly characterised by stratification patterns and commodification of labour similar to trends in the capitalist West.

In the 1980s, the cooperative began, under new, more technocratic leadership, to operate more and more like a profit-maximising business. It cut back the number of individuals on its payroll. While it continued to provide jobs for several dozen workers, mostly female, in its non-agricultural, sideline activities, it broke up its socialist brigades and privatised its tractors to their operators, who operated henceforth as independent entrepreneurs. Support for household farming continued. The socialist ideological aspiration to build up a ‘factory in the countryside’ was abandoned in favour of a reaffirmation of the rural household as the key component of agricultural production.

More dramatic shifts followed the ‘system change’ of 1990. The land was privatised and the assets of the cooperative were distributed according to a complex formula which took account not only of the value of assets contributed but also to the value of produce sold through the cooperative (from which the institution deducted its commission) and the value of the work contributed (by employees, as well as members). The upshot was a rapid decline in employment opportunities in the village. The workshop which produced shoe uppers lasted until the end of the century before it collapsed. The only ancillary unit which has survived down to the present is
an enterprise which produces plastic bags. It was bought out by its managers and, after cutting back on staff, stayed in business by paying wages said to be significantly below the national minimum. In the absence of any alternatives, even these jobs are coveted. The local government has not been successful in attracting investment to the village. A few young men have found work at the new Mercedes factory in the county town of Kecskemét, almost an hour away. Others have sought their fortune abroad, e.g. in the hotel sector in London. My impression is that men are more mobile than women, notably as long-distance drivers; but the latter are by no means immobile. One friend returned to the village after domestic employment in New York and was able to find work at the cooperative’s shoe workshop while it was still operating; but she found this work dissatisfying and chose to return to the US after a short period. Eventually she married her much older employer in order to be able to stay on permanently. I have not seen her for over a decade and I do not know what she thinks about her life and work today; some villagers are critical and report that she is much missed by her four children, now young adults scattered around Hungary and abroad.

It is easy to understand why some people make such decisions. If wage-labour jobs can be found locally at all, the wages they pay are typically meagre. But unlike in the socialist era, when wages were similarly low, the labour discipline is now tough. The owners stress that no jobs are secure in this climate, and so there can be no opportunities for relaxed socialising at the workplace as in socialist days. The private owners of the plastics workshop justify this discipline and low wages with reference to cut-throat competition in the sector.

In the socialist era, the factory jobs (the same logic applied to many white-collar workers) were complemented by the persistence of the family-labour farm, i.e. the production of agricultural goods both for auto-consumption and for sale. Here one could exercise more control over one’s labour process and, while the work was sometimes gruelling and smelly, the material rewards were considerable. This option is hardly available in the new century. Most households still make some use of their vegetable gardens (primarily women’s work, as it always has been) but almost everyone agrees that, since the end of the socialist subsidies, the labour-intensive raising of animals no longer pays. Most families no longer bother to slaughter a pig; if they want to prepare sausage in the traditional way, it is cheaper to buy the meat at a German-owned supermarket chain in one of the nearby towns (Vidacs, 2015). The housebuilding boom came to an end in the 1980s. According to some local estimates, up to one quarter of village houses are now empty and potentially available for purchase - but there are no buyers. The total population has fallen to around 1700. In short, the workaholic village I knew in the 1970s has morphed into a village in which remaining residents of all age-groups spend a lot of their time sitting in front of the television. The range of goods potentially available in the monetised economy is greater than ever before, but village lifestyles are constrained by lack of cash. They get by through transfer payments from the state combined with some minimal gardening.

Very few villagers have the resources to build up capitalised family farms. Those who have succeeded with vineyards or poultry have need of non-familial labour. If they employ others, full time or part-time, they are legally obliged to register this labour. In some cases (in Tázlár there are very few) long-term relationships have been established, apparently congenial to both employer and employed. A wealthy
employer is able to provide a range of supplementary benefits, including housing. Long-term trusting relationships may make it easier to circumvent the rules of the state. For example, it used to happen quite often in the richer villages of the region that a worker was made redundant and replaced by a neighbour. The first man then drew unemployment benefit, before returning to his old employer when his neighbour replaced him at the job centre. The deception lay in the fact that, in practice, both were expected to be at the beck and call of the employer, especially at peak periods.  

Due to the demand for seasonal labour, the institution of the napszámos has persisted. In the 1990s and 2000s, this need was met mainly through a seasonal influx from Transylvania. Ethnic Hungarians, but also Romanians and Roma, could earn enough during the summer season in Hungary to keep them going in their native communities for the rest of the year. This was only feasible to the extent that the state continued to turn a blind eye to this illegal employment, as it had in the last decades of socialism. This has changed under Viktor Orbán in the third decade of postsocialism. Under pressure from the EU, the Hungarian state is obliged to control who is working where, and to sanction those farmers who hire labour illegally in order to avoid having to pay their social insurance contributions.

This creates dilemmas. The farmer with the largest vineyard acreage is working with his son and daughter to expand the estate and to develop new bottling and marketing capacities. He employs one full-time worker, skilled in operating all the sophisticated machinery, and pays the prescribed employer’s contributions. But in spite of the machines, he still depends significantly upon seasonal labour to harvest his grapes (because not all vines are equally suited to mechanical harvesting). If he were to declare every last napszámos employed, his margins would be significantly cut. Those who work for him understand this and accept that the money they receive would have to be reduced if their employer were to pay the prescribed contributions. As foreign citizens, they do not consider it likely that they would draw any long-term benefit from completing all the paperwork which the state bureaucracy formally requires them to complete. The daily rate in 2014-5 was less than twenty euros for a ten hour day. The generous provisioning of food and drink which characterised such work parties in the past has been eliminated.

In addition to foreign labour, some local families, too, are dependent on the napszám work as a source of income – as was the case before socialism, and again in the last socialist decades. Some of these families have long histories of alcohol abuse (cf. Cash, 2015). Other villagers comment that extending the reach of the state to ensure that every day of labour is recorded, in order to comply with social insurance and pension regulations, does not serve the interests of this vulnerable section of the community. Rather than risk expanding their vineyards and increasing their dependency on such labour, it is said that entrepreneurs will not invest; or they will invest, but only in machine-harvestable vines; or they will hire only foreigners, who are unlikely to object if social insurance contributions are not paid.

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4 I documented such scams at the beginning of the century (see Hann 2006); since 2010, the rules have been tightened (unemployment benefit is payable for three months only).
As in the 1930s, the local government now organises ‘workfare’ (közmunka) in order to help local families in need. After tentative beginnings under the socialist government in power until the spring of 2010, workfare schemes were expanded nationwide under the national-conservative government led by Viktor Orbán. During this period, swingeing cuts have been imposed on social expenditure, including unemployment benefits (Szikra, 2014). However, far from imposing neoliberal principles, the government has explicitly celebrated its illiberal paths in every domain. It has intervened in the economy in drastic ways. National leaders, notably the Prime Minister himself, have evoked the old peasant values and laid heavy emphasis on the moral value of work. Whereas socialist ideology had emphasised the importance of productive labour in conditions of full employment, the message today is that workfare schemes can lead the unemployed back to employment on the regular labour market. Even while receiving less than national the minimal wage, participants receive more than basic welfare allowances. They are supposed to internalise the discipline of labour, setting a good example in their households, and contributing to a national revival. Critics allege that there is no evidence that such schemes do in fact help individuals to find regular long-term jobs. By including such workers in the statistics of those gainfully employed, the government is accused of concealing its poor record in addressing the root causes of unemployment. On the other hand, researchers into rural workfare have documented a high degree of acceptance and even popularity at the local level, especially in small communities where state funding has dried up (Váradi, 2016).

Although workfare schemes have been introduced in urban contexts as well, including the capital city, they have been particularly salient in the countryside. The detailed implementation guidelines have changed frequently and there is considerable regional variation. Schemes typically run for a few months at a time. Activities are scaled back during the winter months, because most of the tasks are outdoor and seasonal. Many are directly connected with the land, including the maintenance of parks and sports fields. The numbers involved also vary. Villages with a large Roma population commonly have high numbers of participants (Szőke, 2012). Although the scheme is nominally administered by the employment office of the district to which the village belongs, in practice the local mayor has the most important voice in determining who should be invited to participate, according to his own assessment of who is ‘deserving’. These schemes have thus placed significant new resources in the hands of local leaders.

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5 In addition to interference in labour markets, Orbán’s government has not hesitated to address the other ‘fictitious commodities’ of land (e.g. re-nationalising farmland, especially close to the Austrian border) and money (e.g. in assuaging the debts of households that had taken out mortgages in Swiss francs. See Szikra (2014) for further examples of deviations from neoliberal principles.

6 See Jakab, 2014 for an account of how an intellectual unable to find employment appropriate to his qualifications was obliged to join a poorly organised workfare scheme in Budapest in order to qualify for basic social benefits.
I spoke with the long-serving mayor and with the twelve participants in the Tázlár workfare programme in 2013 and 2014. Men and women were equally represented. Their ages ranged from early 20s to late 50s, and they were certainly not subject to any general stigma in the community. The mayor stressed that he considered each individual case carefully on the basis of what he knew about the individual and his or her household needs. If the worker did not turn up punctually and work in a disciplined manner, dismissal could follow; or, more likely, no new contract would follow when the present contract expired. All contracts are short-term. The men had a small stock of machines and were most visible in the central park and in maintaining pavements and verges throughout the village. The women spent a lot of their time in vegetable production on the twelve hectares of community-owned plots just outside the village. The mayor relied heavily on a male ‘brigade leader’ to ensure that tasks were carried out as agreed; he was dissatisfied with the performance of the female participants, who he thought spent too much time being convivial. In four years he was not aware of anyone who, on the basis of workfare experience in the village, had proceeded to regular employment.

In 2015 I was surprised to find that, within the framework of the ‘Start program’, workfare in Tázlár had been significantly expanded from 12 to 34 participants. The community’s new mayor (from October, 2014) is a teacher of physics and sport at the village school and a member of the Fidesz party (Hann, 2016). In the summer of 2015, he told me, two workfare participants were carrying out clerical work in the municipal office. As throughout the country, however, the main emphasis of the Start projects was on productive activities on community-owned plots. In Tázlár they had decided to specialise in the labour-intensive branch of courgette (zucchini) production. Roughly one third of their output is used by the school kitchen, thus saving the costs of purchase. A further third is sold on the open market, thus generating a small but significant source of additional income for the community. Finally, one third (of inferior quality or at any rate appearance) is distributed among the workforce and consumed by their families or fed to their animals. The new mayor lives quite close to the community plots. He and his wife, who is an elected councillor, supervise in the labour themselves on a regular basis. Like his predecessor, the mayor stresses the need to maintain discipline. But he is also flexible enough to allow a good worker to take holiday time when he is needed for some other, more urgent task as a day-labourer in the private sector (e.g. harvesting elderberries or grapes). It is possible to combine both jobs in the same day. In no sense can the programme be considered punitive. As Monika Váradi (2016) argues, workfare has been embedded in the fabric of the community. It exemplifies the ‘human face’ of government policy. At one point in the summer of 2015, when the courgettes needed to be harvested every day, the Tázlár mayor requested his workforce to put in an extra shift on Saturday or Sunday. Only 7 out of 34 turned up, despite the assurance that they would be generously compensated with days off in lieu once the peak period was over. The mayor was not pleased, but he was in no position to enforce sanctions. So far only one worker has ever been dismissed (‘she only managed to peel five carrots in an entire morning - a hopeless case’). One participant had recently left the programme for a job in the private sector but was made redundant again shortly afterwards.
These villagers work to produce courgettes but they are not themselves substitutable ‘cucumbers’, as Karl Polanyi caricatured the capitalist labour market. Each individual has his/her own history. Let me introduce Berci, the son of Jani, the cooperative chairman, whose biography I introduced above. Berci was born in 1961 and I have known him since he was a schoolboy in the 1970s. At this time his father still lived on his tanya about a mile outside the centre. Berci has lived there alone since 1999. A marriage in the 1980s proved to be short-lived. Berci drinks, though not too heavily (by local standards). He took over responsibility for the family farm when Jani became infirm and moved into the centre with his wife; but unlike his father and younger brother, Berci was not content to become a full-time farmer. He is a skilled worker but his trade (tiler) offers few opportunities locally. He changed jobs frequently before the end of the socialist era, alternating factory work in a nearby town with stints working for the cooperative as a shepherd and as an unskilled worker at the shoe workshop. His longest period of employment was with the local oil enterprise. Made redundant when this firm imposed massive cuts in 2004, Berci has not had a regular job since. Workfare suits him because he generally enjoys the tasks set by the mayor. He is praised by his employer for carrying them out well and setting a good example to the others. As a result, Berci’s contracts have always been renewed. He knows that his job is insecure. During the summer months he knows that he could earn more in ten days as a napszámos than he does from working an entire month as a közmunkás (just over 50,000 forints or roughly 160 euros in 2014). But he would not consider such an alternative – the discipline and monotony of day-labouring would not be pleasurable at all. Berci’s outgoings are limited, partly because he lunches most days with his widowed mother, who lives alone in the village centre. She cultivates a plot here, while he keeps a few chickens, pigs and sheep at the tanya. He is especially proud of his horses, a love he has inherited from his father, though nowadays these animals serve no economic purpose.

Berci’s younger (three years, almost to the day) brother Albert has followed a very different path. Albert preferred to hang out with his grandparents in the village rather than attend vocational school at Kiskőrös. His truancy record was so bad that he failed to obtain any qualifications and has never been employed. Yet like his brother he has always worked. After marriage, he moved in with his in-laws in a neighbouring village and eventually took over their farm. He has been a fairly successful ‘family businessman’ (családi vállalkozó), initially specialising in geese and later in ducks. Albert is paying in to health and pension schemes privately. He has raised two children, one of whom qualified as a forester and worked briefly in that branch before being made redundant.

Villagers not taken on for the közmunka scheme and lacking other sources of income are obliged to meet their cash needs by working as napszámos, legally or illegally. As noted, expenditure can be kept low through subsistence gardening. The concept of precariat has been developed with reference to urban, industrial work (Standing, 2011). But it might be extended to rural contexts such as Tázlár, where work opportunities have greatly diminished since the socialist era and migration becomes a very common strategy, especially for younger people. Very few villagers are so vulnerable that their subsistence is threatened, but the hopelessness of their situation is such that even the most uncertain, precarious jobs abroad are preferred to
a rural rhythm which involves some two or three months of intensive labour for new elites and nine or ten months of vegetating. In this context, virtually all villagers welcome the expansion of the workfare programmes. I heard criticism from a successful vineyard owner who deplored the fact that taxpayers were funding a ‘social cooperative’ (szociális szövetkezet). Yet even this individual conceded that working for the community in this way was a healthy form of self-discipline for those concerned, and preferable to the widespread abuse whereby able-bodied villagers drew state benefits while working illegally in the private sector). No one in Tázlár supposes that that those employed growing courgettes are more likely to find ‘real’ jobs as a result of this experience. On the contrary, the job might be a trap, since everyone is conscious that a new government might eliminate the schemes with a stroke of the pen. But for the time being, although no one ever phrased it to me in this way in Tázlár, this public opportunity to work can be seen as a popular response to the dramatic impact of the market over the two preceding decades. It is a significant element of the current ‘double movement’ (as theorised by Polanyi, 1944): Hungarian rural society, resentful of capitalist market society as it has evolved since 1990, is grateful for this opportunity.

**Conclusion: from soft budgets and soft nationalism to the harder stuff**

In the spirit of Nancy Fraser’s (2014) revisionist critique of Polanyi’s notion of labour as a fictitious commodity, I have considered productive tasks and the form of their remuneration in Tázlár in a long-term historical framework. Traditional peasant farming was characterised by oppression, class exploitation and alienation. In the socialist era, following the quite different forms of oppression which characterised the Stalinist period, a new configuration emerged. This allowed villagers to combine new forms of wage-labour with Chayanovian family farming in which, thanks to new technologies, drudgery levels were significantly reduced; the extent of self-exploitation was largely voluntary and alternatives were readily available. The postsocialist era has seen the intensification of class differences and new forms of precarity. These developments are commonly glossed as neoliberal. However, focusing on workfare, the most controversial policy of the present Hungarian government for dealing with the adverse consequences for employment of the country’s weak structural position in contemporary European and global capitalism, I have questioned the usefulness of this classification. Far from being punitive, at least in the countryside these programmes have been almost universally welcomed, both by the participants and by other villagers.

The workfare measures practised in Tázlár in the 1930s and again today are very different from the Speenhamland system of poor relief analysed by Polanyi (2001 [1944]). Today the men and women who receive a job from the mayor are registered in a national scheme, they perform a full working week for the community, thereby accumulating long-term entitlements as well as their daily bread. This employment is not perceived as degrading by the beneficiaries. From the point of view of the economist, the közmunka programmes are inherently flawed, a legacy of the decades of market socialism, when Hungary established a welfare state for its citizens ‘prematurely’, before the economy was strong enough to warrant such generosity (see Kornai, 2007). But it is also possible to view the workfare programmes as the more
benign aspect of a counter-movement to the rise of a capitalist market society in Hungary since the end of the Kádár era. The soft budget constraints and soft nationalism of the late 20th century have morphed into harder variants of both. But, at the local level, malignant nationalism is tempered by benign new forms of embeddedness. For the mass of villagers who vote for Viktor Orbán and sympathise with his populist-nationalist rhetoric (and that of the more extreme Jobbik party), these programmes are a welcome opportunity. The jobs may be temporary and precarious, with little if any prospect of leading to long-term employment on the regular labour market; but communal work in one’s native village is widely perceived to be an attractive alternative to the uncertainties of migration or the more strenuous fluctuating rhythms of day-labouring.

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