

HOUSING ORGANIZATIONS IN HUNGARY AT THE TURN OF THE 1980/90

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I. GENERAL BACKGROUND

1. General Economic Environment

The worsening of the economic situation in the country - currently felt by policy makers as well as a broadening range of the population - has been going on since the late 70s. A slowing increase of the GDP could be maintained until the late 80s through foreign loans, but due to a debt-crisis (and, of course, other economic circumstances) GDP started to decrease in the early 90s. During this long period the living standard and real wages of the population has steadily decreased. Government expenditures and social expenditures of the

budget have not decreased at the same rate, which can be primarily explained by political considerations to mitigate the emerging social tension.

2. Housing and Housing Policy

Formation of a New Structure of Housing Expenditures in the Government Budget

Here we intend to give a brief summary of how housing policy was affected by the previously mentioned economic processes: While in the second half of the 80s both the GDP and social expenditures of the budget as well as incomes of households - nominally - doubled, housing assistance of the Government budget increased from HUF 9 milliard in 1985 to HUF 69 milliard in 1990 (770% increase). However, whereas the proportion of housing assistance within the GDP tripled, consumer subsidies, considered equally important, fell back to one third of their previous percentage, and budgetary subsidies for construction companies and local governments decreased as well. To sum it up, the inner structure and philosophy of Government subsidies for housing essentially changed.

Subsidising state housing construction and maintenance through enterprises and local governments was drastically cut, however the system of low interest (state subsidised) bank loans for individual housing construction was retained. As interest rates on loans were sharply increasing, caused by the accelerating inflation, this subsidy expenditure in the Government budget grew exponentially until the turn of the 80/90, when the system of interest subsidies was significantly altered, i.e. cut in order to reduce the burden on the budget.

Owing to the worsening of living standards and cuts in Government subsidies, the rate of state (and local government) housing construction has gradually faded to zero. Due to inflation, changes in demand and interests on loans as well as the introduction of several new taxes the volume of individual housing building has dwindled too (though its proportion has increased). (See appendices.)

Housing Regulation System

Regulations and legal environment of rental housing in local government ownership has remained essentially unchanged in the period under examination. However, as a "compensation" for severe cuts in subsidies related to the maintenance of rental units sitting tenants have been given additional ownership rights and obligations. Although the majority of local governments has not raised rents even after 1990, has separated them from the sharply growing utility charges which currently tend to exceed rents. District heating charges have significantly grown, which affects in the first place working class

households living in housing estates (high-rise blocks of pre-fabricated panels) of the "quasi-welfare socialism"; electricity, gas etc. have become more expensive too. Ineffective IKVs (Real Estate Management Organizations) under local government control have "withdrawn" from the units, thus all maintenance and repair work has been left to the tenants. At the same time a quasi market of rental housing has been operating, i.e. tenants can exchange rental units in a sales-purchase way, regardless for what reason the local government allocated them the units.

All these things that have changed and that have remained the same have led to the gradual self-elimination of the rental housing sector by the early 90s - the most important transformation in the sector. (This subject will be discussed later).

Major characteristics of housing policy in the period under examination:

- set rents for housing in state (local governments) ownership
- transfer of ownership of state housing to local governments
- sharp increase in maintenance costs
- dynamic cessation of budget subsidies
- further widening of the gap between deteriorating conditions - maintenance/renewal
- sales of rental housing in local government ownership to tenants
- changes in regulation concerning rents and in privatization of rental housing in local government ownership only at the end of the period
- increase in costs of housing construction, purchase, private-market renting exceeding the rate of inflation
- worsening of loan conditions (interest levels).

3. Political Changes and Transfer of Assets

Of course it is not within the scope of this study to present, let alone analyze historically significant political changes that have occurred and processes that have been going on since 1990 in Hungary and in Eastern-Europe as a whole. Nevertheless it is necessary to mention some of the most important events.

Parliamentary Elections in 1990

In the spring 1990, after four decades of totalitarian rule, free, democratic, multi-party elections were held in Hungary. A characteristics of the political transition in Hungary was that by that time the Communist Party, previously in full power, organizationally and politically had considerably weakened due to an economic crisis, and to reform processes in communists parties abroad and at home, as well as to domestic opposition movements offering political alternatives. At the same

time newly created civil political parties with the technocrat-reform wing of the Communist Party formed the so called Opposition Round Table, a tool to negotiate the schedule and process of a peaceful change of regime as well as a legal framework for the most important political and constitutional institutions serving the transition and to identify persons for key positions in these institutions (Election Law, one-chamber Parliament, a representative president, Constitution Court etc).

The new Government was formed by right-centre, Christian and national parties (Hungarian Democratic Forum/MDF/, Independent Small Holders' Party/FKGP/ and the Christian Democratic Popular Party/KDNP/); liberal parties became strong opposition parties (Alliance of Free Democrats/SZDSZ/ and the Association of Young Democrats/Fidesz/); the Hungarian Socialist Party/MSZP/, successor of the previous Communist Party obtained but a few seats.

Parliamentary mandates May 1990

MDF	42.7
FKGP	11.4
KDNP	5.5
SZDSZ	24.4
Fidesz	5.7
MSZP	8.5
other	1.8

TOTAL 100.00

Local Government Elections; the New System of Local Governments

Within 6 months (Oct. 1990) after the formation of the new central Government elections were held to establish local governments. The outcome of the local government elections differed significantly from national elections owing partly to historical reasons, partly to disappointment in the central Government. In rural areas several previous local leaders have retained their positions, whereas in cities, including Budapest, liberal parties gained majority.

In each of the 22 districts of the capital with 2 million inhabitants bodies of representatives were elected. With one exception mayors came from liberal parties, and liberal parties won majority in the Assembly of the Municipality of Budapest, too.

Together with local government elections a new local government system was introduced in the country and in Budapest at the turn of 1990/91. In decision making the stiff, direct-command hierarchy of central Government-regional-local levels was abolished. Now each local

government may make its own decisions in compliance with law and taking financial possibilities into account. This system applies to the 22 districts of Budapest too. In the financial assistance to local governments by the central Government occasional assistance has become less significant and subsidies in relation to permanent activities, so called "normatives" have become dominant. The major part of real estate assets connected to communal services has been transferred from state ownership into local government ownership. Decentralization of decision making and assets ownership has not been accompanied by a parallel decentralization of financing: overwhelming majority of local government revenues is made up of central budget transfers.

After about a six-month period of confusion, in spring 1991 the relationship between Budapest and its 22 districts was regulated in the Municipal Act. District governments with their own budgets and bodies of representatives control primary education, health, cultural and social care; ownership of state housing and of state housing maintenance companies were transferred to local governments. The Municipality controls utility companies (gas, water, sewage and public transport etc), together with the central Government it finances major infrastructure investments (roads, bridges, water treatment plants, incinerators etc) as well as the operation of theatres, secondary education and hospitals.

Predicted Revenues of the Municipality of Budapest in 1993

Revenue	HUF milliard	%	
<u>1993/91 (%)</u>			
Central Gov. Subs. for operation (normatives)	16	27	125
Refunded personal income tax from central gov.	9	16	99
Subsidy from Soc. Sec. to operate hospitals	15	27	100

Total from central gov.	40	70	100

Own revenues	17	29	154
Other	1	1	69

Total	58	100	104

Loans	5	9	

 Total 63

Predicted Expenditures of the Municipality of Budapest in 1993

<u>Expenditures</u> <u>1993/91(%)</u>	<u>HUF milliard</u>	<u>%</u>	
Operating hospitals (Financed by Soc. Sec.)	16	26	96
Operating local gov. institutions	24	39	122
Public transport	9	14	95

Total operations	49	79	107

Investments, renewal	9	14	107
Reserve	5	7	

Total	63	100	116

4. Movements and Civil Initiatives and Their Places in the New Structure of Local Governments

Transformation of the political and local government structure has indeed created a new environment for civil organizations and initiatives. Changes in the environment had begun well before the change of regime, though there was not a great number or many types of independent civil organizations in the period prior to the creation of political parties.

Civil Initiatives and Proto-Parties

Civil initiatives (some with political goals but the majority only with indirectly political aims) have always existed in Hungary - description of them can be found in analyses of the second economy, second culture and second society. In fact the number and types of civil initiatives spectacularly multiplied in the years prior to the change of regime i.e. in the second half of the 80s. Political parties when coming into being heavily

relied on these civil initiatives and organizations both in terms of ideology and their activists and organisational structure. Indeed, new political parties, before their formal creation, had functioned as proto-parties or movements. None of the three main parties - MDF, SZDSZ and Fidesz - have included the word 'Party' in their names as a reminiscence of what they had been. These parties are not reborn historical parties that had existed before the Communist rule (like the much smaller and much less successful Small Holders' Party or the Christian Democratic Party) but new ones originating in the ideologies and power of groups emerging at the end of the 80s. MDF defined itself as a typical umbrella organization or movement: a forum engaging in politics, open for every group or movement to join it that wished to promote democracy and the Magyar people. Similarly, SZDSZ was formed out of an umbrella organization named Network of Free Initiatives that sought to function as an alliance of civil initiatives with greatly differing aims. Also Fidesz had a strong background of students' clubs and a network of several independent and autonomous extracurricular university colleges.

The importance of movements and civil initiatives considerably grew in this period both for forming new proto-parties and the ruling state party. New political organizations rivalled to win civil initiatives, including their ideology and activists. However, the appreciation of movements was accompanied by several problems within movements: True, it was an unexpected success to acquire influential positions as a result of their increased importance; new broader structure of parties offered opportunities for personal careers. At the same time, however, movements started to adhere to one proto-party or another, creating tremendous conflicts between and within movements. Their aims had to be adjusted (had to become more radical, alternative, expanded or reduced or modified or to become more "Magyar") and also suffered from "brain drain", a typical effect exercised by parties.

All what has been said depicts a background to what happened on the scene of local governments. By the time local elections took place in the autumn 1990, national parliamentary parties had gone through the stage of crystallization burdened with conflicts and also clashes between "movement activists" and "politicians" within parties had begun (such clashes have been present since then, in different parties with different intensity, leading to serious gaps and traumas both within parties and the party structure as a whole). The majority of civil initiatives of that time either became parts or satellites of a party or their leading personalities stood also as party politicians; or had to redefine their positions on the new political map closer to or farther from a certain party.

Civil Initiatives and Local Elections

In the local elections "local people" and "local interest groups" had to be presented to voters. This led to the recognition that a) how small and badly organized local civil initiatives were; b) if they existed, how inexperienced they were in active policy making; 3) local bases, local organizations and local contacts of bigger (national or regional) movements, civil initiatives and interest protection organizations were scarce or missing altogether; 4) local bases of parliamentary parties, too were insufficient, occasional, haphazardly organized and lacked contacts. Doubtless, however, they were the best organized as they had already gone through a parliamentary elections campaign.

Local elections were characterized by the fight between parliamentary parties. The bigger the locality was, the more this was true. In localities with small population (truly or ostensibly) independent candidates stood greater chances, and their belonging to a local interest group or a civil initiative as well as their personal qualities, past and present contacts gained bigger emphasis. In bigger cities and in Budapest party affiliation of the candidate, and of voters as well, was the decisive factor. Here we will discuss local elections in Budapest.

In Budapest local government elections were clearly dominated by a political battle between parliamentary parties. Party candidates fought party candidates and civil organizations and their candidates had to be in fact supported by one of the parties. This was the result of several factors: as it has already been said, parties were the best organized; civil initiatives possessed poor financial and other resources; and the media concentrated on parties in the multi-party system, and other organizations and initiatives shifted to the periphery of attention.

The case of Budapest was not unique only because parties had fairly well-developed structures but also movements, organizations had their centres there and their influence and presence was concentrated there. Important differences can be seen among organizations in districts, however, considering tactics in local elections: if an organization chose to set up a candidate, he/she could run as independent or could adhere to one of the major parties; in case the organization did not have a candidate, it could either elections or support the candidate of a party. Parties needed to organize and maintain their bases in every constituency primarily in order to organize the political background for and carry out their election campaigns. In the case of civil initiatives the picture is much more heterogeneous. Many of them had been created to promote a national aim or some general interest, often without local or regional base or organization. Contrarily, clearly local organization in big cities could hardly rival with

parties well known by the public. (In this respect housing and homeless organization under our examination can be regarded unique as they have both national and to a certain extent local organizations.)

Movements as well as parties respond in a variety of ways to whether candidates from organizations should be helped by parties to be elected to local decision making bodies. On the one hand there are serious disputes within organizations whether (party-)neutral organizations should be involved in politics, and if yes how they should preserve their independence, autonomy under conditions totally new to them. The answers are local mostly: in some districts representatives of tenants, environmentalists, groups of urban protection or local organizations are elected to the body of representatives of the local government through the support of a party, while other civil organizations chose to remain "outside" and use traditional tools of pressure. On the other hand parties too, differ considerably in what relationships they build with different movements, how much they are willing to adopt objectives of such organizations in their future local politics or at least during elections.

On both sides the history of organizations and parties, as well as personal affection and contacts - just like in the creation of national parties - tend to continue to play an important role. It can be seen especially well in Budapest where the two-level - district and municipal governments - system of setting local candidates on the local level as well as party lists at municipal level provided a "mini version" of national elections.

The lists reflected relatively well connections and relationships between parties and civil organizations. While at the local level mostly local citizens and party members without an "organizational back-up" were elected to bodies of representatives, lists of SzDSz and Fidesz for municipal elections offered lists with a number of celebrities. A conscious selection of renown people opened the way, though in a rather undesigned way, for professional groups (engineers, urban planners, investors, entrepreneurs, educational, health care, social policy and environmental specialists) as well as representatives of different movements into the Municipal Assembly. In the case of SzDSz selection seemed to rely heavily on connections with organizations; Fidesz appeared to have less contacts, whereas new parties practically lacked such backgrounds.

Civil Initiatives and the Functioning of Bodies of Representatives in Local Governments

Looking at the three years of operation of new local governments and bodies of representatives leads us to the conclusion that organizational and personal contacts between civil initiatives, organizations and local parties and representatives played an important, though

not decisive role. This role of interrelations manifested in direct or indirect form.

Direct form is when a representative, activist or one committed to such a civil initiative, becoming a local representative helps his civil initiative to become stronger and increase resources. Some ordinary forms of it: allocating a rental office in local government ownership, ensuring infrastructure (telephone, copy machine, fax, etc) and assistance from local government funds. A "necessary condition" to this, of course, is that the organization itself, its activity be recognized by the local government, its goals be admissible or necessary from the local government perspective. Typically such are organizations for people in need and socially problem groups or organizations working in the field of culture, education and health care. Such groups practically assume local government responsibilities.

Relationships of indirect form aim at strengthening the goals of an organization rather than the organization itself. The most frequent form is lobbying. In this case the representative-activist primarily tries to "organize" and "mobilize" within the decision making and decision preparing body (may also perform activity outside this body or both). In this case too, the aim is to "reallocate" assets and resources in favour of a certain goal. With lobbying many types of interrelations of inner and outer pressure practices can be detected.

One of the basic types is when a civil initiative makes something into an "issue" in a variety of ways (petition, letters, articles in the press, meetings, demonstration etc.) in order to highlight an unsolved problem. The point in it is to put the issue on the agenda of decisions to be made. In this phase it is extremely important to have a "spokesperson" for the issue or the organization in the sphere of decision making so that the problem can undergo the mechanism of decision making and resource allocation.

An interesting type of relationships is when the lobbying representative(s) encourage(s) "outside" groups or organizations to be more active and exert greater pressure, thus increasing the chances of lobbying. This can be very effective first of all in the beginning of the decision preparation phase, ie. when issues to decide upon are selected. In such cases the relationship is dynamic, mutually strengthening.

However decision making requires compromises in most cases. Original aims and demands become infringed upon and a tension between "outside" people and "inside" spokespersons arises. In the phase of decision making relationships are usually tense and conflicts may arise, which, however, does not prevent parties to ally with each other for something else next time.

Work of bodies of representatives in local governments is highly influenced by these types of relations. Chances of civil initiatives are determined if they affiliate with the majority or minority of the local political power, or if they can win the support of the majority. In "simple" cases supporters and opponents to a certain decision are the different political parties. In "complex" cases it is not so clear-cut. This is a rather contradictory situation: while civil initiatives find it regularly impossible to have their objectives adopted by local (party) politics, they have big chances to break party borders and generate coalitions and lobby groups of a different structure in the decision making sphere. These can be occasional alliances for one problem or decision, or permanent lobby groups. If permanent lobby groups come into being, and especially if the problem is fundamental and grave, eventually the whole (party) political structure may change. In such case local party factions break up and reorganize. In Budapest in many districts there have been such conflicts, break-ups and reorganizations in relation with the issue of the privatization of rental housing.

Civil Initiatives - Body of Representatives - the Apparatus - Enterprises

Although in this paper we focus on the system of relations of civil initiatives and local politicians, it cannot be fully understood without examining two further essential interest groups: the local apparatus and local (and local government controlled) business organizations. Compared with the former regime, in the new local government system the role and power of the body of representatives in the decision making mechanism has considerably increased. This affected most seriously local apparatus and local enterprises within the system of organizations. Their influence on decisions has decreased and have had to adopt new forms of pressure. Nevertheless their influence is far not little.

Both the apparatus and local government controlled enterprises keep selecting systematically what problems should become issues to be decided upon, prepared plans and proposals on, written conceptions; they continue to have a considerable influence on decisions. They cannot, however, make decisions on their own any more but have to win the support of the majority of representatives. This incites them to get involved in "politicking" and lobbying and eventually enter lobby groups.

The apparatus and business are segmented in terms of spheres, issues and affaires they are interested in, which again makes it necessary for them to participate in politics. Their interests often clash. Such clashes can be mitigated by way of careful organization and control but cannot be eliminated altogether. Short and long term alliances and conflicts emerge within the system of

representatives - apparatus - and business, and civil organizations can join such existing relations: according to experience civil organizations are able to join the system through representatives (political influence, personal contact, "infiltration" and pressure etc). In several instances representatives fight together with civil organizations against the apparatus trying to protect their interests against the bureaucratic interest. (It should be noted, though, that other times civil organizations regard the bureaucratic apparatus and representatives merged into one Authority. The border between Us and Them tends to change.)

5. The New Social Act, Rental Housing Act and the Privatization of Rental Housing

Here we give a summary of changes in law and regulations that constitute the background to the recent development of civil organizations we selected to examine in case studies.

The Social Act

The issue of homelessness and the problem of the homeless population emerged in Hungary at the end of 80s as a symptom of a deep social crisis. Raising the problem, explaining it, calling attention to it and making it an issue was done principally through movement devices. Immediate demands, such as ensuring shelter for people sleeping in the streets, and indirect demands, such as guaranteeing citizen and social rights for those without a permanent dwelling, who "belong nowhere" were formulated at the same time. Agencies and authorities responded with measures meeting the two types of demands, and legislation and codifying rights and criteria of eligibility for services reflected this duality too.

During the period of the last Government before the change of regime a procedure was created in which civil organizations with social aims could apply by competition to the Ministry of Welfare for funds for a "professional pilot project". This formerly unheard-of procedure in itself was a pilot program to "involve" civil organizations and to categorize them by goals as well as to "encourage them to cooperate with society separated from of the power and with prominent professional groups". However these were very small amounts of money from very small funds.

Presumably for political reasons and in order to preserve interest groups for coming years, the pilot program of competitions became enlarged and institutionalized in 1989/90, and the homelessness issue came under the heading "crisis management programs". Owing to several factors (its nature was critical and provocative, it was raised by a movement, and appropriate institutional response was late) the homelessness issue was handled from the beginning as a "separate chapter" or problem

package in the program. However it was far from being adequate or sufficient with respect to the above mentioned immediate and indirect demands. Achievements by civil initiatives however significant, were but occasional and uncertain.

A most desirable achievement would have been if institutions for homeless had been granted central Government normative subsidies for covering operational expenses, like the rest of social and educational institutions. In other words, the problem would have been "institutionally recognized", and clients and institutions and organizations in a client-like situation would have become less vulnerable. Some progress has been made as normatives in financing have been created, though funds are still available but by competition (perhaps less occasionally than before).

As a result of pressure the amounts of normative subsidies have been determined for the different levels of homeless care. Though first it was provided in a Ministerial Decree, which did not contain what services homeless have right to only a categorization of different shelters, it was then but one step to include the homeless issue in the draft social bill. This step required the skills and permanent pressure of institutions-turned activist groups and movements.

The Social Act⁴ - an absolutely new and unprecedented law in Hungary - codified certain social rights of homeless and persons without permanent dwelling as a reaction on events having occurred in a relatively short period, since late the 80s. Besides this significant - though from the perspective of the problem only partial - progress, the act sets the obligations of local governments concerning homelessness, carrying out of which probably will lead to further fights.

Rental Housing Act

Central Government agencies started to consider changing regulations concerning rental housing (that time in state ownership) as early as 15 years before the change of regime, the 1990 parliamentary elections. Provisions of law on privatization of rental units was made in 1969 whereas on tenants in 1971. Provisions of law on leasing non-residential units (offices, shops, workshops and restaurants etc.) were made in the 50s. Although in the regulation of the housing sector there was a great amount of disfunction and contradiction, which was very apparent for the public and the political leadership as well, decisions to correct the system were not made for several years - primarily for political reasons: opposing ideas and interests regularly lead the case to a deadlock and a unified political wish and concept was missing to determine in which direction regulations should go.

In 1990 the new Government inherited, among many other things, this problem package with economic crisis, shrinking investments and high inflation in the background. The new Government's incompetence became evident right in the beginning as it scattered the housing sector in six ministries, which made it impossible to prepare new coherent and comprehensive legislation and central housing policy. Nevertheless the Government had to meet a parliamentary decree requesting it to draft a new Housing Act; such new act was indispensable because with transferring state owned housing to local governments it became impossible to regulate rental housing through Government decrees. The situation was rendered more difficult by the fact that neither the political forces now in power nor opposition parties had a usable, generally accepted conception on how to change rental housing regulations.

First the Ministry of Welfare was in charge of forming the Government's housing conception; however owing to the fact that the Ministry had not got any experience in this field and it was heavily attacked by other ministries (financial, construction, interior) by the end of 1991 its work came to a dead end. Yet the Government had to do something as the parliamentary decree and the transfer of assets had taken place. The Ministry of Interior, also controlling local governments and where several specialist in rental housing regulation had worked already in the former regime, assumed the responsibility. The job became limited to drafting regulations concerning tenants, privatization of rental units and non-residential units - without attempting to place it in a theoretical and political context. A Rental Housing Bill was submitted to the Parliament in April 1992. Interest protection organizations claimed that it lacked an underlying conception, while local governments suggested that regulations were not sufficiently differentiated and regulation on subsidies was missing. (See more details in case studies and in documentation.)

Eventually the discussion of the bill by the Parliament was postponed to early 1993 and was passed in July 1993. The Act abolished the allocation of housing in local government ownership by authorities, changing drastically the system in place since as early as the 50s when several-unit buildings had been nationalized. The Act also abolished several provisions protecting tenants; such measures can now be taken by local governments at their own discretion. The Act regulates non-residential units in the same way. Probably the most important provision of the Act is to give the right to buy to tenants of both residential and non-residential units. According to the Act tenants may decide whether they want to buy their rental units on very favourable terms with the local government only carrying through the purchase process. (More details in following sections).

The so called "framework act" will be in effect as of 31 December 1993 by which date local governments will have created their appropriate statutes. Currently the Act is examined by the Constitution Court if it fully complies with the Constitution (eg, right to buy property owned by local governments), so the actual date of validation is unknown in November 1993.

Privatization of Rental Housing

Privatization of rental housing in Hungary alone, of course, deserves whole analyses and studies. Here we summarize some of the most important factors.

Around one quarter of the national housing stock and half of the Budapest housing stock (the housing stock of the capital is around 800.000 units) became rental housing in state ownership after nationalization in the early 50s. (The percentage has not significantly changed until recently) Private ownerships has always been dominant and at several points of time ex-owners have been allowed to re-purchase their units (mostly in smaller buildings). Legal conditions to purchase rental units on mass scale were created in 1969 with the introduction of the so called New Economic Mechanism. However in practice this was only ensured for groups of people close to councils and party apparatus - as buildings for sale were identified by local councils. Apart from buying by the political and economic leadership, the issue of privatization on mass scale was not even raised.

In the late 80s and especially immediately before the change of regime the situation considerably changed. Central subsidies for the rental housing sector were stopped; rate of inflation started rapidly increase making maintenance cost soar and new construction dwindle; in many sectors market processes started operating; attitude of both political circles and the public toward private property changed etc. At the turn of the 80s/90s a rapid, almost forced privatization of rental housing began - on the previous favourable terms. It was an instrument to democratize an opportunity formerly available only for a closed elite, thus to prevent expected attacks on this elite. It also gave a chance to avoid admitting on the political level the failure of regulating, maintaining and managing the rental housing sector; their inability to make decisions; and political tensions temporarily in consequence of further and substantial rent increases.

Although the Government formed in 1990 considered changing regulation on rental housing privatization for several reasons: that time ordinary people could not buy their flats on a mass scale and practically only the ex-nomenclature benefited from the favourable purchase terms; at the same time those who used to be owners before nationalization were not offered any possibilities of compensation; from the Government's point of view the

whole process seemed undirected and confuse, but the tiniest change would have provoked resolute resistance, so changes did not take place.

Local governments were in an even more difficult situation. With regulations and circumstances unchanged, financial conditions favourable for tenants were definitely unfavourable for local governments. Tenants were supposed to only pay 15-30% of the market price of their units, and had to pay only 10% of the sales price in cash and pay the rest in instalments in 35 years with a 3% interest rate (while the inflation rate is 25-30%). Several local governments considered reforming rental housing regulations making them more rational, which was impaired by the rush to buy. On the other hand with centrally set and fixed rents maintaining rental housing was a loss, and residential groups powerfully pressed local decision makers to sell rental units.

All this led to an accelerated privatization of rental units under favourable conditions in the early 90s (see documents). However it is local governments that continue to identify (now on a larger scale) blocks for sale. The process of privatization in various settlements became very much differentiated in the function of local government policy and local pressure groups. In certain places officials decided to sell everything, in other places nothing. The capital city, where the majority of the rental housing stock was concentrated, showed a very heterogeneous picture. Owing to the new decentralized local government system in the capital, the rate and volume of privatization varied amazingly from district to district. Recognition of such substantial differences made both local governments and tenants' organizations demand to regulate the right to buy by law excluding local governments.

A new, important, however difficult to understand phenomenon in relation with the acceleration of housing privatization is the compensation policy of the central Government. Its essence is that after the change of regime those whose property had been nationalized under the communist regime could not reprivatize their properties but were offered compensation tickets for which they can buy land and state owned enterprises for sale. This kind of privatization is much slower than expected and many are not able to use their compensation tickets. Tying privatization of residential and commercial units to the right-to-buy primarily aims at encouraging people to use their "frozen" compensation tickets to buy their rental units. (However this raises the next question of what local governments can in turn do with compensation tickets received as payments for their property.)

II. CASE STUDIES

A. SURVEY

1. Attempts of Tenant Communities (Csengery Street, Körakáspark)
2. Associations of Tenants and Home Owners
3. Other Organizations

B. TENANTS' ASSOCIATION

- i. Why and how was the Tenants' Association created?
- ii. Why do people participate?
- iii. The functioning of the organization
- iv. Why and how did the Tenants' Association survive?
- v. The role of success
- vi. The strategy of the authority
- vii. Changes in the strategy of the authority and the reshaping of demands

A. SURVEY

1. Attempts of Tenant Communities (Csengery Street, Körakáspark)

Two types of civil initiatives were observed in the field of housing. One type came into being as a result of the self-organization of small local communities and attempted to protect the interests of that particular group against the local authority or its representative. The group was therefore territorially limited (for instance, one house in the case of the tenant community organized at 48. Csengery Street or a few houses in that of the association of the tenants of Körakáspark in Újpalota). The group's aim was also clearly defined: to restore and maintain their houses. If there was no other way, even against the will of real estate management companies and authorities.

The members of the group knew each other personally, which made the relations within the group and the interest asserting processes visible. In this case, territorial unity was as important an organizational factor as common interest.

The first type is also characterized by the group's intention to handle their affairs themselves. This also applies to the case when they elect leaders from among the group to negotiate with the authorities, to organize interest representation etc. The elected leaders had normally been initiators or cohesive elements of the organization. The success of the protection of interests depended partly on their personality, which sometimes manifested itself by the way they organized and kept together the group and also on the efficiency of their work.

Another characteristic is that the limits to the growth of the organization are visible: they are the limits of the "own cause". A movement starting from a particular rental block is joined by neighbouring houses, a street, a square or a block of houses, but it remains within the limits of transparency. If not, that already suggests something else. The development and the transformation of this type is best demonstrated by the tenant community at 48. Csengery Street. Similar attempts were made in other houses as well, but these remained mostly unsuccessful.

One of the reasons for the success of the Csengery street tenants is apparently the date of their organization. Not too early, not too late. Determined and armed with a clear-cut concept, they had hope to attack the real estate managing company in 1984, but not the certitude of success. At the same time, the privatization of rental units was far from being general and the tenant status had no real alternative for those living in rental units.

(By the time the tenants of Kőrakáspark went as far in their struggle with the authorities and in self-organization that they could have organized themselves as tenants, the possibility of purchasing the rental units eventually resulted in organizing the management of their houses as owners. But this is already another story.)

Their success was also due to the fact that after lengthy discussions the supreme authority of the local council (i.e. the Budapest Municipal Council suddenly said: "Let it be". Thirdly, their success depended on the leader of the tenant community, on his personality. He considered his job as a vocation and had specific ideas about how the organization can realize its aims.

Since they proved successful in managing their own rental block, some neighbouring houses joined them. In the meantime, the tenants of Csengery Street were taken by the "rush to buy", too. They bought their own rental units, and the houses became condominiums. Since they operated at a much higher level than the real estate managing companies, more and more condominiums asked them to "take care" of their houses. Today, they operate as an enterprise and do not only manage houses in their neighbourhood but also in other districts of the capital.

2. Associations of Tenants and Home Owners

With the second type, the initiative was organized upon the identical interests of tenants. With the exception of the few founders, members had not known each other (only incidentally) and the joining members expected the organization to handle (or at least help handle) their affairs.

Such organizations were not created in order to achieve a particular purpose, but to achieve a more general purpose: the organization of protecting and asserting the group's interests (even so if some of the members or founders had particular problems).

In principle, there are no limits to the growth of the organization. Only a well-structured and manageable organizational form had to be developed.

The field of interest assertion is also different, that is, there are several fields, from the local community level to the national level, depending on the structure of the organization.

It is more widely known and has greater publicity than local initiatives.

The Tenants' Association, which is the best known and greatest initiative in the housing sector, belongs to this type. It will be described later.

The Home Owners' Association, which comes after the Tenants' Association in every respect, also belongs to this type. An important difference between them is their central interest which largely accounts for the difference between them in size, activity and the extent to which people are familiar with them. The Home Owners' Association is mainly constituted of home owners of the so-called new condominiums constructed after the 1960s. The condominiums that came into being as a result of privatization of rental blocks do not belong here. The Association does not welcome these latter as members. They say that it is a different group representing different interests and having different problems. /On this subject see the interview with Mr. Antal Fekete./ Let the observers note that such exclusion is also due to the fact that the other group belongs to a different social layer and is more problematic.

The Association was founded in a period when the Government planned to raise the 2% preferential interest on the house building credit retroactively. We believe that their first success was only partly due to their action as a uniform interest representing organization. The fact that their argumentation was precise and legally well-based must have had greater significance. The Constitution Court annulled the Government's decree. A year later, however, when in a different legal framework they proceeded with more caution, the preferential credit interest was cancelled. And the Association could not step up effectively against it. Although some compensations were achieved, the fact remains that the interest -if in another form- was nevertheless increased.

The association was successful to have been allowed to take part in shaping the Government's housing conception and could comment on the different items. It was included

in the list of those who received the draft conceptions virtually made with the exclusion of the public.

3. Other Organizations and Action Groups

By the end of the 80s, the beginning of the 90s new movements were starting to emerge in the field of housing. New from the point of view of interests to be represented and of the character of their organization. People living in rental blocks do not primarily fight to compel real estate management companies to do their jobs properly, but to become owners. The tenants threatened with large-scale rent increases awaited the improvement of their situation from the seemingly favourable purchasing conditions.

These movements were always formed against particular draft decrees on housing privatization prepared by municipalities. Their organisers were the tenants who lived in good quality housing units in busy parts of the city. Those for whom purchasing would have been advantageous. They organized some successful actions (demonstrations, collecting signatures) and mostly achieved that the uncertain and divided municipalities gave up changing the conditions of the privatization of rental housing.

As the Housing Act comes into force, these organizations will gradually disappear since the success of their actions, the retreat of municipalities has already decreased their activity and the number of their adherents considerably. /See the compilation on the demonstrators in Terézváros, or the thorough interview with the leader of the Erzsébetváros movement./

The interests of people waiting for or living in rental blocks were not represented by either of the organizations. In the autumn of 1993, following the adoption of the "right to buy" regarding rental units, some weak efforts were made: The Association of Temporary Accommodation Claimants was formed in Erzsébetváros. Its future development cannot be foreseen yet.

Several organizations could not resist the pressure coming from groups that were interested in purchasing the rental units. Some of them wished to turn it to their own advantage. All this resulted in the specific evolution of the Tenants' Association.
(see below)

The National Alliance for People Wishing to Buy Their Rental Units was characteristically created by those who once had worked in one field of the housing sector or other. Depending on the conjuncture of circumstances, they founded various interest protection organizations at

various dates and with varying membership without any support.

B. TENANTS' ASSOCIATION

Out of the housing movements the Tenants' Association will be discussed in detail, the reason being only partly that the greatest quantity of information is available on that organization. It is not by chance that the most information was gathered on that organization and the greatest number of detailed interviews was made with its members: The Tenants' Association is the first organization to have been formed in the field of housing, it has the largest membership among similar organizations and its few-year history well represents the difficulties of the institutionalization of civil initiatives, the problems to be solved and its manoeuvring through the specific Hungarian conditions complicated by the social-political-economic change of regime.

i. Why and how was the Tenants' Association created?

The Tenants' Association was founded in 1988 after c. one year of preparation/organization. First, the so-called external social-political conditions leading to its foundation will be discussed since in the case of the Association these latter cannot be separated from the internal, personal motivations, these motivations "turning into action". We assume that the organization would probably not have been created, more precisely, the founders would not have created it in the case of unchanged political conditions.

The most important change was the legal possibility to found associations. The Association Act, which at last came into being, was an essential condition. According to the Association Act, as few as 10 persons may form an association. The Act also prescribes the documents that are needed for the foundation. In any way, it excludes the suppression of gatherings. /This provision did not yet apply to political parties./ The possibility of legal organization was not only important from the point of view of the founders' personal motivation, i.e. whether they would have accepted illegal, semi-legal conditions on the verge of illegality together with their consequences. It was important primarily because they had to step up against an existing bureaucratic institution, to represent the members' interests. This could only be done in the framework of a legal, acknowledged and authorised organization.

Organizing interest representation against the Real Estate Management Companies and having the organization accepted was not easy in view of the power real estate managers had. These latter were state-owned companies

which had an exclusive right to operate and manage state-owned rental blocks: collecting rents, monitoring tenants and assigning rental units and blocks for renovation. In fact, they had more power than what they were authorized by acts and decrees. They had the opportunity to manipulate with empty rental units, to use budgets allocated for renovation arbitrarily and irrationally. They operated practically without any social control and asserted their will by making themselves independent from local councils which, in theory, were their superior authorities. The process in which real estate managers established their specific argumentation and ideology about why rental units were in such a bad state and how this argumentation and ideology gained ground in the legislative process would deserve a separate study. The inoperativeness of real estate managers was legalized and admitted, at the same time, their existence was stabilized. They were not "deprived of" rights, just of obligations.

"The idea was born when together with many of my fellow-sufferers, we lived through the activity of the real estate management companies in the framework of socialist housing. I had a concrete conflict. It lasted for 30 years. Once my flat was broken up in January on the pretext of water-pipe and sewage-pipe replacement... they left the flat as it was at the end of February and restored it in May only because I left no stone unturned" (founding president)

"Here, in fact each of us tried to do something in his own interests, for his own purposes. Thus everyone has a private incentive. For instance, M. Sz.'s chief problem was that he lived in a villa at Pasarét that he wanted to buy. And IKV (the Real Estate Management Company) has not allowed him to buy it till the present day. /.../ Mr. V. lived in a house on Rózsadomb which used to be a wonderful villa. As a result of IKV's philosophy, mortar was already starting to fall out from between the bricks ...it was in a terrible state. Our Secretary-general joined because of what he went through in connection with a loft-conversion. /.../ There is a dentist in the presidency who lives in a large flat with his parents and has his surgery there. They want to make him rent it at market price..." (former organizing secretary)

It was quite obvious -and it turned out to be true- that only an officially registered, politically authorized organization could take up the fight against IKV. /The organizations' different forms and effectiveness will be discussed later./ The "founding father" and chief organizer of the association says the following when he recalls that as early as two years before the foundation (i.e. in 1986)

"...I threatened them (i.e. the Budapest Municipal Council-authors' comment) that I would found an organization /.../, at that time, however, the objective

conditions were missing /.../ the political conditions were not yet ripe for a spontaneous civil organizations ...When at the end of 1987/at the beginning of 1988 something was already stirring I began to consider it."

The legal possibility, however, was only one of the essential conditions. Another very important factor was the attitude of the authority (in this case the Budapest Municipal Council) to the organization. Since legal provisions were useless if the authority could hinder the foundation of the organization by delaying the different stages of administration, as it did when it wanted to. They disposed of several sophisticated and less sophisticated methods of discouraging civil initiatives, and these were often employed with success.

The situation was different in case of the Tenants' Association. At the time of its foundation, the attitude of the Budapest Municipal Council was characterized by a certain ambivalence. For instance, they provided a hall for the statutory meeting. The Secretary of the Executive Committee was among the founders (later, he left the organization and perhaps even cancelled his status of founder). After the statutory meeting, however, the Council did not provide a hall and did not support the organization any more.

It is now difficult to retrace the motive forces of this official behaviour. In 1988, the political situation in the country was already such that the previously expected attitudes became questioned. One could never know how to behave "correctly". To support the organization overtly and try to take part in it, to direct it from the inside. Or not to take part in it but support it in secret. Or as an outsider wait to see in which direction it develops and then decide whether to support it or not. And should a civil initiative be supported under changing conditions if it is not necessarily looked upon as an "enemy". Can the authority be neutral? Since this attitude has not been common.

Can an initiative that tries to build itself up from below and that intends to assert its interests against a state institution be politically neutral? Since "who is not against us is with us", but who knows who is actually with us and if he is not with us any more, is it certain that he is not against us? On the other hand the organization might be politicized if they attempt to hinder its foundation. There are some former party members among those who organized and created the movement, with intricate political connections. That is, the whole situation is confused, not clear, and so is the attitude of the authority.

At the same time bureaucracy is not so much at a loss since as soon as it turns out that two similar organizations are intending to form, its reflexes start to work immediately: one organization is (perhaps) supported, the other is not, which has several

consequences. /There are other reasons as well for the fact that the two organizations -the Tenants' Association and the Tenants' Association of Budapest - are not on the best terms, more precisely, they ignore each other to our day./

At the level of the authority, the above dilemmas reflected the different standpoints of its representatives belonging to different political trends or groups. There were reformers and orthodox communists among them, and those who occupied an intermediate position between these two. The development and the evaluation of political processes, however, was not unequivocal.

To sum up: The establishment of a legal framework and the increase of political tolerance gave prospects to citizens that by organizing themselves and thus increasing their weight, they would be treated by the authorities as equals and could achieve some results against the "mighty and omnipotent" authority.

*

The Association was founded by c. 30 people, mainly the founding father's acquaintances, and to a lesser extent the acquaintances of these latter. Two among the founding members participated in the statutory meeting on reading a newspaper advertisement. After the foundation "...the operation of the association was made possible by two things. One was receiving premises in Sallai Street from Novotrade Corp., the managing director of which was a friend of mine. They also undertook to pay overhead expenses for one year. /.../ Novotrade helped us later as well..."

"...the majority of the founders were intellectuals ranging from film directors to journalists and lawyers. That is, highly qualified people, such as engineers. Thus, they were slightly more resolute than simple people."

ii. Why do people participate?

In Hungary everyone living in rental blocks until the beginning of the 1990s had some smaller or bigger conflict with the real estate managers. The rental blocks and units were dirty, smelly, their condition deteriorated. The real estate managers either did nothing, put off the tenants with empty promises, or did horrible work. They were also corrupt etc. Although this might of course be an exaggeration of the situation, it is not very far removed from reality. And the citizens were practically helpless since they had either no legal right to claim work from IKV or the real estate managers evaded them wherever they wished to by saying "there is no money for it, the rent is so low that is not enough for anything". Moreover, they worked as they preferred to. The fact that there were great scandals in certain

districts, that some IKV leaders were caught did not really change the situation. IKV as an institution was untouchable, it was a state within the state.

The point is that the discontent and the indignation with real estate managers were always present and when the grip of the dictatorship became less tight and citizens got the possibility to organize themselves and assert their interests in such a way, many people suddenly felt that it was a good opportunity to achieve something, to show the authority that they could not be trifled with any more and to expose the authority's illegalities. From this respect, the difference was not great between the founders and the "simple" members who joined later. As it usually happens in the case of civil initiatives, it was quite natural that the founders brought in their own personal conflicts. How and into what the founders' and the leaders' motivation arising from personal conflicts transformed later is already another matter. At the outset the difference lay "only" in the capability to create and run such an organization.

iii. The functioning of the organization

In the few months following the foundation membership grew to a few thousand persons, which size already demanded some kind of operational structure based on different groups. District groups were created in Budapest and some groups in the countryside, too. In theory, the aim of this would have been that the local organizations should have attempted to remedy the individual grievances of the local habitants and to contact and fight against the local real estate managers.

This idea did not really work. Partly because the different groups were led by people of different abilities. The groups could not be organized everywhere in such a way that they could form a stabile background for the protection of interests. Partly because the local IKVs had different ideas as to how to deal with the Association. In any way, IKVs were still very powerful and could not be forced. The most effective -although not the only- way was publicity. After a time, however, it lost some of its effectiveness.

Another problem was that the material and objective conditions of setting up a greater organization were also missing. Employees could not be paid and no sources were found for operation. State or council support were sought and membership fees were kept very low. There were problems with the membership fees anyway: while everyone paid them when joining, later much fewer members paid them. Those whose problems could not be solved often left.

The Association had a President and a Secretary General, who were volunteers and did not receive any compensation

for a long time. Later the Secretary General did the job part-time and then full-time. The President and the Secretary General were elected by the conference of deputies, just as the Presidency. The division of work between and sphere of authority of the Presidency, the President and the Secretary General served as a basis for continuous discussions. In practice, they departed from the basic principles on several occasions.

Similarly, the division of work between the groups and the centre of the Association was not clear-cut, either. The task of the local groups would have been to settle specific problems, to manage conflicts, to protect and represent the interests of individual tenants. That of the centre would have been a more general protection of interests, not limiting itself to settling problems but extending to participation in the processes of legislation, of preparing decrees, of working out conceptions. To achieve participation in these latter and thus represent tenants' interests. This problem, however, touched upon the changes in the aims of the Association and divided its leadership and members in many respects.

In principle, the conference of deputies was called together once a year. The presidium met much more often, but due to different conflicts, sometimes it was not convened for months.

- iv. Why and how did the Tenants' Association survive?
- v. The role of success
- vi. The strategy of the authority

/Discussion of the above topics within a single chapter is necessary since some kind of chronological order should be followed in order to avoid confusion./

Besides the external conditions, the existence of the Association depended largely on its success, whether it could achieve its aims. That is, whether it was able to represent the interests of its members against the real estate managers and the council offices effectively and successfully.

The Association had a very good publicity in the media after its foundation. Articles of different length on the impossible and defenceless situation of tenants, on their struggle against authorities portrayed as a duel between "good" and "evil" were almost daily published in newspapers or broadcast on radio. The great stir in the press and the soaring membership allowed the participants to hope for quick and spectacular success. Naturally, the leaders were aware that the first real success, i.e. a membership counting a few thousand people meant great responsibility as well. They had to fulfil the members' expectations and achieve good results. The most tangible results were settled cases. Cases in which they succeeded in forcing the authority to retreat.

Real estate managers and councils -in the latter primarily the technical and housing departments were concerned- were doubtless unable to keep pace. Although they were most experienced and well-trained in "handling" individual conflicts, they were not prepared for an organized attack that questioned their very existence. Hitherto nothing had really threatened their power /at the worst some of the illegalities were unveiled but there was no fundamental change/.

Probably owing to this a great number of cases were settled in the initial period (although the actual magnitude of such cases cannot not be revealed). The authority tried to defend itself by emphasizing the exceptionality of these illegalities, that they resulted from the error of individual officials but did not characterize the system as a whole. In order to prove that statement some concrete cases had to be settled in the tenants' favour.

This was one of the characteristic tactics. Another was based on the idea that the tenant was wrong. "The 'case' happened in a different way, the authority acted differently, and the tenant has no right to what he claims etc. The Tenants' Association in turn became disoriented because although the demand was there for the protection of tenants' interests, interest protection is different. That it is not true that the real estate manager has power since it has none, it only has obligations etc. (on this, see the entire interview made with the former director of the 7th District IKV from which we quote a part below/

"I had the opportunity to study the Swedish rental housing system where the representation of lessors and tenants has worked for several decades in a highly developed form. At that time here they (that is, the Tenants' Association - authors' note) existed in such a way that a few people shouted all kinds of nonsense about IKV, but without any effect. Their role was not important, nobody took them seriously. It was at this point that we initiated that we develop our working method and they should do the same, after which we could jointly establish the different forms of cooperation... negotiations started, but they did not lead to great results since in my view the Tenants' Association at that time was full of people who were not in favour of harmonizing interests, but who wanted to fight against something. IKV and the councils were a good target... I thought that one had to differentiate between demagogy and real things... We are not willing to concern ourselves with demagogy, also, we do not have time for it. It was just a passing thing that is published in the newspapers five times, some journalists take it up, but then it ends and people go back to work. So we did not bother about it, we did not even answer the letters. I was the one who wanted to leave the whole thing alone,

because there was no sense in arguing about foolish things...why were people unsatisfied with the rental housing system? Not because of IKV. Hell to that. Because the rental housing system was a totally senseless and badly organized system in Hungary."

/The IKVs, by getting into the real estate management section of the Chamber of Commerce, successfully infiltrated the apparatus that developed the new housing conception affecting the rental housing system as well, and represented the real estate managers' interests with success. The process was disturbed by the transformation of the political system./

There used to be a third, more sophisticated tactic as well:" we fully recognize the necessity of interest representation, at last such an organization has come into existence. Now there is someone to cooperate with in order to eliminate mistakes and insufficiencies, to help each other's work in the interest of tenants'. This was the surface beyond which there was only idleness and the defense of positions.

As the quoted interview excerpt shows, these tactics could mix in the case of different local real estate managers, but it was essentially in time that they changed. All in all, the authorities resorted to these three tactics.

At the outset, however, there were successfully settled cases. The Association began to identify the most effective methods and infrastructure for advocating concrete cases. It became evident that this would cost much money and therefore some sources should be sought. The most viable solution seemed to be asking money from the councils; more particularly from the Budapest Municipal Council. Legal aid service was set up which operated primarily in the capital. The purpose of this was to achieve that the tenants themselves settle their own cases with the help of legal and technical advice. The Association, its centre or its representative would only intervene if the outcome is unsuccessful.

The joining members "brought into" the Association so many problematic and unsettled, often really outrageous cases that it soon became clear that they cannot all be handled by the Association. That should be done by a separate apparatus, money should be supplied by the Budapest Municipal Council, since problems arose from their faulty operation. Fear of getting lost amidst the jungle of unsettled cases and that after a certain time failures would outnumber successes on the one hand and rational considerations on the other demanded revision of the Association's operation and the redefinition of its aims.

The redefinition of the association's aims was complicated by the personal conflicts within the

leadership, these conflicts and the factors underlying them being also rather complicated. One part of them was connected to the personal aspirations of the leaders. In the initial period success in the press, with public opinion and the increase of membership could be reckoned on and the expansion and development of the association could be linked with building up personal careers. At the same time it seemed unavoidable that such a big organization would sooner or later need a small independent apparatus. The press had a key role in this respect, too. A lot depended on who appeared more from among the leaders, what he said, whose opinion was published on behalf of the association.

Members of the leadership had different views on the future of the Association. The founding president, encouraged by the increase in membership, would have gone in the direction of expanding the organization. Besides the tenants he intended to involve other groups' interest protection as well and was thinking in terms of an organization-conglomerate. Another leader wished to push the organization towards professional interest protection. Instead of petty cases he preferred negotiations with the authorities, and involving the organization in the transformation process of rental housing, of the whole housing system. Others believed that the solution of individual cases, the fight against the real estate managers that becomes spectacular with the support of the public opinion could not be pushed into the background, otherwise the membership would dwindle. Some kind of balance should be found since both forms of interest protection are necessary. In others' views, the Association should prove that the state-owned rental blocks can be maintained at an acceptable level, or can even be restored from the existing rents, provided this is not done by IKVs. The Association should break the IKVs monopoly and the management of rental blocks should be given to the tenants. /Although the idea of the so called self-governing housing associations were present in the Association all along, attempts to realize it failed repeatedly./

There was no consensus with respect to how the material conditions of the operation should be created. Some said that money cannot be asked from those against who they represent interests, i.e. from the councils or the Government since this would increase the danger of being corrupted. Others saw no real alternative in view of the small and randomly paid membership fees.

When the conflict reached a certain level, the Secretary General, who could perhaps have acted as a kind of balance but refused to get involved in a fight for positions, resigned /"I disagreed with the organizational and planning work of Sz.M. and since he was the founder, I was not willing to quarrel with him and destroy the Association in front of the public's eyes"./

The conflicts were further aggravated after the resignation of the Secretary General. It became increasingly a fight between two persons, the founding president who was already about seventy and the newly elected young Secretary General.

Meanwhile, the political crisis had deepened, the change of regime became more and more unavoidable, which politicized the Association as well. And although the Association as a whole was kept apart from politics, the personal conflicts within the leadership were burdened with the members' different political views. The good old "comradely connections" were less useful now. Matters were worsened by President's past involvement in the AVO (State Security Authorities) which he admitted and as a consequence of which he had to remain in the background. He however, did not possess the necessary personal basis for directing from the background, he could not realize his own ideas. At last he resigned and founded another organization /Residential Interest Protection Aggregation/ which was joined by some of the other leaders.

All this took place in about a year's time. During this year, significant changes began and accelerated in politics as well as in the housing system. One has in mind primarily the privatization of rental units. One of the results of privatizing rental blocks was the decrease in rental housing in the big cities and the structure of the remaining rental housing became characterized by poorer quality. The strengthening of this process had two effects from the point of view of the Association. Partly it had to face a situation in which tenants whose interest they protected would all of a sudden disappear or few would be left. On the other hand, the remaining rental units will be occupied by members of those social layers which always have less chance to get organized, to protect their interests. At the same time, smaller or greater interest groups are created in favour of selling and as a result of corrupt practices in the selling process.

In our view, the Association had to face one of its most important decisions at this point. The question was whether it should remain the interest protection organization of tenants or -giving in to pressure- it should widen its activity and take upon itself the representation of tenant groups interested in privatization. Quite a significant part of its membership belonged to the latter group and, at the same time, the privatization of certain houses was carried out in a scandalous, often unlawful way.

The expert opinion within the Association's leadership was that a very negative process had started and the majority of tenants would make a bad bargain by buying their homes. This process is artificially stirred up by

people representing their own interests and is reinforced by the bad historical experience about state ownership. Advocating such opinion would have been most unpopular in the given situation. At the same time, concrete interest protecting tasks presented themselves.

Actually, the same people's interests had to be represented against the same people, the actors remained, only their names changed. The councils were now municipalities, the real estate managers privatization companies; as for the tenants, they were not tenants any more but neither were they owners. They could be simply called citizens.

One way of describing the situation is that the interests of the organization conflicted with its original aims. The succession of events, the unadvocated expert opinion, the personal aspirations that were built upon the organization all moved the Association in the direction of a new kind of interest representation. That was the basis of the Assembly's decision in autumn 1990 for transforming the Association into a federation. The transformation of the Association was begun, its more independent units started leaving. As independent organizations they were to express their intention of forming a federation and they were to be joined by some new groups, primarily from the countryside. At this point the organization's first Secretary General, who was acceptable to both the members and the leadership, was invited to the position of president. This was done with the consent of the Secretary General performing the duties of the President. As President of the Tenants' Association, the largest organization in the future federation, he was to act as president of the federation.

Finally, the foundation of the federation failed after two attempts, the background of these failures being little known. Probably the provincial organizations were not so determined and resolute or the proposed federation did not seem so effective. Perhaps the impact of the first year's conflicts had not passed yet or the first President still had some followers. Therefore the newly elected President put an emphasis on strengthening the Association and on interest protection activity. He realized that the protection of interests had two separate areas: the professional interest representation against the Government and the municipalities in transforming the housing system and the representation of individual or small group interests in particular cases. He wished to leave the former to the Secretary General who preferred this kind of interest representation, had already worked himself into it and had connections. The President took upon himself the second. Probably this also contributed to the fact that the federation came into being at the end of 1991.

"Suddenly the former organizations came to life: not ours, the provincial ones. Conceptions of the local

municipalities and decrees relating to sales were published one after the other and these provincial organizations gradually came to feel that they were too weak to oppose the municipality... And they began to ask: Why don't we form a federation? ... The federation was then created with 9 organizations, but in a much healthier way than it had been originally planned. Those independent organizations joined that were independent of us and we remained at our places. That is, it was not necessary to make any organizations formally quit in order to have more members... The Federation was now consciously created in such a way that it became not only the organization of tenants' associations but also that of the Association of House Management Communities ...after having signed the contract and bought the ruins...people keep running to and fro for some help. Since they have known and made use of the Association as tenants, it is quite evident that they turn to the Association first. It would be foolish and unfair to say that here we protect only tenants' interests... But we would like to avoid the words "owner" and "condominium" and therefore speak about house managing organizations. The growing membership is clearly constituted of new owners, especially in the countryside."

vii. Changes in the strategy of the authority and the transformation of demands

The so-called professional interest protection was done along the other line, more precisely, with the participation of the Secretary General. If one takes a closer look, this did not really differ from the form of the interest protection of the Kádár era which was characterized by negotiations behind closed doors, with the exclusion of the public, the personal interests and motivations considerably mingling with those of the organization.

Establishing relations with government offices had started before the so-called political change of regime. The aim of the Association was to participate in shaping the housing conception and to achieve that as a significant interest protecting organization, it should be invited and its opinion should be heard, thus influencing the new housing conception.

The process is inseparable from the fact that the association's Secretary General, a determined and ambitious young man with a degree in engineering, linked his personal professional career more and more tightly with the organization. A founding member, he was a member of the presidency as a 'volunteer', President of the Technical Committee, then, after about nine months Secretary General, still as a volunteer. He received cost refund from the summer of 1990. From the autumn of 1990, the Association was without a President. From April 1991

-when the old Secretary General was elected as new President- he worked part-time, from April 1992 full-time.

Meanwhile, the material conditions of the organizations were changing all the time. Every year it was uncertain where they could find necessary resources. At a certain period it was the capital /still the Budapest Municipal Council/ that supported the Association, later it was partly supported from the budget that the Parliament allocated to different social organizations. Sometimes they received money from government offices that ordered different expert work from the Association. After having succeeded in establishing close connection with the international federation of tenants and with the Swedish parent organization, they received some support from these as well. In 1992, they already worked for the English organization called P.I.C.

Cooperation with the government offices was nevertheless motivated by several factors. The Secretary General thought it important to maintain good relations, partly because he considered them one of the conditions of being successful in influencing the housing conception. He also had good personal relationship with the ministerial commissioner appointed by the Ministry of Social Welfare. He wished to achieve two purposes. One was to gain professional authority in government circles so that he would be unavoidable as the representative of the greatest interest protecting organization. The other was to secure the material conditions of the operation.

One of the consequences of the confused circumstances was that criticism became less sharp, and the public was much less often informed about the standstills in the process of conception making or about clashing views and interests. This could not be expected from the responsible government organizations. Another consequence was that criticism took a different course. The main emphasis was laid on measures depending on Parliament (voting against the establishment of the Housing Office) and municipalities. Government actions received less criticism and this confined itself to generalities. At the same time they were afraid to use publicity to reproach the Government with neglecting some of its obligations, for instance, that it does not convoke the Civil Conciliation Council. In these situations they considered whether the established good relationship would not be threatened by such steps. This could also explain why the Secretary General was often viewed as an adherent of government parties.

This strategy had several consequences, the simple listing of which would go beyond the limits of our study. The most important is perhaps that "one had to be careful" about what appears in the press and therefore the Secretary General kept a firm hand on the press. He

would be the one to speak on behalf of the organization nearly always, which resulted in several personal conflicts within the organization. The Secretary General did not speak for the organization, but he told his own views etc.

The other consequence being that in fact it was ignored as an interest protecting and expert organization. When as a result of the struggle for power within the Government (which was a struggle between the experts of the old bureaucracy and the experts nominated by the new political regime on the one hand, while on the other certain interest groups wanted to seize the power of decision in order to be able to influence the legislative procedure according to their own economic interests) the decisions relating to the housing conception were transferred from the Ministry of Social Welfare to the Ministry of the Interior, the Tenants' Association - if not formally, but in reality - was not regarded as a partner any more.

The too close and too good relationship with government offices, particularly with one group of them, led to the fact that the Tenants' Association lost all its influence on the conceptions aiming at changing the rental housing system radically. This was one reason for the conflicts that led to the dissolution of the Association in the summer-autumn of 1992.

The relationship between the local organizations, groups and local authorities changed fundamentally as well. This of course applies to those districts - primarily in Budapest - in which such groups existed at all and they established some kind of relationship with estate managers and the councils. In some districts (e.g. in the 6th, 7th, 9th districts) one of the leaders or active members of the local groups was elected into the board of representatives on the municipal elections or as experts they were invited to participate in the respective committees by the elected body of representatives. In such cases the efficiency and the effectiveness of their activity did not differ from that of the other representatives.

The struggle around the privatization of rental blocks divided not only the bodies of representatives at the municipalities, but also the local groups of the Tenants' Association, which shifted towards interest protection. The transformation of real estate management companies, one of the aims set forth during the elections - became officially the responsibility of the new bodies and new municipalities. Whether the representatives of tenants participated in these or not depended on the local power relations. They more often participated than not. But the IKVs proved to be too big to cope with, even for the new municipalities. (How and why these large companies could not be coped with would deserve a separate study.)

The activity of the local groups also shifted towards the preparation of decrees on privatization and the struggles surrounding it. Since the Association itself did not have any explicit view on privatisation, the local groups showed considerable difference in this respect.

More precisely, the group's strategy was determined and the group itself was possibly divided by the personal opinion of some local leaders, their fears and interests in connection with selling the rental blocks and whether they should face conflicts or should avoid them.

Since the authority, bureaucracy had no real strategy at that time, one would exaggerate by saying that the strategy of the local authority at this time was "involving". The outcome, however, was that. That is, even more complicated, since in fact they got involved in one of the divided bodies of representatives.

At the present moment, in October 1993, the existence and the role of the Tenant's Association is completely uncertain. The act on rental units, which was adopted this summer, abolished the system of rental housing itself or restricts it to a small number of social rental units. If any organization is willing to represent the interests of the tenants living in the latter at all, this will certainly not be the Association. The owners remaining in the newly privatized rental units will shortly have unsolvable problems. Today it is difficult to predict how these problems (deferred restorations, high maintenance costs, the operation of condominiums etc) and situations will be solved. It is also hard to see against who their interests should be protected.

C. INITIATIVES SUPPORTING THE HOMELESS

The present study does not embrace all the civil initiatives that have focused on homelessness up to 1993 -fortunately their number is not little today- but it deals with or at least mentions the most important types, the major organizations. The SZETA, the Shelter Foundation, the Association for the Support of Teenagers and the Hungarian Maltese Charity Service will be discussed in greater detail. Besides these, some others should also be mentioned.

UJCSAKO

The first, perhaps most important one to be mentioned is the UJCSAKO (abbreviation of the Ujpest Family Supporting Centre). The leader of UJCSAKO has been working in the social field since the second half of the 70s. Probably we would not exaggerate by calling him the enfant terrible of the profession. The reason for this is partly the continuous innovative activity, some elements of which have, temporarily or permanently pervaded the profession. The other reason being the incessant struggle and conflict with the authorities, which can be explained by the powerful innovative activity, the protection of certain marginal groups (eg. the arbitrary flat occupiers), the rigidity and intolerance of the bureaucracies and the official institutions, and reasons of personal character. At the moment this group and its leader himself are in an impossible situation and are trying to get out from a major crisis. The direction in which the situation will develop is not foreseeable yet.

In the second half of the 80s homelessness started to appear on a larger scale as a result of the gradual liquidation of the latent homeless condition and the unprovidedness of persons leaving closed institutions (state care, prison). At this time the phenomenon limited itself to men. The institutions of the state social policy had no means to tackle such a crisis, they

were unable to react to the new challenge, moreover, they simply ignored the problem. In this case -just like in that of SZETA- a very small professional group -the Social Committee for the Homeless- was formed, primarily in order to make the problem public, to publish reports about its existence, its development continuously.

SOCIAL COMMITTEE FOR THE HOMELESS

The Social Committee for the Homeless came into existence as a result of a campaign, its founders being mainly professionals /working in the field of social policy, but being in constant conflict with it, theoretical experts, external activists and one homeless/. The latter homeless person was the one to give the last impulse to create an interest protecting organization by initiating a protest movement against a measure of the Budapest Municipal Council: the rent increase in temporary hostels. The Committee was active for about a year, its activity having gradually ceased after its intermediary and interest protecting role during the 1989 demonstration of the homeless. Its members continued their activity in different organizations or as politicians.

One of the most important differences between the organizations dealing with the homeless is the degree to which they can and/or want to preserve their independence from bureaucracy and the authorities, thus facing or not the uncertainties resulting from such independence.

1. SZETA : Foundation for the Support of the Poor

It should have been already emphasized that the political system that functioned for 40 years after World War II. was - not incidentally- an over-politicized system in which the small details of everyday life implied direct political significance, this especially being valid for organizations. Although this aspect will not be analyzed here, one has to be aware of them as background information in order to understand the events.

The foundations of SZETA, the Social Committee for the Homeless and the Shelter Foundation are all connected to different turning points in Hungarian political and social history.

i. Why and how was it created under the given social conditions?

SZETA (Foundation for the Support of the Poor) was created in late 1979, four years after the birth of the KOR supporting Polish workers, a few weeks after the first action of the Hungarian Democratic Opposition- collection of signatures of those who felt solidarity with the Prague Charta movement. And ten months before the outbreak of the historic strikes in Danzig. As one of the founders puts it:

" We called together a small and more or less random assembly in the impulse of collecting signatures. Since for nearly ten years we had been unable to achieve any results with our proposals submitted to different government offices, let us try to mobilize society, public opinion in favour of the poor. ... We thought that our individual engagement on the side of the most oppressed, most exploited layers of society would be backed by other people's helpfulness and perhaps engagement. We would considerably widen the interest protecting activity that we had pursued, although we could help only a few families. ... We wanted to call people's attention to the fact that despite the official statements traditional poverty lives on in the Hungarian society of our days. That it concerns huge masses and that something should happen as the state social policy based on official routine does not point towards a solution. "

(extract from an interview, Beszelo 1985)

Originally, SZETA was not created as a response to a new social phenomenon. It was rather created to call attention to the continually present poverty that was hidden from publicity

and excluded from the scope of institutions. The last impulse to its creation was given rather by the partially mentioned political events and actions. The founders were mainly socially (and politically only to a lesser extent) critical independent intellectuals (sociologists, lawyers, teachers). The intermingling of charitable and political elements was only reinforced by the fact that SZETA carried out a "pioneer" task. It was formed in a social environment where such alternative organizations hardly existed at all. (One needs to know that at this time the Association Act was not yet incorporated in the Hungarian legal system.)

ii. Why and how has the organization survived?

The evolution of SZETA's activities -collection of money and cloths donations, organization of solidarity actions, handling the affairs of and supporting the poor turning to SZETA- was mainly influenced by the political changes of the past two decades. The two or three years following its foundation -after the failure of the Polish Solidarity movement- were followed by long, more silent years during which the operation of the organization became more and more limited. Then in the period preceding the collapse of the totalitarian system (1990) the activity of the organization, already reinforced by new activists, increased once again. As a result, SZETA's Home for Abused Mothers, which is discussed below, came into being.

The foundation of SZETA's Home for Abused Mothers was not preceded directly by any action of the movement. An already existing alternative organization attempted to answer to a special social crisis-problem. Thus, although the Home for Abused Mothers is an independent initiative with an independent life, the SZETA organization is always there in its background, granting its survival and operation. The Home for Abused Mothers, which operates in a big detached house, can host c. a dozen broken families (mother and children) for a longer or shorter period. These women flee to the street in wake of of a great family row or are at the point of divorcing their

husbands and staying at home would be dangerous for them. Or else they gave birth to a baby without having a flat. Many of them had grown up under state care and do not have relatives. They turn to the SZETA assistance office in such a critical situation and can acquire accommodation in the Home through the social workers of the office. Since there are many such homes in Budapest, often some other organizations also turn to SZETA to help them accommodate the mothers who had turned to them in similar crises.

Besides providing temporary accommodation, the Home for Abused Mothers fulfils resocialisation functions as well: characteristically, the mothers learn the routines of looking after the small children, the skills of the education of children from one another. SZETA's activists try to settle their family crisis. SZETA allows the mothers staying in the Home to lead an independent life, it does not essentially interfere forcibly with the organization of their lives within the Home. A social worker visits the home regularly to help settle social, family etc. affairs, to assist with finding a job, with putting children in nurseries and schools.

Characteristically, at the outset this social worker was also an unskilled SZETA activist who herself had earlier turned to SZETA as a client and whose situation had been similar to that of the mothers staying in the Home. Such client participation in giving assistance and in maintenance often occurs in the case of the Shelter Foundation as well. Apart from a number of important and successful attempts at resocialization, this solution often fails. In the already mentioned case, for instance, the woman herself coming from the problem group said no to going on with helping, being afraid of "sliding back" into the condition of clients instead of advancing. Therefore today it is a professional social worker who visits the Home and keeps in touch with the mothers. Apart from this helper's person, SZETA participates in the life of the home only occasionally.

From the second half of the 80s, the period when the number of alternative social initiatives grew considerably one of the most crucial problems of such groups has been to find resources for their operation. In the first period, these organizations would manage with very small amounts of money. They would normally not have any full-time employees, just one or two administrative workers, they would collect money on the occasion of charity events and collecting actions (SZETA operated similarly) the collected sum having been almost entirely consecrated to the given purpose (supporting the ill, the poor, those with a special handicap).

In the last one or two years, however -partly as a result of the appearance of new economic actors, partly as a result of the tax system- the different banks and major entrepreneurs tend to be willing to support the initiatives that turn to them with greater amounts, thus increasing their good will. At the same time, the attitude of the state, government and municipal sectors is also beginning to change. They created larger financial funds and foundations for further financing from which money can be received by way of application.

Originally, SZETA is based on non-official, non-state financing (let us recall the conditions of its foundation), which limits the available resources to a large extent. It can afford maintaining an assistance office and paying honorariums only since the so-called non-state money funds were created in the banking and entrepreneurial sector and some foreign resources appeared. Financing based on these latter means complete independence since these private funds rarely make any requirements. Such problems, however, as for instance SZETA's activity by which it protects so-called arbitrary flat occupiers and which shrinks major resource owners from supporting such non-conform actions appear in this form of financing, too. (If, however, the same activity is named as the support of children suffering from tuberculosis it is more likely to be supported...)

A part of SZETA's founders undertook a political role at the time of the change of regime in Parliament or at the municipalities, but they also participate in the training of social workers. In some form or other they are still in touch with the organization.

iii. How does the organization operate as a group?

Why do people participate?

SZETA itself has established a number of auxiliary offices throughout the country in the past years. The head office is in the capital where the original group operates. The earlier set-up has changed considerably by today. At the time of its foundation and in the following years the core of the organization was constituted by a small most active team of intellectuals of changing membership (5-25 people), which made collections in a relatively large circle of intellectuals and entrepreneurs, thus calling attention to the problem and emphasizing their solidarity. Today a part of this small activist group constitutes SZETA's board of trustees that runs the central office of SZETA. The board of trustees does not participate directly in the actual everyday operation as a body, some of its members, however, assist with social work from time to time. The head office has less employees than the Shelter Foundation (5-10 people), but similarly to the latter, it consists of full-time, part-time employees, activists with various skills or else they are laymen. Activists are partly attracted by the organization's good reputation, partly by its methods which are completely different from those of state social policy. Human relations also represent an attracting force as well as the "activist recruiting" professional courses organized by SZETA that inspires unemployed people, pensioners, and students having free time to participate. The atmosphere of the assistance centre, its method of operation is based on direct human relationships and not on bureaucratic division of work.

iv. How does the organization achieve its aims?

Guaranteeing the financial conditions for survival is one of the constant tasks of the organization. With various intensity, sometimes achieving results and sometimes failing, but it has hitherto been successful in doing so.

Apart from survival, success is defined as the result of different actions (fairs, money collecting programmes) and of interest representation against authorities.

Its relationship with a certain part of the press (probably definable as independents or socially sensitives) is decidedly good.

v. Strategies of the authorities

Its relationship with bureaucracy at both the municipal and national level is characterized by powerful conflict. At the local level such conflict is always connected to the protection of problematic, marginal groups. The situation is somewhat more complicated at the level of national institutions. It could perhaps be summarized in the way that in their relationship to the institutions they can hardly disregard the personal opinion they have formed about the possessors of power.

Municipalities generally reject SZETA and do not show any readiness to regard it as a partner. As for the Ministry of Social Welfare, in my opinion, if it were up them, they would not give a penny to SZETA, but cannot afford that for political reasons.

The situation is entirely different in the case of the Budapest Municipality: they are closer to each other both professionally and personally. At the same time, the capital has a different strategy concerning civil initiatives.

2. THE SHELTER FOUNDATION

i. Why and how did it come into being under the given social conditions?

The other organization that was studied is the Shelter Foundation, the formation of which differs considerably from that of SZETA in several respects. The Shelter Foundation was organized in a legal form (as a foundation) immediately before the so-called political change regime occurred in 1990. Besides professional intellectuals, the concerned (the homeless) also had an important role in its creation. It is a narrowly targeted initiative that was formed in response to the appearance of a completely new and elemental social crisis phenomenon, homelessness.

In the past 40 years it was forbidden to speak or write about homelessness, just as of poverty. The mass of the poor, however, shows relative permanence over time: according to Hungarian researchers they constitute c. 15% of the population, that is, their number is around 1.5 million. This number has increased recently to an estimate of 2-2.5 million given by researchers. Essential changes have occurred in their composition. In this context, homelessness -and actual unemployment, which will be discussed later- was a completely new phenomenon. There had been homeless people before, but such marginal position became a mass crisis phenomenon only in the last years.

The state of actual homelessness in which someone sleeps in the street or at railway stations, can only find refuge in shelters reserved for the homeless is often preceded by a state of latent homelessness. In the latter case someone is under state care, stays in prison, mental asylum, workers' hostel -that is, in institutional homes- or is a subtenant, stays at a friend for an uncertain, shorter period.

At the end of 1989 there was a change in the attitude towards homelessness. To understand this one should know that in the last years of the 80s -as a result of the deepening economic and social crisis, and with the proximity of the fall of the old regime and the birth of a new, more democratic political regime- the number of alternative initiatives (environment protection movements, associations helping groups of ill people, interest protection groups, independent trade unions etc.) grew in civil society. And what had a direct impact on the homeless: the direct repression of the police weakened, the police retreated from public space. As a consequence, a few greater groups of homeless people appeared in the public space of cities, especially in the capital inhabited by 2 million people. At the end of 1989, when authorities were intending to close down major railway stations for the night, these groups launched a spectacular sit-down demonstration. Their demand was the free use of public space, access to flats or some kind of acceptable accommodation. Their action won the support of the above mentioned professional organizations (SZETA, Social Committee for the Homeless) and as a result, the first post-war shelter for the homeless was opened. It was at this time that the Shelter Foundation was created with the participation of activists of the already mentioned organizations and of some other alternative social organizations for the maintenance of the shelter and for the further support of the homeless.

ii. How does the organization operate as a group?

Why do people participate?

The Shelter Foundation was thus created in wake of the spontaneous demonstration of homeless groups. Formally it was founded by five alternative social organizations, informally by the few activists who had participated in supporting the demonstration of the homeless, in obtaining, establishing and the operating the first shelter. Characteristically enough, the marginal groups of the homeless were helped by relatively marginalized people. Some helpers were however social workers,

sociologists, pedagogues, housewives, divorced mothers, young people seeking their place etc.

At the outset the organization was just needed in order to be able to name something, an organization that would take responsibility for the dilapidated building received for the purpose of establishing the shelter, and to which the sums necessary for maintenance could be transferred. The shelter was furnished by activists and the 50 homeless people moving in. The homeless participated actively in decision-making and in management both individually and through the regular tenant meetings. The role of the formal founders remained formal, practically they did not take part in the events. The professional staff (mainly unskilled social workers) stayed and participated in the maintenance of the shelter and the assistance of the homeless out of solidarity, to the suction effect of the situation.

After a few months they did the same for some honorarium, later on some of them working for full-time or part-time salaries at the Shelter Foundation. Their number has been c. 20 at a time, smaller at the outset and gradually growing.

The organization became more and more differentiated and enriched with new elements. As homelessness suddenly became a mass phenomenon, the shelter was complemented by the Office for the Assistance of the Homeless, which serves c. 100 clients a day. The Office handles the affairs of the homeless turning to it and supports the homeless financially and otherwise. A Care Centre for the Homeless was also established where those personal assistance is given to those who, by the help of intensive social work, can be led out from their marginal situation. Street social worker groups were organized in order to support those who do not turn to the Foundation. Today training courses are arranged for the activists and social workers of the new organizations that started to deal with the homeless.

As a result, the original small activist team grew (today it consists of c. 30 persons) and was divided into subteams according to the different activities. Each of the units has its leader, whole organization also being held together and coordinated by a leader. He is the employer of those working for the foundation, his employer in turn is the Board of Trustees of the Foundation consisting of the representatives of the founding organizations. Although this reflects the structure of a typical hierarchical organization, its actual operation differs from that of a hierarchical organization.

One of the main differences being that the Foundation is essentially entirely independent organizationally, it is not subordinated to any state or other major systems. This means freer manoeuvring in everyday work, quicker adaptability and reaction to new challenges than the other organizations possess. (These latter do not have organizational limits either, "only" financial ones.) Quick differentiation according to the different activities reflects the same phenomenon. Another difference is that the internal organizational units are also relatively independent, reinforcing the flexible operation of the organization as a whole.

Differentiation did not go hand in hand with a sharp distinction of the different fields of activity. Therefore no hierarchical relations developed to divide the activists and the employees, from time to time everyone does the job that would be normally performed by someone else. The training and professionalization of newly joining people is continuously assured through the internal and external training system. There always are full-time and part-time employees, those receiving a honorarium and altruistic activists.

The seemingly less organized, less transparent internal system of operation looks to be an adequate form from the point of view of solving the highly unusual social problems.

iii. Why and how has the organization survived?

The relatively short time that has elapsed since the turn of 1989/90 -that is, since the first, initial period of the appearance of homelessness as a mass and public phenomenon- witnessed significant changes. The most important of these is probably the fact that the volume of actual unemployment has increased sharply in the past four years (today it amounts to c. 600.000 persons, 10% of population in active years) which resulted in tens of thousands of people's ending up in the streets after the dissolution of corporate workers' hostels, mass mobility from depressed regions towards the capital, the appearance of homeless families and homeless mothers with children in the poorest social layers and that of arbitrary flat occupiers. As far as the two organizations we studied are concerned, this had -among others- the following consequences: the Shelter Foundation is under such an enormous social pressure which by far exceeds the opportunities of an independent, alternative organization. As for SZETA, it has been overwhelmed with the problems and struggles of homeless, arbitrary flat occupying families within the wide, differentiated group of the poor. The Home for Abused Mothers was created by SZETA (partly with the help of the Shelter Foundation) as a direct reaction to this at the end of 1990.

The basic operation of the Shelter Foundation -which was created to maintain a new shelter- is financially ensured by the annual support of the Budapest Municipality. Although such support has to be won from year to year, its operation has so far been irreplaceable to the city. If financial support were not granted new crises would crop up, producing political tension as well. At the time of its foundation, a very significant dilemma appeared in an explicit form: Why is the new shelter not operated by the city directly, why create an organization over which it may eventually not exercise full control.

The dilemma was solved by relatively simple factors: (1) The city and its institutions were so unprepared for the new challenge that they could not have provided any social workers who could have participated in looking after the homeless. (2) The unprofessional helpers and activists normally join alternative organizations and there is a lack of relationship with the authorities on both sides. (3) The city did not possess the means necessary for handling the problem and managing the institution. (4) The internal operation, the system of financing and the procedures of social care in the case of such a special institution are completely different from the procedures and norms of state and municipal institutions specified in regulations. As a result, the Foundation had no place in the regulated state/municipal institutions of social politics. These factors, together with the great pressure (of demonstrations), compelled the city to support the creation of such an organization even without being able to control it directly.

All this, however, does not mean that the Shelter Foundation and the Budapest Municipality are mutually dependent on each other, that they hold each other in check as far as financing is concerned. As already mentioned, the appearance of new financing resources has been an important development in the last years. The Shelter Foundation also attempts to move towards "multifinancing", to receive money from as many sources and by way of as many applications as possible, since such diversification means increasing its independence. It also gets money from foundation financing funds and from applications to the Ministry of Social Welfare. All this leads to great uncertainty, especially with consideration to the ability to plan and foresee the activities. Another problem is the fact that generally the new resources are not given for the upkeep of basic operation, but access to such resources requires undertaking new tasks that are difficult to carry out. (For instance, special training for social workers, redeployment of a street social care network, opening a daytime heated public rest room.) Therefore today in the event of the radical dwindling of sources although the Foundation would not be

dissolved, it would lose its independence and would be engulfed by the city bureaucracy. In the case of the successful diversification of resources, however, it would have greater independence and freer manoeuvring.

3. TINTA - Association Supporting Teenagers

"... we used to be ardent little ones..."

i. Why and how did it come into existence under the given social conditions?

TINTA as an association was formed in 1987, not without any antecedents. The "host of the idea" -who is a determinative personality of the organization till our days- used to work for the KISZ (Communist Youth Organization) in Budaors, dealing with youth policy and student movements. He was one of those within KISZ who believed in the reformability and the transformability of the organization and the creation of some kind of real youth interest representation. At one stage of the institutional transformation of youth interest representation and of the struggle for positions, certain tasks were taken over by the municipalities, together with posts and money allocated to them. This is how the founder of TINTA became an employee of the Budaors Council.

Before that, however, still working for the local KISZ they organized a so-called Teen Club with different programmes and series of lectures for secondary school (14-18 year old) students. It was out of this initiative that TINTA emerged with the participation of the young people that would gather in the Teen Club. Although TINTA was created with the support of the local council, the money incontestably came from above and it was specifically addressed to TINTA. (At that time from the State Youth and Sport Office, which took over one part of KISZ together with its functions and employees.)

The original idea had been teenagers helping teenagers. ... "teenagers should give advice to teenagers. Teenagers in a better position to those in a worse position."

One of the important factors leading to the foundation of TINTA was that the task was sought by an officially created function, the person delegated to this function. The task can be relatively easily defined: young people and their problems. The direction in which the organization developed was determined by the openness of its members to every kind of problems and situations in life. In other words: they were not frightened of tough situations, they did not turn a deaf ear to these and could even face conflict with the authorities. Thus the function that had been created from above and from outside gradually came to operate as a real civil initiative.

ii. Why do people participate?

In the case of the participants -especially the leaders- the search for a task, for work or simply their search for their role in life met the task. That is, earlier tasks and activities were transformed, saved and extended. Thus here the individual, the individual's search for a role has a rather great significance. /young people who have just graduated from universities, or are still at university, those touched by the wind of the change of regime/

A short excerpt from the interview with the first leader of the association summarizes the above.

..."and then I became chief official responsible for youth policy at the council... and a chief official responsible for youth policy is all eyewash, a good bureaucrat... I had this past,... having spent much time with the kids and made a lot of holiday camps... So I thought it could be done. The team is already there to create some anti-office..."

Another group of the participants -from the initiative preceding the setting up of the organization- came from among its first

clients. These are teenagers, mainly grammar school students who were motivated by some kind of wish to belong together, to belong to a certain group and the values represented by this group. Later the circle of participants and clients altered, but this sort of connection, of participation has always been present to some extent.

iii. How does the organization operate as a group?

The Association has developed three profiles which are reflected in its current structure: it consists of three horizontally equal units. Each unit is headed by a coordinator. The units are independent; they submit applications, organize their programmes and their activity independently. The Association is directed by the so-called Board of Coordinators, its members being the three coordinators and an accountant. They discuss matters relatively frequently, every two weeks. If the problem requires it, they meet every week. Decisions concerning the whole Association are made jointly, such decisions being preceded by the discussion of the current situation (e.g. dividing the money that had been applied for together, or when I was there: the issue of purchasing, renovating and moving into a house) in the individual units, sometimes involving clients as well.

There is a Work Programme for unemployed young people. They weave, do batik work, work with leather, prepare different objects and sell them. Here, there are at least two part-time employees /one in charge of the workshop and a manager responsible for organizing the procurement of materials, the sales etc./

They also have an Information Service that is open every evening on weekdays and handles individual and family problems. Twelve university and college students work for the service and receive a small honorarium.

The third unit is a shelter for the homeless with 16 places and all-day care. Six people work in it. (In the case of all units,

those working full-time or part-time receive 10.000 Forints, the honorarium being 3.000 Forints.)

iv. Why and how has the organization survived despite the strategy of the authority?

The history -or the history of the survival and evolution- of TINTA can be related as that of detachment from the authority and then coming into antagonism with it: The process in which from a part of supported youth policy it became tolerated in bureaucracy. Then -as some foreign body- it was rejected and sometimes they went to extremes by intending to free not only the office, but also the village from TINTA. This process was closely linked with the fact that TINTA gradually undertook more and more marginal groups.

The leader of TINTA went on with his youth policy activity that he had started at KISZ as chief official at the council, within an organizational unit that was supported from the outside, but the office and its head also supported its ideas. And TINTA - although it was independent from the council, received money through it and premises from it- it first operated in the council building. It was ousted from the building gradually: first only clients were not happy to see its supportees in the council offices, later the founder/leader himself. His post was reorganized, his function redefined. He left of his own free will.

TINTA was sheltered by the Budaors Community House which had been built by Patriotic Popular Front. The change of regime, however, swept away the Patriotic Popular Front, its institutions being restructured by the new municipality.

The Association was ousted from the Community House when it was on the point of expansion: they were planning to extend the consulting service from three days a week to a daily service. They struggled to get a wooden house on the edge of the housing estate where the consultancy service could be

continued. /This happened already after the local elections in the autumn of 1990./

Just one moment before the change of regime -in summer 1990- although the Executive Committee voted against it, with the approval of the very "sympathetic council presidentess" the leader of TINTA succeeded in obtaining a small office building for the purposes of accommodation, the overheads of the building being shouldered by the council.

TINTA's exclusion from bureaucracy went on after the new municipality had taken over. The physical exclusion was followed by financial exclusion.

"...our match with the municipality began at that time /.../ We attended a number of municipal meetings, which were like important matches for us. There were always a lot of us attending, we always took the kids too. And they were always terrified at how smashing well we spoke: sometimes we told breath-taking stories, at other times we would bang the table. And they hated us and still hate us terribly. Anyway, it happened so that although it depended on one or two votes, we could still get the wooden house and we were not evicted from the building that functioned as a hostel. That last year 200.000 Forints support was still voted for us. That for a while they paid overheads. They don't any more. Also, we have to give back the building. Well, such a recessive tendency characterizes the attitude towards TINTA." /interview with TINTA's first leader/

The first clients had been secondary, mainly grammar school students who had turned to the initiative then still called Teen Club with different family and personal problems. /Some of them later became TINTA's "activists./ The clientele was widened by the fact that TINTA itself also tracked down problematic groups. That is how they reached young people under state care.

"...there was a rush when those who were in special need came to see us. These latter became the advisers of the advisers. Then there was a pause. It was at this stage that we started to track down problems ourselves. And this continued in TINTA as well. Groups ...in different life situations came. Groups consisting of the inhabitants of a certain village, of a circle of friends and they brought along one another. /interview with TINTA's first leader/

In fact, the downward path of the organization began with getting into touch with young people under state care since these people introduced tough problems into TINTA: the problem of alcohol, sniffing glue, drugs, homelessness, unemployment and the existence on the verge of criminality. And TINTA chose to face the conflict with the local municipality instead of refusing to deal with these problems. Its exclusion was eventually due to this attitude.

Parallel to this process (exclusion from the office, a move towards increasingly marginal groups) another process was also beginning: that of moving from amateurism to professionalism which represent two different periods in TINTA's history. Another excerpt from the already quoted interview:

"...I had then already been learning the profession for years. Problem-solving techniques, self-knowledge techniques, management techniques. /.../ We had been ardent little ones with small expertise -especially in financial and legal questions- but with a warm human heart, with enormous energy. And we worked with small experience. /.../ There was the first team that dealt with what they had turned to the organization for. Actually, they needed support and help and were very glad to be able to give advice to some others. At this time a change occurred in TINTA: a new layer, university students came in with who we have been working ever since. But there is another change: the coming in of social students of working class origin who were sent by the college for training and stayed here while others chose such profession and went to university/college after

having worked for TINTA. This was the third level of TINTA. And the fourth is the present, which... there is no denying is its "institutionalization", in quotation marks since TINTA still has no place among traditional institutions. We are a special institution with the 6 year evolution of ours..."

Interestingly enough -according to the members of TINTA- no major conflict has developed with the local residents. Smaller conflicts are natural and mostly manageable. More account is given of some local representatives attempting to influence the direct environment in order to corner TINTA on the basis of public feeling. Hitherto with little success.

The Association at last achieved to become practically free from the municipality by the middle/end of 1993. This is largely due to the fact that they make successful use of the expanding application system and therefore become increasingly independent financially, without having to compromise with the municipality. /They applied for money successfully to the Ministry of Social Welfare, received support from eg. the Szerencsejatek (Gaming) Fund and the Jozsef Attila Foundation./

Curiously, while they had been in constant struggle with the municipality, they endeavoured to develop a conflict evading relationship with the Ministry (of Social Welfare). How this can be preserved in the long run cannot be foreseen yet.

/"We avoid fighting. We do not try to change the ministry. We achieve results where we need them -i.e. the support- otherwise we leave each other in peace."/

v. How does the organization achieve its aims?

Even today, the central person of the organization is the founder himself, the father of the whole idea. He was the one to launch the association and to put it on the track that it still follows. He was its leader as well until 1992 when the

structure of the management was altered and transformed into the current system of coordinators in which the head of each programme is independent.

There are some professional differences between the heads of the three programmes: they work with different methods, they have different approaches and handle affairs differently. Apparently however, the first crisis within the management of the organization was not due to professional differences. It is much likely to be connected with the operation of the coordination system or its roots had already been present in the idea of setting up a coordination system. The conflict having been in a very initial phase, little could be revealed about its background. One cannot be sure whether the aspirations for independence of one of the units -the consulting service- will eventually lead to its detachment from the organization or some kind of compromise will be reached.

The participants consider themselves members/leaders of a successfully operating organization. Such a feeling has both internal and external manifestations.

Doing well at applications is considered to be a success. Neither do they feel losers in the fight with municipalities. They think that because of their "being different" the municipality has no real alternative but to avoid them. Their external -professional- reputation also means success to them. The same applies to their relationship with other organizations. Although their professional line gives few opportunities for success, they like what they do and where they do it. On the whole they are satisfied. This, of course, does not mean that they do not have daily struggles with the clients, with the environment etc.

They have very good relationship with the press and if they need some publicity, they can organize it through their connections.

"The press is splendid. The press has always supported us. We have the name and address of those who are socially very sensitive. In times of great danger we have always invited the supporting press and the media and this has hitherto helped." /says the founder/

TINTA is in touch with other organizations as well that think in the similar way to them -SZETA, Shelter Foundation, Maltese Charity Service- and although contact is quite rare between them, their relationship is close. These organizations also operate in the civil sphere and do not have any contact with official institutions /like the Red Cross for instance/.

At the same time they are members of a national network, the so-called POKHALO (Cobweb) which is the Hungarian acronym of Patronizing, Supporting and Protecting Community Network. This national organization was created by self-organized youth groups in order to strengthen small local groups on the occasion of applications etc. They organize joint trainings, summer camps and international relations. They meet monthly or in every two months, organize joint weekend programmes in cultural centres to which participants should bring a sleeping bag etc. The organization seems to have been created and based on the personal relationships that had been established in the youth and student movement of KISZ.

Much is awaited from the organization: E, for instance has got into his head to found an international self-help centre. And what he once decides to do he always does. He realized TINTA as well, he thought it out and made it. He is like that. I take it for granted that in two years time there will be a self-help centre in this house because it was E. who invented it".

4. The Maltese Charity Service

The title is somewhat pretentious since out of the whole Hungarian Maltese Charity Service only the Budapest organization dealing with the homeless has been examined. And in this framework we attempted to learn some details about the organization of the shelter for homeless families.

i. Why and how was it created under the given social conditions?

The Knights of Malta used to have an organization in Hungary before 1945, which was discontinued after 1945, its members leaving the country. In Hungary, the order was reorganized after more than forty years of interruption which event was preceded by the foundation of the Charity Service. All this resulted in the strange situation that in Hungary the Maltese Charity Service is a stronger, more widely known and larger organization than the Hungarian Order and that the overlaps that are characteristic of their operation throughout the world have not yet developed. In each country the Order supports and supervises the charity and aid services. This does not apply to Hungary where the Order is taking shape today, it tries to gain new energy and seeks its place etc. Meanwhile the Charity Service has evolved into one of the most considerable social institutions focusing on the poor.

The foundation of the Hungarian Maltese Charity Service as an organization has actually started in West-Germany. An association was incorporated in Germany at the end of 1988, with the German counterpart of the organization's name. /This is a so-called sister organization of the Hungarian one. The bilateral contract between them states that if one should cease, its property passes to the other, that the main purpose of the German organization is to support the Hungarian one etc./

The Hungarian organization was not created out of nothing either. In the course of several years a charity group was formed around the Catholic rector in Zugliget. The fact that eventually this group became the basis of the Maltese Charity

Service can be regarded as a coincidence, although perhaps one is more close to reality if one reverses the statement: the fact that this charity group continued its activity as Maltese Charity Service can be a coincidence.

"...the same sort of work had been going on for at least a decade under the guidance of Father Kozma in Zugliget. Therefore it is not by chance that they found him. In fact we had been growing to be always ready for action. Going to the railway stations at Christmas, for instance, was not a Maltese task. The support of the disabled in Baba Street was not connected to Malta. It was rather Malta that made use of the good small community that was developing under the father... Beside Father we did not even notice whether what we did became Malta or not". /excerpt from the interview with the leader of the Budapest organization/

The first Hungarian Christian association, the Hungarian Maltese Charity Service was incorporated as an association in February 1989.

The East German refugee "bomb" exploded almost at the time of the foundation, during the spring and summer of the same year. The garden of the Zugliget rectory practically became the centre for East German refugees. At last, for their activity during the German events they received a former militiamen's barracks, which was later turned into the first shelter for the homeless.

"It was Chancellor Kohl who arranged a base for us in Budapest. We received the building from the Nemeth Government at the request of the German Government." - recalls the Budapest leader.

They got involved in the problem of the homeless more or less incidentally. In the Autumn of 1990 MAV (Hungarian State Railways) once again decided to close its Budapest railway stations in order to get rid of the homeless seeking shelter at

the stations. The situation was rather tense. By that time the Maltese had become known in several charity actions /eg. at the time of the 1989 revolution in Romania/. Within the Ministry of Social Welfare a newly established Crisis Office was responsible to take action in the issue of homelessness. They negotiated with MAV - with no real success. The majority of social workers and experts responsible for the issue and problem of homelessness belonged to the opposition. They shared the views of the opposition and many of them had some personal conflict with the head of the Crisis Office. These circumstances evidently contributed to the fact that the head of the Office asked the Maltese Charity Service to participate in settling the problem. I personally believe that he intended to establish a professional counterpole on the Government side. We will see later with how much success.

As a result of these events, the Maltese became involved in the issue of homelessness in September 1990. With the financial support of the Ministry of Social Welfare, they set up a night shelter for 50 people in a building that had partly been used for storage, the other part having been disused.

ii. Why do people participate?

We have already touched upon the question when discussing that the organization emerged from the Zugliget rectory. The mental, personal drive is quite evident. The circle of participants and activists is expanding through ties of friendship and family ties, former school connections and/or ties of friendship. The adherence of the first manager of the shelter -today the manager of the shelter for homeless families- is rather characteristic of the relations.

"...When I learned about the task I hadn't seen P. for 8 years. During our grammar school years we would often go down to Moszkva Square, the two of us, and would watch people. And even at a distance of 10 years it seemed to me that we had known precisely what we wanted to do. And P. would always say

that he would not continue his studies unless he could find the place where he could be among wolves. /.../ Then I started to look for him. And I told him that I would ask him something that requires time, but I couldn't give any money for it. And it was so terribly interesting. I had hardly begun to say what I wanted when P. said that he had half a year... And he did it brilliantly. /Budapest leader/

"The Budapest leader ... used to be my class-mate in grammar school. And we used to be good friends. /.../ And at that time he would try and think about who and what he should become... We had not met each other for years. And then he suddenly remembered that picture, our conversations..., that I had always wanted to go among the wolves... That's a symbol. He got in touch with me, told me what the situation was, that someone was needed. Although I had no idea about what it was all about, M. used to be a good friend of mine and I just thought I would help my friend. And I undertook it. I told him that he could not go alone until he could find the man for the task and he could establish the whole thing. That is the only thing I knew. So I joined him." /manager of the shelter/

iii. How does the organization operate as a group?

The authors do not have a precise picture about the structure of the Maltese organization since only a relatively small area has been examined, not the whole organization.

The Hungarian Maltese Charity Service consists of territorial organizations, one of them being the Budapest organization. The Budapest organization is directed by a body of seven members. This body makes decisions about development, about the tasks to be shouldered, and about the division of money and support, if such support are not given for a particular purpose.

The different units are wholly independent from the financial point of view. /Such units are the shelters, the kitchens

serving free meals, the clothes distributing service, the medical service, the daytime heated public rest rooms etc./

One can join or work for the organization in different ways. There are the members, about 200 people. One is eligible for membership after a year of voluntary work and with the recommendation of two members. The fundamental rule is the attitude of the practising Christian. Although the Maltese Order is Catholic and only Catholics can be its members, in principle people of other religion or non-believers can also work for it. But they cannot become members.

Besides the members there are activists who are connected to one another in a chain-like way and whose number is around 4-500 according to the Budapest leader. Much greater than that is the number of sympathizers who can be mobilized: it is estimated to be 2-3 thousand persons.

The majority of members and activists is young people, the average age is estimated at about 30.

iv. Why and how has the organization survived?

As opposed to the initiatives launched in the middle of the 80s, in the case of the Maltese Charity Service not so much survival is the main issue as the direction and way of its development.

If TINTA's history can be described as that of an organization that became detached from the bureaucracy, as a move from an official organization to a civil initiative, then in the case of the Maltese it would not sound far-fetched to say that if not exactly the opposite happened, the process was contrary anyway.

The Maltese Charity Service that had evolved from a charitable civil initiative of religious organization was contacted and

was/has been supported by the official social policy, primarily on the grounds of common ideology. As already mentioned, the Ministry of Social Welfare intended to establish a counterpole to the already operating social civil initiatives that were not close to the Government. And at the time of the change of regime the Ministry did not dare/want to use the Red Cross for this purpose which seemed to be a communist fossile. /Later its scruples loosened for many reasons./

The Government was also fortunate to have found an organization, i.e. the Maltese, that on the one hand operate without getting involved in politics, without expressing any political views. And on the other one that had a good professional reputation as well. And since the profession as a whole was anxious to free its connection with social political administration from politics and to set aside the earlier and existing conflicts, the authorities cannot but accept the status quo and treat these organizations accordingly.

The evolution of supporting the homeless constitutes a separate chapter within the history of the Maltese Charity Service. The establishment of the shelter for homeless families is a part of that chapter.

If one can say that they got involved in the issue of homelessness incidentally /as far as this can be regarded incidental if someone wishes to deal with social outcasts anyway/ then their involvement in operating a shelter for homeless families was to some extent incidental.

From the middle of the 80s the number of arbitrary flat occupiers has risen in the capital and so has the intolerance of the authorities towards these groups. The majority of arbitrary flat occupiers is gipsy families with 2-3-4 children. In some of the districts of Budapest great eviction campaigns were launched against them occasionally: with not much success. Even if they succeeded in evicting a few gipsy families, these

would appear in another district. Neither the councils nor the new municipalities were able to handle the problem.

In November 1991 the municipality of Zuglo decided to evict a whole building for reasons of renovation. More than half of the flats in the building were occupied by arbitrary flat occupiers, 22 gipsy families with several children.

Several organizations supporting the homeless -among them SZETA, the Shelter Foundation and as a new development the Maltese Charity Service also- protested.

"As for evictions, we only asked that they are not done in November. That is, we did not stand by them. We wanted to let people know that they don't use the parquet to light a fire, that they live in proper circumstances. Otherwise it had only been saying no to turning 30 children to the street in November. And all this evolved into what we undertook with great pleasure because it is a very exciting task." /the Budapest leader/

"We were contacted by the 14th district municipality two weeks before the eviction and were asked whether we could give shelter to the arbitrary families. /.../ Because they would pull down the building. The greater part of the building is safe, also, they would offer it for social purposes. We said we would undertake it but on the condition that the eviction would not be carried out and these families would be the first to stay there. We did not want to take sides with the arbitrary flat occupiers, nor did we support turning them to the street in winter." /the manager of the shelter/

The attitude of the municipality to the situation was rather confused. It asked the Maltese to work out a conception and at the same time it started eviction. Although it offered a building, this building had been declared dangerous to life. It wished to avoid scandal, but it also wanted to get rid of arbitrary flat occupiers. It would have been inclined to a

compromise, to a more humane solution while it was afraid of attracting other arbitrary flat occupiers. Accordingly, its actions were muddled and resulted in a great scandal with the press, with television and with the public. Finally the "opposers" proved to be stronger: the families stayed, the Maltese received the building. This, however, only meant the end of the story's preface, the story itself would start here.

v. How does the organization achieve its aims?

The organization is able to mobilize a fairly large circle of people through ties of friendship and family connections. Thus it is helped over the difficulties that larger enterprises which seem to be beyond the organization represent.

Success is seen as the appreciation by the profession and by the environment --often by the residents who have often protested against the appearance of shelters for the homeless in their neighbourhood.

The Maltese Charity Service has good connections with other organizations supporting the homeless, although the intensity of such connection varies. They are probably closest to the Shelter Foundation /...then who is on whose side. The tee-shirts with the Pope on them come here. Those of the Budapest Days go there. They (i.e. the Shelter Foundation) inform us immediately that they received 5,000 teeshirts and send over 2,000 of them. We do the same. And the situation is very good. This, however, has not worked with the Red Cross."/

Just like other civil initiatives, they are in good connection with a certain part of the press. /They do not make extensive use of these connections, but then they do not have conflicts with the authorities like eg. TINTA and SZETA have.

IV. SUMMARY

Until the end of the 80s social alternative social initiatives and organizations were very rare. Their number has increased, however, since the political-economic-legal changes made the creation of such organizations somewhat easier (this is naturally only the initial phase of a process). Before the middle of the 80s they can be called "pioneer" alternative initiatives, but not a network of alternative organizations, their number being so little. At that time already important contacts were developing between organizations of different (environment protecting, cultural, religious, social, proto-political) character, these were however mostly based on personal relationships between the members. Sometimes the same person participated in several organizations at the same time or went over from one organization to the other.

The relatively sharp rise in the number of initiatives focusing on the homeless promoted an inter-organizational network of connections (from the 80s on). Such network-like character increases the financial security and the independence of alternative organizations. It contributes to the self-inducing process of the foundation of new organizations and initiatives. This does not mean that they do not get into trouble regularly, particularly those marginalized social organizations that support especially marginal people.) An example to illustrate this: SZETA, the Social Committee for the Homeless and the Ujpest Family Supporting Centre all participated in the foundation of the Shelter Foundation, both from the organizational and the financial point of view. The foundation of SZETA's Home for Abused Mothers was in turn supported by the Shelter Foundation as well, at the same time the Shelter Foundation and the Ujpest Family Supporting Centre jointly founded the Oliver Twist Foundation, which focuses on the homeless as well. Later the Oliver Twist Foundation, the Maltese Charity Service together with several other organizations supporting the homeless created an interest protection organization for the homeless called HAJSZOLT /the word meaning "quarry" in Hungarian/. (Other similar examples could also be mentioned.)

Although succinctly and in its outlines, we hope to have succeeded in giving an idea of the great economic-social-political transformation process that has occurred in Hungary in the last years and of the crisis phenomena that accompany it. This process resulted in considerable changes in the field of alternative social initiatives as well. Apparently the case of Hungary is not primarily characterized by a process full of conflicts in which the non-state sector is beginning to occupy the place of the established, over-etatised social political (welfare) institutions (although partly such process is on, too), but much more that -as shown by handling the issue of homelessness- the alternative organizations, in an environment that is short of welfare institutions, try to respond to the old and new social challenges that are not dealt with by state institutions at all. The fact, however, that as a result of this tasks that would normally fall within the responsibility of the Government are tackled by alternative, non-state organizations, leads to serious tensions and complications.

In this case the price of independence and autonomy is a considerable uncertainty and incalculableness of financing, in fact the uncertainty of whether society and politics are willing to undertake the management of social crisis situations of marginal people and to operate a network of institutions permanently or these institutions remain on the periphery of the network of social institutions. More precisely, which of them remains and why, on the periphery and which of them can move, why and how, into the official network of institutions, thus stabilizing their operation and existence.