

CREATING ROMA ENTREPRENEURS

In a remote and largely rural area of Hungary that has an official unemployment rate of 23%, EQUAL is making an attempt to train members of the most disadvantaged Roma population. The hope is that, as a result of the training, they will at least have a better chance of finding work in the social economy or maybe, eventually, a job in the primary labour market.

Encs is a city in Borsod-Abaúj-Zemplén County which is situated in the north-east of Hungary. The small region around this city is one of the most underdeveloped areas of Hungary and it is home to 20-25% of the country's Roma population. In this region, 80% of the registered unemployed people are permanently unemployed and according to estimates, there are some 20,000 people, who are almost completely excluded from the labour market.



The average length of attendance at school is only 7.8 school years which is below the basic level of education. Since there are few jobs available even for those who have left school with some qualifications, the local Roma communities have a serious lack of motivation. For most of these Roma the only financial means available are social benefits and allowances, or occasional temporary work, or work in the black economy. There are plans for the construction of a motorway towards Slovakia, which might provide additional jobs, but such a road would also offer opportunities for emigration and so it could be a double-edged sword in terms of regional development.

An EQUAL Development Partnership (DP) called [BRIDGE](#) is working hard to counteract this situation by involving local organisations and providing a stimulus to training and employment. Its objectives are in very much in line with the Council's Recommendations on the implementation of Member States' employment policies which indicate that, in terms of attracting more people to the labour market, efforts are needed to improve the labour market prospects of the Roma in Hungary.^[1]

"We started with the idea of training entrepreneurs for the labour market," explains Anna Csongor, the Director of Autonómia Alapítvány (the Hungarian Foundation for Self-Reliance), *"but then we found that there was no real labour market and so we had to create work places."* The Hungarian Foundation for Self-Reliance has been supporting Roma agricultural and labour programmes in the County for a number of years. This has led to the development of stable and fruitful cooperation between Autonómia and local organisations and to the establishment of grassroots, income-generating initiatives, which have the potential for further development in both organisational and economic terms. BRIDGE is an acronym for Borsodi Romák Innovatív Társadalmi és Gazdaságfejlesztési Programja (Innovative Social and Economic Development Programme of the Roma of Borsod County). In this DP, Autonómia Alapítvány has been joined by three Roma organisations^[2]. The fifth and final partner in the DP is Andrásy Gyula Műszaki Középiskola which is the Technical College which serves the region.

TRAINING FOR THE POSSIBILITY OF EMPLOYMENT

The DP is providing on-the-job skills training, as individuals are learning whilst they are building workshops for the project that will enable all of the participants to search for opportunities to move towards some form of more permanent employment.

In a sense, this project is the logical progression from a previous EQUAL DP, again led by Autonómia Alapítvány called [Development of the Labour Market Situation for the Roma](#), as this was also focused on the Hernád Valley in the Encs region. One aspect of the work of this former DP, which has proved to be very useful, is a small market analysis resulting from the application of a questionnaire to local authorities, employment centres and educational authorities. The outcomes now provide the BRIDGE partners with a structured and thematic view of the local labour market, the most important community needs, the opportunities offered by the main employers and the training and employment programmes that are provided in the region. However, the survey also revealed a very low consumer demand for goods and services.



János Bancsók in the centre of some of the Méra carpenters

The second aspect of the previous DP's activities that has been valuable is the personal and organisational capacity building that was undertaken. Eight people were successfully trained as employment mediators and were employed for a year to establish an effective liaison between the local employment offices, the local employers and entrepreneurs and the Roma communities. In addition, Roma organisations were offered training in the basics elements of project planning and management and in maximising the use of their internal resources. Thus, a number of organisations and individuals came to the BRIDGE DP better skilled and equipped to run the new project. For example, János Bancsók who is the President of the Lungo Drom Méra branch believes that *"without the knowledge and resources from the first project and my training and experience as an employment mediator, we would never have been able to take the lead in establishing a carpenters' workshop, here in Méra."*



Szabolcs Mata from Szalaszend, the leader of the stove makers

In fact, within BRIDGE, there are four different activities operating in three different locations. Work with stone masons is taking place in both Perkupa and Méra. As János indicated, the carpenters are also located in Méra, whilst the production of wood-burning stoves is based in Szalaszend. The manufacture of these energy-efficient stoves is another idea that has been inherited from the first EQUAL project. The blacksmiths' project is located in Perkupa and it has trained people and built a workshop. This Blacksmiths' Workshop is expected to become self-funded after the end of EQUAL support, particularly as it can produce all of the metal supplies and tools required by the masons, carpenters and stove makers.



Finishing off the walls of the Carpenters' Workshop

The individuals who have been trained are both semi-skilled and unskilled. Some had worked in the iron factories that had existed in the region under the previous regime so they know about materials and how to work with them. The opportunities to be trained had been advertised but their existence really became well-known through word of mouth. In the end, 50 people were recruited and those who completed the training have received a nationally-recognised certificate, issued by the Regional Technical College that assessed their competence.

The quantifiable outcomes of the DP are impressive, as 47 people have now qualified as carpenters, stone masons, stove makers or blacksmiths. Only one person dropped out just three weeks before the exam because he had a more financially attractive offer to work "in the black", a carpenter failed, but will shortly re-take, the final exam and another trainee moved with his family to Budapest. The concrete outcomes, in a very real sense of that term, are the Carpenters' Workshop in Méra and the Blacksmiths' Workshop in Perkupa. These workshops have received the various formal inspections that covered not only building control but health and safety regulations and they are now fully licensed to operate.

UNDERPINNING SOCIAL AND ECONOMIC EMPOWERMENT



The team of masons that built the two Workshops

"Despite their marginality, there are a lot of Roma people who have a hope for a better, more reliable future and who would be attracted to a more normal way of life" says George Lukács, the Coordinator of the project, and he adds, "it is our job to prove that it is possible." However, Autonómia believes very deeply that if there is to be change, the Roma community and its organisations must be heavily involved in the process, to the extent that they come to own it. For example, it is the local community council made up of Roma people that now governs the Carpenters' Workshop in Méra, as the DP has passed on the responsibility for its management to this body. Whilst, for the moment, the Blacksmiths' Workshop in Perkupa will continue to be operated by the Autonómia Foundation, it is hoped that in the future a company owned by the Roma workers will manage this Workshop as a real social enterprise.

In its work with its Roma organisations, the DP is helping them to become more professional in their documentation and reporting activities. An experienced accountant has also been hired to help and this has made the organisations more reliable and more self-confident and self-assured in dealing and negotiating with outside agencies and public bodies.

For individuals, an important step towards a normal life is receiving a regular income and thus, all of the DP's trainees receive a monthly wage. During training, the level of salary was equivalent to the statutory minimum wage in Hungary but now what they are receiving is based on regional and sectoral average salaries. In addition, all social insurance and social security costs are paid which reinforces the feeling of planning for the future. Indeed, the choice between the present and the future was one that some prospective trainees had to make! For semi-skilled masons it was possible to earn more in temporary "black work" than the average salary paid in the project and so, it was a question of weighing up short-term gains against longer-term prospects.

"Apart from complying with social insurance and social security regulations, we are very careful to abide by all the legal requirements in the project," explains Anna Csongor "for instance, we make sure that all our invoices have been received from reliable and certified suppliers." The DP believes that it has to set an example and do everything as openly and as honestly as possible. It is convinced that it cannot afford to do otherwise if it is to prepare the trainees for a future as trustworthy craftsmen or owners of small businesses who will make a contribution to the development of their Roma community and the region.



The blacksmiths in Perkupa just after their "graduation"

Having completed their training and having finished the equipping and decorating of the workshops, the craftsmen are currently exercising their new skills and gaining more practical experience in the dilapidated homes of local families that have nobody in employment and are thus, completely dependant on social benefits. These run-down houses are being renovated and modernised, energy-efficient stoves are being installed and insulated doors and windows are being fitted. Thus, not only are the living conditions of these families being improved, but also their heating costs are being significantly reduced.

In terms of the immediate future, the DP plans that all of its results, the equipment and machines that have been purchased, the workshops and the teams of craftsmen will remain in the possession of, and be used by, the Roma community and be owned and operated jointly through a non-profit company. The DP is also looking around for opportunities not in the market economy but in what it terms "the supported market economy." It is considering the type of services that its newly-trained craftsmen might offer to local government departments and the scope for such activity would be dramatically extended if housing is included in the anticipated reforms to the Government Welfare Scheme. The availability of micro credit for individual craftsmen or groups of craftsmen is also being developed. It is intended that the arrangements and the formal contracts for such loans should be in place before the end of EQUAL funding, in November 2007.



Tibor Ruszó from Perkupa who believes that this project might inspire others

There are also encouraging signs for the increased sales of some of the products. Whilst they have always been popular, the recent rises in gas prices means that the wood-burning stoves are in even greater demand. Also, some of the more traditionally designed iron and metal items that are forged in the Blacksmiths' Workshop are selling very well at weekly markets and, enthused by this success, the blacksmiths are travelling even further throughout the region to more distant markets and to more potential, new customers. The whole question of the advertising of the products of all of the workshops is under review and a much more ambitious campaign is expected to be launched, very shortly.

As far as the hopes for the long term future are concerned, there are projections, which suggest that the beauty and unspoilt nature of the area will make it attractive as a centre for leisure time pursuits and that people from the "intellectual" and "richer" classes will buy second homes in Encs. If these hopes come true, then there will be an existing cadre of craftsmen, trained by the DP in the local style, that can renovate or build homes for incomers and construct the types of buildings or facilities that will be necessary to support an expansion in the tourism market.

Tibor Ruzsó, who leads the Advocacy Organisation of Roma and other Disadvantaged People in the Bodva Valley, is convinced that *"there is a gradual evolution taking place and we are generating a Roma middle class out of nothing"* He firmly believes that *"the basic motivation of people involved in this project is excellent and when others see what we have achieved, they will begin to think 'if they can do it why can't I?' and that might inspire them to have a try."*

The Three Most Important Lessons from the BRIDGE

1. National organisations like Autonomia Alapítvány can help with the social and vocational integration of local Roma communities but they can only be facilitators, as it is the Roma themselves who have to be instrumental in, and own, the process of change.
2. In a region with high levels of structural unemployment and a population that has little or no disposable income, it is impossible to rely on the entrepreneurial spirit alone - the infrastructure and basic tools to support job creation initiatives have to be provided.
3. When Roma people have been marginalised for such a long period of time and when they, in turn, have developed a long-standing distrust of official bodies, there is no "easy fix." There has to be a solid, on-going approach from what Roma people perceive as being "the authorities" that will create more professional and permanent structures to support their everyday existence. Only this will increase their confidence in the future and change their attitudes towards the society in which they live.

Contact

Anna Csongor/ György (George) Lukács
Autonomia Alapítvány
Pozsonyi út 14
1137 Budapest
Web site: www.autonomia.hu
Tel: +36 1 237 6020
Fax: +36 1237 6029/ +36 20 460 3520
Email: a.csongor@autonomia.hu / gy.lukacs@autonomia.hu
[Link to EQUAL database description](#)