

Chapter 2

Labour mobility and tourism in the post 1989 transition in Hungary

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1. INTRODUCTION

Inter sectoral labour shifts into tourism employment have been characteristic features of economic development and restructuring in a wide range of economies. These inter-sectoral shifts, usually accompanied by some forms of spatial mobility, have been strongly influenced by the inherent characteristics of tourism employment, especially its image and flexibility. While, to some extent, these are universal, there is also evidence from the few detailed studies of tourism employment that the contingencies of time and place are significant. Most studies to date have been of particular tourism sectors in the developed economies, or of broader sectoral shifts from agriculture into tourism in the developing economies. This paper aims to extend the range of case studies, by analysing labour mobility into tourism in Hungary. Both the choice of country and the time scale (the post 1989 transition) provide an opportunity to examine labour mobility in context of the particular economic and political conditions of the transition from central planning towards a market economy.

The study is concerned with the role of tourism employment and the changing nature of tourism occupations in these special circumstances. In particular, the study is informed by the hypothesis that tourism employment may have the role of 'any port in a storm', or in other words provides 'a last resort' in the face of major economic restructuring. Whilst this hypothesis is not particularly flattering to tourism, it can be justified on the *prima facie* basis that when the human capital of a workforce is devalued or becomes redundant, then it will respond by turning to those

industries which have growth potential and skill requirements that are relatively easy to learn and access.

Although the study looked at a special case – Hungary is distinctive even amongst the Central European Economies in transition - this paper is based on the assumption that tourism employment has certain ‘universal’ characteristics, such as a high proportion of unskilled labour, high levels of intra-industry mobility and, significantly, relatively low pay coinciding with high job satisfaction. Together these indicate particular role for tourism in the labour market.

2. LABOUR MOBILITY INTO TOURISM – SOME EMPIRICAL EVIDENCE

The mobility of labour from other sectors of the economy into tourism is a characteristic phenomenon in many different types of economic systems in different parts of the world. In the tourism literature the first major debate about this phenomenon and, in particular, its consequences occurred in the 1970s in context of the Caribbean. The discussion at the Ninth West Indian Economics Conference in 1974 centred upon the issue of competition for resources (land, capital and labour) between the newly developing tourism sector and traditional industries, such as agriculture and mining.

At the conference, Brown (1974) argued that in Jamaica tourism development affected agriculture in two ways. Firstly, it accelerated rural-urban labour migration and secondly, the ease with which the skills needed for tourism jobs could be acquired, made tourism a major destination for migrant workers from agriculture. However, there was also evidence that, many of those who left agriculture in the hope of finding employment in the growing tourism sector were unsuccessful (Brown et al, 1974).

Examining the case of Barbados, Alleyne (1974) warned that tourism attracted labour away from agriculture to the point where it increased the reserve price of labour in that sector. This, he suggested, is likely to ‘generate a dying farm sector’ on the island. However, despite this and similar concerns, the conference concluded that, firstly, the drift from agriculture may have started before tourism became significant in the economy and, secondly, that part of the problem was rooted in the agricultural sector itself, namely in low wages and poor working conditions. Despite this overall conclusion, there was also acknowledgement that tourism had the potential to absorb large numbers of unskilled and semi-skilled workers, was a pole of attraction for unskilled farm workers (Workshop report II, 1974).

The Canary Islands provide an earlier example of such inter-sectoral shifts. In the 1960s, the expansion of tourism caused the economy to shift away from agriculture as the demand for labour in tourism increased. Inter-industry mobility from agriculture to tourism, commerce and construction was combined with

geographical mobility: labour moved from the small islands to those with more rapid tourism expansion, and within the islands from the middle and higher altitude areas to the coastal zones and metropolitan areas where tourism development was concentrated (Garcia-Herrera, 1987).

Similarly, in the Greek islands, tourism development occurred in areas with a long tradition of agricultural cultivation, cattle breeding and fishing. In Crete, for example, approximately 70% of the population were subsistence farmers living in rural areas in the 1950s. This had changed dramatically by the 1980s when more than 50% of the islands' Gross Regional Product was generated by the service sector. While this economic shift brought overall prosperity to the islands, it also caused significant social changes, some of which were associated with the remarkably high levels of mobility in the economy (Tsartas, 1992; Kousis, 1989).

3. THE ATTRACTION OF TOURISM EMPLOYMENT

Any initial analysis of the attractiveness of employment in a particular industry is almost certain to focus on the character of the work (duties, responsibilities, rhythm, rewards etc) and the range of occupations. Common sense alone suggests that there are bound to be some negative characteristics of tourism employment which have to be balanced against the positive ones.

The image of particular jobs is usually an important stimulus in career decisions. One approach to the image of an occupation is to see this as a fusion of the duties that are required of the practitioners, its contribution to society, the level of remuneration it is reputed to receive, and the perceived life-style enjoyed by those in the occupation. Occupational titles are social currency. Therefore, given the relationship of occupations to social prestige, it is not surprising that those occupations with poor images tend to be unattractive to potential recruits, whereas occupations that enjoy positive images are attractive.

The above statement is necessarily a generalisation, because the relationships within this fusion may not be congruent and can be subject to 'trade-offs'. In other words, the job satisfaction process of trading-off attributes applies to images as well. Although status and earnings are clearly linked, they can move in separate directions. In the case of tourism occupations, there is a clear dichotomy: on the one hand tourism jobs possess a certain image of glamour, while on the other hand, they are deemed low status and low skill.

A distinctive characteristic of tourism employment is that the boundaries between work and leisure time are often obscured. Marshall (1986, cited in Urry, 1990) found that restaurant employees did not see their job as real work because it was constituted of a strong amalgamation of work and leisure. In hotel and restaurant jobs, part of the working hours constitute leisure when customers, many

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