

A CENTURY OF HUNGARIAN INDUSTRY

BY

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To be exact, we should speak of a century of work by the General Association of Industry, for on 29th November that Association held a jubilee to commemorate its inauguration exactly a hundred years ago. The Association's century of work corresponds with a century of Hungarian industry, though naturally *there was Hungarian industry before that, and it had its own battles to fight.*

Apart from the fact that the economic activity originating from the *Thurzó-Fugger* undertakings marks a great step forward in the spread of industry, and that real industrial life in Hungary — first of all in the textile industries — began only during the reign of Maria Theresa, or rather of Joseph II, when the obstacles impeding free development inherent in the Guild system began to disappear, it may be established that *there were industrial settlements in Hungary as early as the XVI or XVII centuries.* But the use of steam had not yet spread to Hungary, although she was rich in natural resources and could command labour sufficient to enable the country to compete with Western Europe in the sphere of industry.

It was the policy of the Habsburgs to prevent industrial development in Hungary. They wished Hungary to remain an agricultural country, partly in order that she might produce raw materials for the rest of the Monarchy, and partly that she might provide markets for the products of Austrian and Czech industries, which were given all the support possible. But the leaders of the Magyars were aware of the fact that *this Habsburg policy, besides depriving Hungary of the possibility of cultural development and economic growth, was also preventing the achievement of political independence by keeping the country in a condition of economic dependence.* So, when Kossuth, a man of outstanding ability, created the

General Association of Industry as a means of furthering industrial development, he was influenced, not only by economic, but also by political considerations. To quote his own words:— "*The development of industry is one of the country's most urgent and burning necessities.*" The idea of an industrial association was proposed by a well-known physician and politician, *Dr. Paul Balogh de Almás*, who suggested the formation of a society that would undertake to train craftsmen and artisans. *For the purpose of creating this society Louis Kossuth contributed the sum of 5000 florins which his friends had collected for his family while he was in prison.* His example was followed by many other people, amongst whom were Count Louis *Batthyányi*, who as first constitutional Premier of Hungary died a martyr's death in 1848, and Baron Joseph *Eötvös*, who later became a great minister and a great writer. At that time Pest was merely a backward big village without anything but the most primitive traces of industrial and commercial life. The number of its inhabitants was 64.000, while Buda had barely more than 31.000. Pest and Buda were separate municipalities, although Count Stephen *Széchenyi* had already suggested that they should unite. It was in these circumstances that Kossuth unfurled his flag and with his eloquence called into being the General Association of Industry of which he became assistant director, while Count Louis Batthyanyi was elected President. *At Kossuth's suggestions the first industrial exhibition was opened that same year in the Pest Concert Hall.* The charge for admission was about twopence on week days and less than a penny on Sundays, to enable people of small means who were busy on working days to see the exhibition and learn new things. Since then the Association has arranged numerous exhibitions, many of them on a grand scale, has organized lectures and courses of instruction to popularize industrial knowledge, and has also launched movements and established institutions that later, separating from the Association, continued their useful activities independent of it. It was, for instance, the Association that inaugurated the famous movement the aim of which was to protect the Hungarian industry now well advanced.

At the first Hungarian industrial exhibition two hundred

and ninety-eight objects were exhibited by two hundred and thirteen exhibitors. *Among the latter we find the names of Hungarian factories — such as, for instance, Ganz — which have since become world-famous.* It was at that time that the Kőbánya breweries began to function, and they were among the exhibitors. Hungarian porcelain was the most interesting part of the exhibition. The makers of gingerbread and wax candles were present with their wares, as were also a large number of craftsmen and artisans.

The Association was also responsible for the creation of *a joint stock company formed to finance the establishment of factories.* At the first meeting of that company Francis Deák made the opening speech. During the War of Independence the life of the Association was paralyzed, but afterwards, in 1867, it revived, and Baron Joseph Eötvös became its President. In this second phase of its existence was born the idea of an industrial law, and it was thanks to the Association that *Hungary was the first country in Europe to pass such a law and make the education of apprentices compulsory.* Among the establishment of the Association were the separate organization of manufacturers, craftsmen and small manufacturers, the so-called General Alliance of Industrial Societies, and later the National Corporation of Industrial Societies. The General Association of Industry still continues its activities in the interest of medium-sized and small industries, and will have many problems to solve in the next few years when the war is over and, era of reconstruction sets in.

