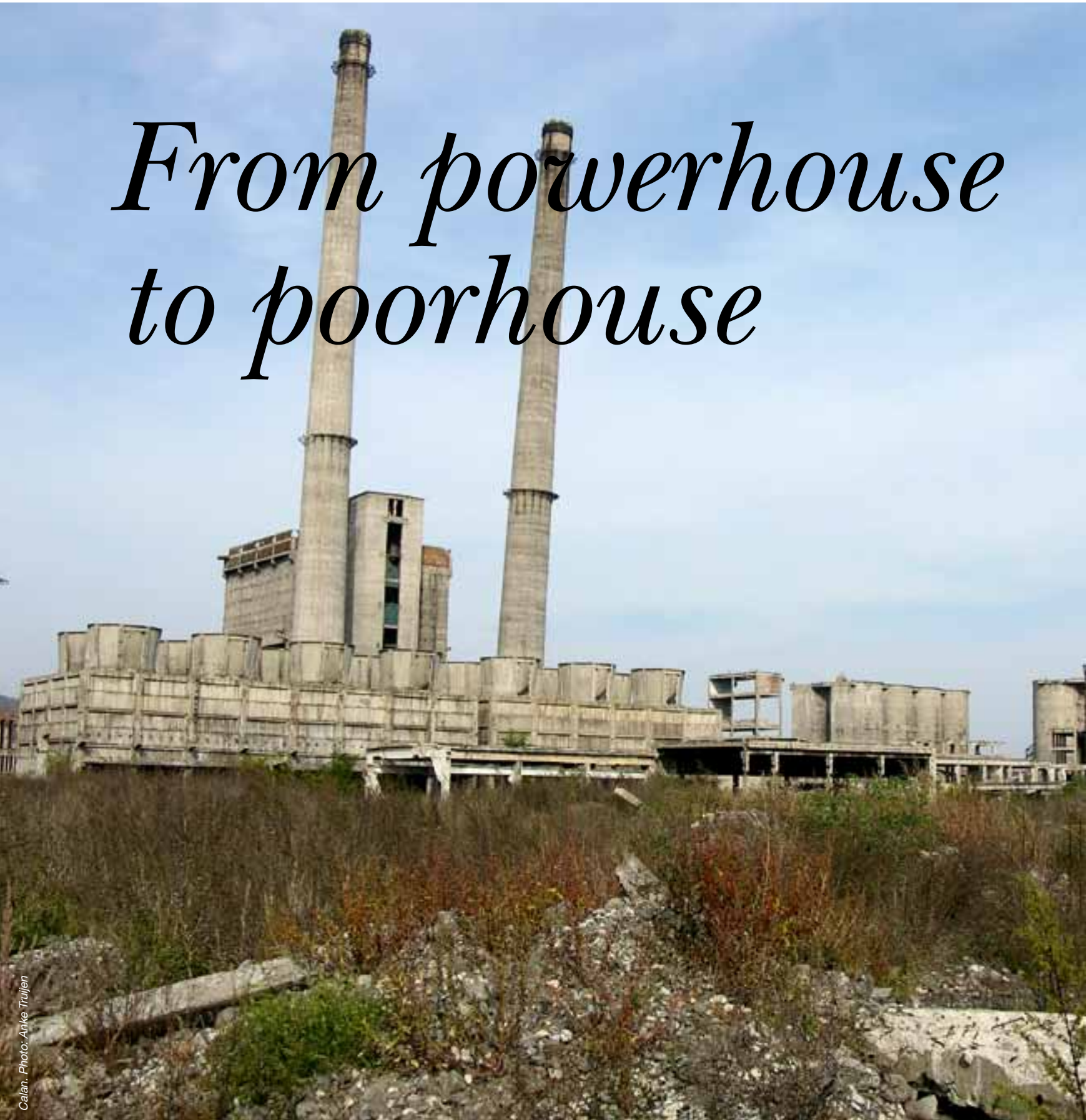


From powerhouse to poorhouse



Catalan. Photo: Anke Truijten



As the crisis bites, Romanians seem to have forgotten the heavy labour and unhealthy living conditions that characterised working life under the communist regime. The last two decades have seen little progress in the country's major industrial centres and inhabitants doubt the good times will ever return.

| by Anke Truijen

Hunedoara, Copsa Mica and Calan were once reckoned among the jewels in Romania's industrial crown. Under former communist dictator Nicolae Ceausescu these farming villages in the the Transylvanian Valley were transformed into industrial powerhouses in the early Sixties. But after the fall of communism in 1989, the cities' steel and metalworks were just heavily polluting, loss-making giants.

Subsequent governments of ex-communists propped up industry to prevent social unrest. The resultant overproduction and large-scale losses set back much-needed privatisation and modernisation processes by many years. Investors weren't interested in rundown and outmoded factories in a country reluctant to introduce reforms. Urban decay set in. It was only after the turn of the century that the EU intervened to overhaul Romania's industries and guide them through the economic transition phase. Foreign investors stepped in, downscaling the plants to produce in line with market demand. But the economic crisis highlights anew the fragility of the metal and steel sectors that have sought to rise from the ashes of the Stalinist industry model.

Hunedoara |

The blast furnaces of Hunedoara shaped their lives, say Gizela (43) and her husband Johan Theiss (57). But whether they

brought happiness, the couple can't say. 'We enjoyed life here when we were young,' says Johan. 'But when you consider how difficult the last twenty years have been, it would have been better if the factory had never been built here at all.'

In the last couple of years the birds have come back to Hunedoara, Gizela says. That the air was polluted and the washing she hung out to dry turned a shade of pink due to the iron and sulphur clouds from the nearby steel plant was something she learned to live with over the years, she says. Just as she learned to live with her asthma. Because life was good in Hunedoara and the couple belong here.

The couple live in one of Hunedoara's more upmarket neighbourhoods, on the hills surrounding the city centre. Their house offers a view of the grand medieval castle with gothic towers that has since been swallowed up by the red-brown industrial sprawl encompassing nearly the entire valley. Encircled by mountains full of iron ore and coal, Hunedoara quickly developed into a major mining and industrial area. Downtown streets with names like Steel Benders' Road and Coal Diggers' Street testify to the industrial heritage of this city of 70,000 inhabitants.

Gizela and Johan, parents of a couple of twenty-somethings attending university in Kluj, worked in the steel factory for

many years. Gizela worked at the smelter. She cried when she was laid off. For several years now she has been working as a secretary at a lingerie factory. Johan, forced into early retirement by a round of cost-cutting in 2003, used to work as an electrician and maintenance man.

The steelworks were hard graft, Johan recalls. 'I had to shovel the coals into the furnace by hand. At that time we didn't have machinery with fancy push-buttons like in the West', he says. 'And work safety or health weren't issues that were discussed'. But his tone of complaint changes to one of pride when he recalls how the steel used to build the bridge spanning the Bosphorus in Istanbul came from Hunedoara.

With close on 200,000 workers, Hunedoara boasted the largest steelworks in the country. That was in the 1960s. But the industry couldn't keep producing on such a scale, says Gyorfi Zeno, a city councillor for the Hungarian minority party. 'In the early Nineties the orders started to tail off, but the government ordered us to maintain production.' The first major round of lay-offs followed in the mid-1990s, but the real hardship began after the first privatisations in the period from 1999 to 2003, he recalls. 'Hunedoara saw a mass exodus. Everyone was unhappy.'

The local economy gained a shot in the arm when Indian steel giant Arcelor Mittal took over the restructured steel operations with its 2000 workers in 2003.

The acquisition attracted other, smaller investors such as lingerie and automotive manufacturers. Even so, Gyorfi Zeno feels Hunedoara's return to economic health is very slow and EU membership has reaped few dividends so far. 'We were once a thriving economic powerhouse. Now we're weak and the local council has very little money.' The city now hopes to ramp up its tourism. Because luckily it's still got that medieval castle.

Copsa Mica, the black sheep |

'In the winter, we'd often have black snow,' information technology student Tomita Militaru (21) remembers of his childhood in Copsa Mica. He remembers, too, how in the early Nineties a medical team visited his school to conduct health checks on him and his classmates. He never learned the outcome. But two years later the Carbosin carbon factory, long a looming black entity on the edge of town, was shut down. This factory had belched out the black, poisonous clouds that earned Copsa Mica its nickname, the black sheep.

'Statistics indicate that we're still one of the most heavily polluted cities in Europe,' says Copsa Mica's enterprising mayor Daniel Tudor Mihalache. The 39-year-old dresses casually, in faded jeans and a red poloshirt, a pen stuck behind his ear. Under his administration the blackened housefronts have been repainted in bright shades of blue, mint green and salmon pink, and trees planted and parks laid out. Copsa Mica was able to attract EU funding for its facelift.

From the Fifties onwards, Copsa Mica ballooned from a small farming village into an industrial behemoth. For several decades the now dismantled Carbosin factory and the metallurgical smelters of Sometra belched their poisoned fumes out over the city. Environmental tests have shown the soil of Copsa Mica to be 92 times more polluted than the maximum allowable levels. Farmers say they sometimes came upon their livestock dead in the fields.

IT student Militaru has set up a website to inform people about the health risks. Life expectancy in Copsa Mica is some nine years below the national average. Militaru himself has a heart condition and poor teeth. The student wants to draw international attention to the unhealthy living conditions in his city. Not everyone is happy with that. 'I sometimes get angry reactions from inhabitants who say I should keep my mouth shut because it isn't good for the local economy.' For Copsa Mica's biggest polluter is also its single largest employer.

Taken over in 1998 by the Greek company Mytilineos, the Sometra blast furnace employs 1010 workers, a fraction of the 5000-strong workforce it once had. Copsa Mica's mayor acknowledges he faces a dilemma: 'The smelter is our biggest source of income and at the same time our biggest problem.' Mihalache welcomes the Greek investment in the plant, but his biggest challenge remains the improvement of his city's environmental conditions and



Hunedoara Castle. Photo: Anke Truijen



Hunedoara train station. Photo: Anke Truijen



Calan. Photo: Anke Truijen

living standards. It would be going too far to characterise the city's relationship with the Greek owners as one of conflict, he says, 'but we aren't friends with them either.' He adds: 'Their main objective is to earn money, while we're fighting for a better life.'

Calan |

But the biggest nightmare of every Romanian dependent on the country's heavy industry is Calan. In this small industrialised town, a quarter of an hour's drive from Hunedoara, the steelworks stands lonely and deserted. The stone skeletons of blast furnaces and chimneys dominate the industrial site, which stretches out over several kilometres surrounded by great, bare expanses of land. The former owners of the plant completely stripped the factory, leaving nothing behind. Occasional bands of Romany scour the site with horse and cart, in search of metal remnants.

'It's a downright shame,' says acting mayor Stefanescu Constatin (63). 'The only thing this site is still good for is as a filmset for a horror movie.' He throws up his work-calloused hands adorned with golden signet rings. From 1963 to 1995 Constatin was employed at the steelworks as an engineer. Despite falling turnover and rising inflation, he didn't foresee it would all end like this. 'If someone had told me twenty years ago that the plant would ever end up like this I would have thought they were mad!' he exclaims.

The steelworks in Calan used to be the third largest in Romania, employing a workforce of 8000. But in the late Nineties privatisation proved problematic. 'There were several interested parties who came to have a look,' Constatin remembers, 'but when they saw these ruins they were quick to pack their bags. They realised that the costs of renovating the complex would outstrip potential profits.'

In early 2000 Calan topped the national statistics tables with the highest jobless total in the country. Young people migrated abroad in search of work. Calan

Privatisation and modernisation

Romania is largely self-sufficient in energy, relying on its own production of gas (38%), oil (27%), coal (22%), hydropower (9%) and a nuclear power station (5%). Many of the plants and infrastructure are aging. The government kept energy prices artificially low for many years, leading to inefficiencies in production and distribution. With the accession to the EU, Romania has started on a privatisation and modernisation programme of the energy sector. It is also receiving EU funds to promote sustainable energy.

offered them little prospect of a secure future. Today most of Calan's residents are pensioners. The sleepy town centre with its empty streets numbers few people under sixty.

Traian Horvarth (76) is one of Calan's pensioners. Seated on his favourite bench in the park, he is neatly attired in hat, white shoes and smartly knotted necktie. For some 46 years he worked at the steel plant, he says. It paid a good salary with occasionally an extra bonus for work on the section where poisonous gases were emitted.

They weren't bad times, Horvarth says. 'Life was good. There was greater discipline and less crime. Everyone was in work and had fewer cares than they have now.' In the years following the Second World War he saw his village grow into an agglomeration of heavy industry that attracted people from far and wide. But he also remembers the dark days. 'You couldn't keep the collars of your white shirt clean. You were forced to go to church with grubby collars.' Horvarth welcomes the reduction in Calan's air pollution, but that's the only positive factor he can name. 'The pollution has declined, but so has our future,' he says.

Economic crisis |

Last year these industrial cities thought finally to see a way out of their protracted economic decline. Romania's entry to the European Union in 2007, coupled with a period of rapid economic growth, finally offered more opportunity and funds for further development. But the current economic crisis and its strongly negative

impact on industrial production looks to have dealt them another near-death blow.

In Copsa Mica the Greek owners of the steel plant halted production last January in view of the 'extremely adverse situation on the international commodities market' and laid off 820 workers. 'The plant closure is an insurmountable economic problem,' laments Copsa Mica's mayor Mihalache. The plant's Greek owners have pledged to restart operations once market conditions improve, but no-one in Copsa Mica dares believe that any more.

Calan, the ghost town where for years inhabitants have lived cheek-by-jowl with the skeletons of its industrial past, has pinned its hopes on aid from the European Union. Acting mayor Constatin: 'The investment required to clear and clean up the area and redevelop it is just too great for us. The EU is our only hope.'

In Hunedoara, too, they are readying themselves for a new round of job cuts. Owner Arcelor Mittal is implementing a range of measures aimed at helping the local steel factory ride out the economic downturn. Despite protests from trade unions it has closed most of the production lines over the last few months on a temporary basis and ordered workers on compulsory vacation. As long as the market fails to recover, workers remain uncertain about their jobs.

'When I look at the factory, I see a sick person,' says former factory employee Gizela Theiss. 'We're steeling ourselves for the day that it dies.' ■