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A paper presented at the 5th Asia Inter-University Seminar on Social Development,
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The Transformation of Educational Processes in Hungary: Fragmentation or Integration?

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The Hungarian education system is experiencing a period of major change. The number of students studying at universities and colleges has doubled in the past ten years; last year 96 universities and colleges were amalgamated into 23; and there is also an influx of foreign students into the technical and medical universities. Economically and socially, it is considered that Hungary has successfully completed changes that will take her into the European Union. Many of the educational changes have been driven by the forces of having to change to a market economy. Are the changes likely to enhance the learning experience for Hungarian individuals? By 'learning' we understand a fundamental change of view that is likely to impact on an individual's thinking and behaviour. Firstly, drawing on an earlier theoretical framework that argues for an in-depth historical understanding of culture and change, we analyse the evolution of education in the Hungarian system over the past century. Drawing on a series of interviews with those involved with the changes, particularly at the Budapest Business School, and through a combination of narrative methods and analyses of changes in curricula, we will track the initial responses to these changes and the problems experienced by those responsible for implementing the change.

The methodology employed is that of action research. Action research changes focus as it develops, and does not aim to be an accurate picture of a single situation at one point in time. The method has been chosen since it fits in with our views of the world and change, and also to address some of the important methodological problems of carrying out research in the transitional economies (Michailova and Liuthto, 2000). It draws on our personal interpretations and values and aims at objectivity not through being impersonal or replicable, but through a critical analysis of what is being assumed. The presentation of results will take the form of a reflexive account of our involvement and perceptions of the change process, and will therefore reflect a deepening connection between ourselves as we cross our own personal and cultural barriers. Our chosen method also reflects an understanding that research as it has been traditionally carried out in the West is hierarchical: in this form researchers have power to determine the project and what meanings shall be attached to the lives and words of others, creating a separate culture for researchers: a culture of detachment and power. We

want to move away from this, and using action research to expand the meanings so that in our work we can have a 'dialogue' about the change process which promotes an integration of ideas and meanings between the West and the emerging economies.

A shared experience of transition

The English author of this paper sat in one of the elegant Viennese-type cafes, so typical of the turn of the century and the wealth and opulence that represented the Austro-Hungarian Empire. She sat opposite her counterpart, a man of similar age, in his mid-40s, whose memories of this café were so different. To him, this café reminded him of the time when it was an old university club that he visited as a student. But more than that, it brought back memories of 1956, when as a child of three he and his parents and grandparents had been forced down into the basement, cooking for a week on a primus stove. There were guns and artillery on the roof, hope in their hearts that what they remembered as an oppressive Soviet regime would soon come to a close. This was not to be, of course, but the events of that memorable time signalled in some ways the end of the road for communism. It also demonstrated that underlying Hungarian determination for survival, and surfaced long-standing opposition to the peoples who had found the land of the Carpathian basin rich and fruitful – from the Turks, through the Austrians to the Soviets. 500 years of practically continuous occupation – or at best shared government.

Arpad went on to recall his youth under the Communists: the country became poor, there was little food, and, whilst in his family of the formerly well-to-do middle class, there was only cheap bread on the table, they still kept the white tablecloth and silver knives and forks that represented their status in life. Even while the country suffered from poverty, the intelligentsia still flowered, and a lively cultural environment still existed. In the educational system, there was a broadening out of education (see below) and education for the working classes was pushed hard. Over time such policies were revoked, but the divisive effect of such discriminating policies probably still exists today.

In the early 70s you might have felt free but there were limits. As Arpad pointed out, you felt like a fish in a fish tank – you can swim fast but eventually you will meet the tank walls. Many people got on with their lives, 'satisfied' with compromise. People were not put into prison unless they were working directly against the communist regime. In the early 70s, demonstrations outside the parliament buildings took place amongst students.

Arpad was among the demonstrators and with many others was arrested, and forced to put his face to the wall in the cells, where some people's noses were broken. A few months later, he was refused entry to university despite his excellent results. Undeterred, he went with a friend, and the friend's father who was a lawyer, to plead to Georges Aczel, the then Minister of Culture, to be reinstated. On arrival their ID cards were taken away. At first they met with refusal, and his friend decided to go to college (of lesser status than a university) , but Arpad still wouldn't give in, and eventually talked his way into a place in university in the country (of less prestige than Budapest universities, and well away from any political action). However, here he found radical thinkers, and also some native English speakers. At the same time, in his youth, he would listen to Radio Luxembourg (the pop pirate radio ship, and sing along to the Beatles). Later, in the early 80s, as things relaxed, he, along with a few others, would be allowed out of Hungary to visit other countries, though even here, when he applied for his passport, the authorities asked him to make notes on where capitalism was weak.

Along with others, Arpad greeted the arrival of democracy with open arms. For him, and many other Hungarians (see Kontler 2000) there lay a yearning for the return of the reign of Steven 1st who founded his mediavel kingdom in 1000, when Hungary first became integrated into the community of christian nations.

As she listened the English author reflected on her experiences, the other side of Europe at a similar time. Coming from a lower middle-class family, the transition from school to university was so different. She too, would have listened to Radio Luxembourg and the Beatles, but in the relative comfort of bourgeois duvets. Perhaps she was closeted in a different sense, but that is another story. She wondered what she might have done had she been forced to visit Georges Aczel (popularly known as 'steel) in order to get a university place. A hypothetical question. She had not been conditioned in such a way. Her history to that point in time would probably not have adequately equipped her to deal with the situation at hand. But it was interesting how two beings from such different political, yet in some ways culturally similar, backgrounds could have experienced that often difficult transition from youth to adulthood, that usually takes place on leaving home for university. It is strange how, even when in theory the pattern appears similar: two young people leave secondary education to move onto the hopefully broader plains of higher education, the internal experience of it, and in this case external experience is radically different. The same external experience; an entirely different inner one. Her actions and inner experience would have been completely different – because she would only have known how to behave in the light of her history.

Section 1 :Theory and methodology

The narrative above reflects some of the very real dangers of carrying out cross-cultural research, and the even more problematic issues of transferring

‘knowledge’ of one kind or another between cultures. All so often there is a gulf of misunderstanding that goes far deeper than linguistic miscommunications. These are often merely a pinpoint of light on the differences of life experiences that exist below the surface. We respond, and carry out actions in the light of our history, and that history goes deep – far deeper than we probably imagine.

Some commentators are beginning to highlight these problems (Hollinshead and Michailova 2000, Illes and Rees 2000). One of the major problems in organisational and cross-cultural theorising lies in the abiding sociological problem of addressing how the individuals shape institutions, and vice versa. For example, in cross-cultural organisational theorising, the culturalist perspective discusses values at the level of the individual (core elements of culture) (e.g. Hofstede 1980) whereas the macro-social processes, are discussed in the institutionalist approach which focuses on institutions developed with industrialisation (education and training system, labour unions, financial system.) (e.g. Lane 1989) There is here a disjuncture between the institutional level and the cultural level, such that the processes by which one forms the other are lost. This means that much of the work lies in examining what is seen on the surface, and not on the underlying processes which create such situations. Until we understand the processes of change at this level, we are unlikely to come to an understanding of change at organisational level. Further, the very assumptions in which these theories and methodologies are grounded presuppose a Western methodological framework, grounded in economic logic. This paper, by its methods and the fact that it itself is an example of cross-cultural communication, is an experiment to try and break through these assumptions and offer different perspective.

The danger of not surfacing these assumptions are beginning to be questioned. One reason for this is that the experiences of post-command economies facing up to transition has not been comfortable, and it seems that the honeymoon period is wearing off. The expected-for wealth has not been generated. One of the main criticisms of the transition period has been the nature of the concept of knowledge ‘transfer’. Hollinshead and Michailova, for example, demonstrate quite clearly the problems faced by Western trainers and Bulgarian managers in drawing up training programmes. They showed how the underlying premise of course designers was that ‘ capitalist logic possesses universality of application which needs little or no translation in its application to newer market economies. It is taken to be self-evident that “strategic” modes of thinking are appropriate for managers in privatised settings.’

The Bulgarian experience of this training is perhaps best summed up by one of the participants:

‘There were only a few links with Bulgarian reality, but I don’t think that this can be expected from the Western teachers. First of all, they know nothing

about Bulgarian practice, and secondly, Bulgaria is a peculiar country that is stuck on its transition between socialism and capitalism. Our economy does not provide typical examples to illustrate Western theories. It would be much better if the teachers knew just a little about Bulgaria. The lack of this type of knowledge made the training difficult, especially for people who were not able to speak English or who were not economists.'

This picture of miscommunication perhaps highlights some of the very real problems experienced by transition economies, who are undergoing, in a period of a decade, change that has taken over 200 years in other countries. It must be remembered that much of the training and development that is imported from the West is underpinned by thinking within Western economic systems of logic. This thinking supports the view that 'knowledge' is a package that can be owned and transported. This is dangerously to ignore the critique of such a view that alternative management theorists have been discussing for over two decades (e.g Alvesson and Willmott, Rees 1997). In this view, knowledge is considered to be socially constructed, and knowledge intimately interlinked with power. As the French historian and thinker Foucault notes:

'Power and knowledge directly imply each other;... there is no power relation without the correlative constitution of a field of knowledge, nor any knowledge that does not presuppose and constitute at the same time power relations' (Foucault, 1977, p. 27).

A more fruitful way of conceptualising this dilemma may be to take into account the role of the learner in the process of 'transfer', thus moving on from a notion of 'transfer' to that of 'translation', It is in the moment of translation that emphasises movement and transformation (Hollinshead and Michailova 2000).

In this paper, we are particularly concerned about the changes in the educational system, and by the pressures that transition economies are under to adopt wholesale practices that may not be suitable, or may not even be working in Western environments. Whilst we acknowledge that change is necessary, we question the assumptions about the proposed nature of that change, and suggest that policies should take into account the long-term evolution of Hungarian education, and the particular 'learner' that education serves. We offer a series of reflections that highlight the differences in our cultures, and which at the same time may enable a more fruitful 'translation' to take place. We hope that the paper will help inform intentions to reform and transform the educational system.

We have quite explicitly adopted a methodology that we hope leads to more 'translation' rather than brings with it a set of assumptions about the value of particular methodologies. One of the reasons that we have chosen, as part of our evidence 'writing and reflection' as a method of presentation, is to

attempt to highlight differences of understanding, so that we do not simply present a 'dry' account of institutional change, underpinned by the market assumption that education in Hungary needs to be reformed along Western lines. To do so would ignore the deeply embedded patterns of education and learning that have already existed in Hungary, and so further to perpetuate the market imperative. Whilst we acknowledge that much of what we say here is explicitly subjective, equally, we would argue that the more scientifically explicit methodologies are grounded in assumptions of a market logic which is equally subject to subjective views of how the world 'should' be.

We begin by outlining the development of education in Hungary, and then move on to an analysis of the current situation. The reforms are set against the current economic and social background. We examine these reforms. We then present our interpretations of the changes as reflected to us by several people involved in these changes at high levels. The Hungarian author reflects on her experience of change in the educational system, as she has experienced it as a child, through moving out to the West to learn a new culture, and then on her return as an advisor. Finally, we use the example of the review of some learning materials, to highlight at a detailed level, the problems of attempting a 'transfer' of cultures.

Section 2: The evolution of higher education in Hungary

We argued in an earlier paper (Illes and Rees, 2000) following the social scientist Elias(1994), that without a centuries-long historical perspective, and without a theoretical framework that can bring together macro and micro levels, many insights into organisation practice stays out of our reach. Our approach here is underpinned by an understanding that we need an approach that can explore the interwoven nature of human development and socio-political development through an understanding of 'sociogenesis' and 'psychogenesis' . These concepts are used to demonstrate the closely related nature of institutional and individual development, and how events at one level shape the individual psyche (understood as values) and vice versa. Since the effect takes place at this developmental level, our current understanding needs to take into account a much longer historical perspective. In this section, then, we briefly outline the development of Hungarian education over the past few decades.

Knowledge and a good education have always been an important and highly appreciated part of Hungarian culture. The first university in Hungary was founded in 1367 to teach 'all the arts and sciences' except for theology. Before 1949, higher education in Hungary by and large followed the German pattern. The communist take-over in 1949 resulted in both ideological and organisational changes. Higher education came under the central control of the Communist Party, with decisions implemented by the relevant ministries, thus to all intents and purposes ending university autonomy. In the period to 1951 many specialised, and scientific staff 'incapable of development' were forced to retire or simply leave their jobs.

The teaching of the Marxist-Leninist ideology became compulsory, and everywhere departments and institutions of political economy, dialectical materialism and scientific socialism were formed. A number of research institutes under the Academy of Sciences, were established, with frequent separation of research from teaching. In the universities strict, centrally designed curricula were introduced. From 1949 the social background of applicants became predominant in decision making for admittance into higher education institutions. In the case those with worker-peasant backgrounds were encouraged in preference to the bourgeois.

The process of breaking up the old universities and setting up specialised ones was also initiated. Some of the new universities were created by simply granting independent status to certain faculties of the old universities, others by raising some colleges to university status. In 1951 new departments and faculties of engineering were established, such as transportation engineering, building engineering, mechanical engineering, mining and chemical engineering.

After the 1956 revolutionary suppression, 334 lectures and 2879 students left Hungary and most of them continued their studies abroad (Ladányi, 1986). Many students were excluded for ever or at least for several years from every university in Hungary. In spring 1957 the youth organisation of the Communist Party was introduced into the universities under the name of KISZ (The Association of Communist Youth). After the revolution, solipsism combined with pragmatism as Hungarians generally lost most of their interest in politics and focused their energies on the self, on the day-to-day tasks of earning a living and on improvement of their own living conditions.

In 1963 overt 'origin'-based discrimination for entry to universities was officially ended, but the new system still allowed for non-merit entry. Some economic liberalisation and heavy international borrowing during this decade did lead to underlying reorientation. Rising real incomes and living standards were associated with other relaxations. Of major importance to higher education, the borders of the country were left ajar to the extent that international scientific relationships could again resume in a small way not only with the Eastern countries but with some Western ones too. By contrast, East Germany, for example, had to wait for another 20 years for this to happen.

1968, in the aftermath of the 'Prague Spring' was an important turning point for many students and lecturers in Hungarian higher education. Students and lecturers insisted on the introduction of non-Marxist social science education, the inclusion of students in the university governance and a generally freer atmosphere for higher education. A further slow improvement was also evident in the overall situation from the mid-1970s onwards, when many scholars were given further opportunity to attend international conferences and to participate in research projects abroad. From the early 1980s, this was also possible for a growing number of young people. Despite the negative

effect of central control, restrictions, low salaries for academics and teachers, the brain-drain, and also the need to conform which curbed innovative thinking, the situation did at least stabilise and not further deteriorate. This was due to the fact that teaching and research was one of the important areas one of the 'little freedoms' and therefore, despite all the difficulties involved, it attracted the talented.

In principle, even after 1980, the role of the Communist Party was unchanged, but in fact, in the universities of economics, many courses were run that were in contradiction with, or far from, the dogmas of the ruling idea, thus diluting its influence.

In 1989-90, important changes took place in higher education, in conjunction with the political ones. Institutions regained their autonomy, and party organisations and ideological faculties finally and abruptly came to an end. Although the heads of the institutions of higher education had been appointed by the previous system, institutions worked out often ad hoc democratic procedures, (some other countries appointed commissars), and elected executives in order to legitimise autonomy for the period of transition. Heads of the universities constituted a Hungarian Rectors' Conference, those of colleges set up the Hungarian College Directors' Conference, and the directors of the Universities of Art also established their own organisation.

By 1993, there were 30 separate universities, 5 of them church institutions, and more than 60 specialised colleges. In 1992-3, there were approximately 90,000 full-time students. More than 90% of students completed their degrees, given tough entrance exams, and a low dropout rate.

Since the academic year 1990/1, mainly with international support, the number of visiting lecturers has risen from 78 to almost 400 (145 British and 125 German). The 1993 Higher Education Act drew particular attention to the unity of teaching and research. Research has taken place at universities over the past decades, but from a financial and organisational point of view, the research institutes of the Academy of Science were in a more advantageous position. This caused tension between higher education and the Academy, further exacerbated by the Communist regimes' aim of dividing the Hungarian intelligentsia. Income policy was also used for this purpose, through raising the salaries and other emoluments of one group or the other (Tas, 1993).

The actual bill itself largely follows the continental model, but took over certain aspects of the Anglo-American system. Autonomy is legitimised. However, institutions function according to strictly outlined spheres of authority. Parliament can set up or close institutions, and it also decides on their development plans and budget. University rectors and professors are nominally ultimately appointed and relieved of their duties by the President of the Republic. In old Hungary this was the right of the king. College

teachers are appointed and relieved of their duties by the Prime Minister who also appoints and relieves college directors, and appoints the members of the Higher Education and Scientific Council and the Hungarian Accreditation Committee.

Institutions of higher education do enjoy autonomy in teaching, training, artistic activity, research and scholarship, and this autonomy can only be restricted in cases and in the manner detailed by the law. The rules for the functioning of the institutions are determined by the institutions themselves. The statutes have to be submitted to the minister in charge, who, however, may only examine their legality. Student self-governing bodies function as part of the university self-governing bodies. The institutional councils recommend persons for appointment as rectors and director-generals, and also as university and college teachers. They also decide on the budget, management and property of the university. No less than a quarter but no more than a third of the members of the institutional councils are student representatives and at least a third are senior teachers. The departments must also be adequately represented. The rector and members of the institution council (with the exception of students) are elected for three year terms, and their appointment can be extended once. Students can be elected for at most two years.

Over the past 50 years the universities have produced many eminent scholars, and indeed some notable nobel prize winners, but has suffered from lack of adequate administration. As everywhere there was debate whether the head of the university should be a manager or a scholar, and about the composition of the governing body and the scope of its authority.

The Higher education Act took two and a half years to prepare. Many groups, lobbies and political bodies participated in drafting the bill, which represents significant compromises. Various associations such as The Hungarian Rectors-Conference and the Hungarian College Directors-Conference, act as a forum where the newly autonomous universities may try and solve their inevitable conflicts. The main point of dispute, concerned ministerial control of educational institutions. The pre-existing situation was that e.g. the medical universities were under the control of the Minister of Public Welfare, of the Christian Democratic People's Party and the Agricultural Universities under the Minister of Agriculture, of the Small Holders Party. Even the financing of the universities came under the budget of the ministries concerned. With enactment, on September 1st 1993, all institutions of Hungarian Higher Education came under the control of the Minister of Education and Culture. The Higher Education Act (1993) has been widely criticised and became the starting point of succeeding reform processes as a result of which the objectives of development up to the turn of the century had been stipulated in the 1995 Parliamentary Decision. The amendment of a larger scale of the higher education act in 1996 provides the implementation of the above mentioned activities with a legal framework.

Section 2: Current state of Hungarian higher education

The following account is drawn from a reading of accounts in Hungarian newspapers, educational reports, and from interviews with many senior academics involved at high levels of changes. These academics have been involved with changes in the educational system over many years, and have provided us with in-depth personal accounts of their responses to the changes. It also draws on our respective experiences of working within the changes at institutional level over a period of 10 years. The focus of the work lies in the changes in business schools and universities.

Background: the current state of the transition

Although it is expected that Hungary will be the first transition economy to join the EU, the current state of affairs in Hungary is not promising. The GDP has only just reached the level of 1989. Much like the other East and Central Europe countries Hungary must have missed a potential growth of some 40-50%, which may be regarded as a loss due to the long period of disintegration. Measured by the degree of economic development, Hungary has now been overtaken and left behind by the rapidly developing economies of Spain, Portugal and Greece. Hungarian incomes are somewhere between one third and two fifths of the European average. In the period of transition, employment dropped by a third, meaning that the earlier, extremely high rate fell back to the lowest European level (from 50% to 36%). Some backward regions and unskilled segments of the population, especially the gypsies, where discrimination also increases the problem, suffer from severe, almost paralysing unemployment, reaching 50 or in some places even 80%. The labour market has become increasingly constricted and those who have dropped out have had to resort to pensions or various other forms of welfare benefits.(Ehrlich and Revesz 2000).

Thus , morale is not high. According to opinion polls, 33% of Hungarian adults responded optimistically in 1987; this figure dropped to 11% in 1991 and ten years later, it is still no higher than 18%(Csepeli. 2000).

Institutional reform 1999-2001

Since the early 80s it had been realised that there were too many higher education institutions for the size of the country. However, it proved to be such an unpopular task with so much resistance and lobbying from academics that these plans never reached implementation state. In 1999 it was announced by the government that long-tried reforms were to take place. The current 96 institutions were to be reduced to 23, and the mechanism was to be through merger, that would take place as of the 1st of January 2000. Institutions were given a year to set up a united central financial system and develop a strategy for the new, larger institutions. The rationale for this was to raise the level of efficiency, and to emulate her Western counterparts. However, despite the legislation, there has been little clarity or leadership about what these changes mean in pedagogic terms.

Because of this history, hard-pressed academics did not really think that the current government would go beyond the debate and proposal stage of the reforms of higher education. Even when the parliament agreed to reduce the 96 higher educational institutions to 23, individuals believed that they could strike a special deal for their own institution. None of the institutions wanted to give up its independence and particularly the smaller ones felt threatened by being ‘eaten up’ by the more powerful larger ones. When it became apparent that the mergers were inevitable then institutions either tried to find partners who were in a totally different discipline and hoped to preserve their independence within the merger or tried to find a partner that promised to leave at least some autonomy to the institution. Consequently, the last two years in higher education has seen an institutional power struggle on a massive scale.

Enormous increase in student numbers

Education at every level is undergoing reform. If we measure its success rate in terms of numbers, then it can be seen to be doing very well. The current Hungarian government increased the age of compulsory education to the age of 18. In 1990 34% of 18 year olds passed their A level exams. By 1999 this increased to 54%. Today 90% of students who enroll into a secondary school get a certificate. It means that A level or equivalent education is becoming the norm in Hungary. In most European countries the compulsory education ends at the age of 16, except for Belgium, Germany and The Netherlands.

Between 1918 and 1998 the number of students in higher education changed from eight thousand to 259 thousand. This means an average 5% annual increase in student numbers. However, the growth was far from even and the periodic jumps in demand would cause tension and problems in any industry (Bródy, 2000).

The following table charts the growth over the past 40 years:

Year	Number of students
1961	53.000
1965	94.000
1970	81.000
1975	108.000
1980	101.000
1985	99.000
1990	102.000
1995	180.000
1996	199.000

1997	234.000
1998	259.000
1999	280.000
2000	300.000 (predicted figure)
2010	400.000 (predicted figure)

(Adopted from, Bródy, 2000 p.826)

In 1990 only one third of secondary school students obtained places in higher education. In 1999 this increased by over 50%. It is the aim of the current government to increase student numbers in higher education so that 50% of 18 years-old are enrolled into universities by 2010. During the same period the country's GDP per capita stagnated. The government spends 5-6% of the GDP on education, which is among the highest in the OECD countries. However, in real terms it also means that in 1998 the universities received only 30-40% of the 1988 government support per student. (Chikán, 2000). Whilst there is a call for an increase in student numbers, the government gives a per student rate of 60-70% at full-time undergraduate or equivalent level. The institutions are expected to find ways for raising the remainder – this is done largely through fee-paying courses, consultancy, bidding for extra government and EU-funding and finding sponsors from industry. The cutbacks of 1995 (a 20% cut in staff in higher education) imposed as a result of economic difficulties have not been reinstated.

Since 1989 there has been a growth in private universities and state institutions which also teach fee-paying courses. Historically the Hungarian higher education operates as a market of scarcity where the demand has always succeeded the supply. Even in 2000 there were more applicants than places. However, the growth in correspondence courses means that universities and colleges are needing to look at other ways of developing education.

The economic state of research

Not only has higher education been hit in this way, research has also been affected. The Hungarian Academy of Sciences and its network of affiliated institutions has been hit severely. Between 1985 and 1990 investment in research and development stations had taken anything from 1.3% to 2.2% but by 1996 this had dropped to under 0.3%: in 1986 total allocations to research amounted to 2.6% of GDP, yet this was reduced to 1.3% by 1990 and were barely 0.6% in 1996/7 (As yardsticks, EU members states generally devote around 2% of GDP to research whilst the USA commits 2.45% and Japan 2.95%.) As a result, the workforce employed at research and development stations has sharply contracted from 60,000 to 20,000 between 1990 and 1997, with a proportionate cutback in researcher workers from 30,000 to 10,000 and also in the numbers of patent applications and patents granted (Romsics, 1999).

Low pay for academics

According to a recent study academic salaries have depreciated so much over the past ten years that a full time academic salary provides only a fraction of the individual's income. People are forced to find other ways of supplementing the income of their main employment. The following table presents the average composition of a Hungarian academic's income. There could be major individual differences in the proportions; however, it clearly illustrates that currently it is not possible in Hungary to live solely on one full time academic salary.

The change of the average percentage of income from different sources for academics in state universities or colleges

Source of income	1990	2000	
	2010(a)	2010(b)	
1. Basic income from full-time academic post	65 35	30	40
2. Extra income from teaching and research at the institution of full time employment	10 35	10	15
3. Special supplementary funding from the Ministry of Education or from the Academy of Science (linked to the main employment)	1 3	6	3
4. Income from working in another higher education institution	3 1	6	2
5. Income from private enterprise or consultancy	20 18	45	35
6. Income from teaching or research abroad	1 8	2	5
TOTAL	100 100	100	100

Adopted from Berács, (2000) p.48

2010(a) is a pessimistic scenario anticipating a slow evolutionary change in the higher education

2010(b) is an optimistic scenario anticipating a management type attitude and internationally competitive higher education

The above table shows that in 1990 65% of the academic's income came from the full-time post and only 35% from other sources. In 2000, however, only 30% of the income came from the full-time employment and the academic had to find other work to earn the other 70%. It is not surprising then that lecturers tend to spend as little time in their main workplace as possible. They go in, give their lectures and rush to the other institution to teach or jump in the car and drive to a company to carry out some consultancy work.

In order to improve the situation the government introduced a new salary scale for academics from 1st January 2001. This is an undifferentiated scale where the salary is directly linked to the position. Salaries are calculated and paid on a monthly basis.

Gross salaries per month:

University professor HUF 230.000 (£575)

Reader/Principal Lecturer HUF 161.000 (£400)

Senior lecturer HUF 115.000 (£290)

Lecturer HUF 92.000 (£230)

To become a lecturer one has to have a relevant university degree. A senior lecturer will have to have a PhD. A reader or principal lecturer will also have a PhD, however a professor will have to have habilitation as well. Habilitation is a major piece of post-doctoral research that will have to be submitted to and examined by the Hungarian Academy of Science. (The literal translation of the Hungarian title is 'great PhD').

Other extra bonuses such as the passing of a state language exam, a responsibility bonus for principal lecturers are now amalgamated into the base salary. The previously used scale system where people in academia got an automatic pay rise in every three years has also gone. Now there is only a standard salary regardless of the length of service.

On top of the salary academics receive a 50% discount on trains and ship and they also get a £6 worth lunch voucher per month. The interviews however revealed that these changes have not brought real improvement to salary levels. To illustrate the low level of financial reward one university lecturer gave the example of tram drivers.

'If you want to become a tram driver you need only primary school education (8 years), you will be trained to drive the tram free of charge, your salary will be HUF100.000-120.000 (£250-300) and you will get a free travel pass for your whole family.'

This is the equivalent of the salary level of a senior lecturer with a PhD who has spent at least 17 years in education. It is not surprising that morale is not high. Even with the best will in the world, academics do not have the time to improve and develop their teaching and research, when he or she needs to find 70% of the income elsewhere (working as travel guide, selling paintings, consultancy, extra tuitio etc.). Not surprisingly, it is now becoming difficult to find replacements for those who have left teaching to leave for higher salaries elsewhere – either abroad, or in the new enterprises. Under the present circumstances, it will be interesting to see for how much longer the intelligentsia, who have always kept active under the difficult circumstances of the Soviet regime, are willing to stay in such poor working conditions. From our discussions, we were met overall by pessimism, tiredness, yet still a willingness to ‘go on’.

Areas of growth and excellence

A major growth area as we mentioned above, is that of adult education through evening classes and correspondence courses. These started in the early 50s under the Kadar era, and were initially set up for those wishing to obtain the general school-leaving qualification. Later in the early 80s, mature students studying for college qualifications made up 36/37% of this population, giving rise to a blatant anomaly where colleges would only accept as full-time students those who had done consistently well at high school, whereas evening and correspondence courses had no entrance requirements. This sometimes means that those who had finished their full-time courses were often unable to find suitable jobs that in principle required graduate qualifications, because they had already been taken up by unqualifying people who might be studying at evening school. This proportion still exists today, and indeed is very much a growing area.

Summary of structural changes

We have noted that there are many economic and structural problems at institutional level.

The Hungary government’s ambitious plans are not supported by financial investments into higher education and there seems to be no labour market planning. So a growing proportion of graduates are already finding it more and more difficult to find appropriate, qualification specific employment. There are already signs of overqualification. 28% of graduates cannot find a job straight after graduation and 62% of graduates start a post-graduate programme right after graduation. It suggests that in many cases the diploma is only a piece of paper that has very little value on its own.(Bonifert 2001).

The lecturers who would be the implementors of the plans are underpaid and disillusioned. They have to cope with rundown infrastructure, obsolete buildings, increasing class sizes etc. Institutions become educational factories where underpaid teachers struggle with unmotivated students.

The leaders of education have been bogged down with reducing the 96 universities and colleges into 23. Senior officials of these institutions spend most of their time lobbying and trying to find the most beneficial financial package for their own institution. In the meantime there is no strategy for

changing the structure and content of education. In our experience academics in general are becoming more and more disillusioned and uncertain about the future. They are longing for some security and continuation where they can attend to academic rather than market issues.

In many ways, the system is facing the dilemma and tensions of those in the West: some campaign for a Western-type, manager-led business (e.g. Beracs, 2000) others argue that in this way education becomes more of a business product and the pedagogic aims are lost. The debate is heated and open. Bonifert (2001) for example raised the following questions in one of the most widely read daily papers:

'Have we utilised the bigger freedom in education over the past ten years or have we demolished even those achievements that worked?'

' Is it true that there is not enough money for schools and universities or do we not use the available money effectively?'

' Why are teachers so underpaid?'

' Why is it that some elite students of some elite schools win one international prize after the other and no one seems to care about the rest of the students?'

' Do we really need so many universities? Does not mass education decrease quality in higher education?'

These are questions relevant to any educational system, but given the particular circumstances under which Hungary is now struggling, and the pressure for change, these questions are of supreme urgency.

Barakonyi (2000) diagnosed the problem very well. Vice chancellors and deputy vice chancellors are academics with no or very little knowledge of management. Everybody seems to agree that there is a lack of professional leadership in higher education, and that many of the best leaders have been lost abroad, but there is little motivation to tackle this (interview materials). One answer has been to call for 'entrepreneur-type' managers in the educational system – but again there is no infrastructure for this to take place – the system is under-financed and there are not the institutional procedures and policies that would support an entrepreneurial manager such as performance-related pay.

Beracs, for example recommends the following tasks for higher education managers:

Environmental Change	Tasks for managers
Increase in student numbers	Development of entrepreneurial, managerial attitude
Education as a service, the	Development of the

era of the Internet	professional, middle-management
Higher education is becoming mass like	Creating chief executive functions Rewarding excellence, motivation in every area
Internationalisation of the higher educational market	Creating flexible organisational forms (e.g. matrix)

(Adopted from Berács, J. (2001) p.45.

Whilst this makes sense in the environment of change in , for example, the UK, are these solutions appropriate for Hungary? Given, even the structural problems we have outlined above, is it even possible, at this stage to develop an 'entrepreneurial and managerial attitude'? What would a 'flexible organisational form' look like to a population who have had 40 years of a paternalistic government? We have seen that structurally the system is struggling, so we would recommend that policy makers and commentators think hard and deep about the nature of the changes that are being recommended, if they are to reside in an uncritical acceptance of Western values. There are, we believe, two dangers in this route: firstly the assumption that Western systems are necessarily the best practice *per se*, and not questioning the assumptions that underpin these systems; and secondly, even if they do have 'universal' application, are they what is needed at this particular moment in Hungary's history? Do they take into account the 'learner' in this moment of 'translation', or are they imposing a set of values from another culture with a very different history and trajectory?

Section 3: The Hungarian learner: 'hallgato'

We started this paper by wondering whether the reforms would bring about any 'deep' learning that would enable Hungarians to adapt and take on the best of what was offered from the West. We have seen that the state of the system at the moment is fairly chaotic, and underfinanced, particularly given the very low level of academics' salaries – who are in the end the people who will make the reforms work.

A second major consideration is that of the type of educational system that has existed in the past. We would suggest that it would be better to build on the best of what is undoubtedly in the Hungarian system, evolving a style of delivery and content in line with Hungarian attitudes and values. As the authors of the Bulgarian paper noted, for 'translation' to occur, we first need to take into account the typical 'learner'.

The Hungarian author of the paper has in depth personal experience both as a student and as a lecturer both of the Hungarian and of the British higher education.

Recalling a Hungarian primary school brings back the memories of discipline and almost army-like order where you sat at a designated place, had to be motionless with your hands behind the back, and speak only when you were asked. Corporal punishment was still part of discipline in primary school in the 1960s and 70s and even the naughtiest boys of the class were scared to make a noise when there was a male teacher in the classroom. Every activity was marked and you were punished for not doing the homework or forgetting something at home. You were expected to do at least an hour homework a day and memorise a great deal of poems, facts and figures.

At the beginning of the class a teacher called someone's name from the class book. This person had to stand up and walk to the teacher's desk that was in front of the class. The teacher then asked questions and in the end gave a mark. I remember the fear and the tension in the classroom and I can almost hear the sighs of relief when the teacher decided to close the class book. Friendships were made on the basis of achievement so if you were on the top everybody envied you and wanted to play with you in the break. However, if you did not do well, you were ridiculed even by your classmates.

In the secondary school the pressure for achievement has increased even further. There was no corporal punishment but you had to follow strict rules and procedures and address your teachers in a very formal way. You had to wear a uniform and the biggest fear was the teachers' vitriolic comments on poor performance. At a grammar school the pressures for achievement were even higher than in ordinary secondary schools. Studying 3-4 hours a day after school was the bare minimum even for bright people, the less bright however, often spent all their free time studying. In all subjects the focus was on quantitative, factual knowledge. If you could recall all what the teacher said and what you read in the books than you could expect a good mark.

University life was more relaxed, however, the focus there was also on quantitative, factual knowledge. Most exams were oral and we were cross examined sometimes from thousands of pages. The aim of learning was to pass exams. Once you've passed one exam you very quickly tried to delete all the memorised information from your brain, so you would have room for the material that was required for the next exam.

In the UK when I studied for an MBA I found it easy to adjust to the different teaching and learning styles. In a way my Hungarian educational background was an advantage because I knew how to memorize effectively for written exams whereas some of my British classmates found memorization

a real challenge. Presentation was not a problem either because talking in front of 25-30 classmates has always been part of my educational experience.

The only challenge was perhaps working as a group member. I was so used to working on my own that I was tempted to do the whole group assignment alone.

It took a while to appreciate the dynamics in a group and to realise that by sharing the work and the responsibility we could all learn and take responsibility for the success of the project.

As one of our interviewees pointed out, the Hungarian name for student, *hallgato*, means, quite literally 'listener'. Even today, in the MBA classroom, it is highly unusual for the teacher to be questioned. Traditionally sitting on a platform, the teacher talks, and the students listen and don't like to interrupt. Indeed, teachers do not expect to be interrupted – and if they do then this means that he or she is incomprehensible. The professor does not make mistakes. If the professor invites a question, students are reluctant to stand out on their own. To do so would be to break a pattern. If they ask a question then they disclose their lack of knowledge. Students study and listen, teachers know and talk. The system of delivery is based on the old German system, and just as officers give orders, so the private obeys the orders.

Whilst as our Hungarian author notes, there are some real advantages to this system, in a modern world it has drawbacks. When this is linked to the survival of a paternalistic state, and to a typically pessimistic Hungarian personality, then little learning can take place (Csepeli 2000, Illes and Rees 200).

We believe that if Hungary is truly to emerge from the 'shadow' of her history, then the educational system needs reform that does more than merely emulate the structural reforms of the West (which has its own problems). Hungary has undoubtedly a fine tradition of education and culture that has often survived despite, rather than because of, government. We noted in an earlier paper (Illes and Rees 2000), how, as a result of its history, the Hungarian personality is shaped by characteristics of passivity and resistance. Underlying these perceptions, we would argue, lie a set of behaviours that have perpetually reinforced this state of affairs. These are: fear and fight for survival; procrastination and drifting; neurotic competition; martyrdom and guilt. Csepeli (2000) outlines some of the socio-psychological characteristics of the transition as : authoritarianism; paternalism; learned helplessness; culture of complaint;enslaving liberation;negative identity; doublespeak; endurance; passivity. Over the centuries, Hungarians have developed a sort of 'learned helplessness' which made it impossible for the individual to believe in the possibility of controlling his or her destiny through internalised drives such as motivation, effort, knowledge or skills. According to data, even among the young, there is great fear that what little they have gained from the West will be lost; one in

five young people believe that there is no way that the country can prosper (Wolf, 2000).

One of the major characteristics of the Hungarian educational system is its growth rate in terms of students. We believe that if no attention is paid to the modes of learning, then the system could begin to crumble. The English author has been involved in reviewing distance learning packages. As is to be expected, this reveals the patterns of thorough and rigorous content, but little attention paid to the needs of distance learning techniques, which have become quite sophisticated in the UK, building on the success of the Open Learning University. The rigidity of approach, lack of user-friendliness is apparent in these materials. Little attention is paid to the learning objectives, of which the student is unaware. The materials are also limited by the lack of money, and thus cannot be designed in a user-friendly manner.

So, whilst there may be a call at the level of policy to create 'entrepreneurial' managers, and administrators, to change content to be more aligned with Western models, we feel that a more integrated approach that encompasses both issues of money, and the learning needs of students would lead to more significant learning. At present, Hungarians are just emerging from a paternalistic shell, and their values and attitudes have been framed by patterns of 'collusion' with the existing government.

Attention needs to be paid not only to the financial side of affairs, but also to the curriculum content and a mode of delivery that is evolved from the history of the country. As Bonifert points out, while currently the focus is on theoretical knowledge, practical skills and applied knowledge is not part of the curriculum. For example, students are not taught how to understand and interpret legal documents, the highway code, how to use maps or how to fill in form and write applications. And more tellingly, even, given the history we have told here, civic education is particularly undeveloped. There is a huge misunderstanding of the notion of democracy. For example, when students were asked about the criteria of an undemocratic state, only 43% said that the state was undemocratic when citizens could not criticize the government; almost 30 % thought that undemocratic meant paying high taxes. Many thought that the most positive feature of a democratic society was that it provided the minimum wages to everybody and that the gap between the rich and the poor was not too high. This lack of understanding of politics and economics displays a great naivety about how political systems evolve, and the role that citizens play in the evolution of democracy.

We believe that, without losing the undoubted strengths of the existing system, education, even at the higher level, should be better focused at creating a safe environment in which Hungarians can challenge the status quo, and learn how to question authority. The country has little recent experience of democracy, so how can its citizens learn to exercise their true authority? As Granasztói points out, 'from the 1970s on civil society took on

a different meaning, different from that usual in traditional democracies. Civil society turned into a form of civil disobedience, the expression of a societal alternative distinct from, and opposed to, the one-party state, which led directly to an opposition to all kinds of state authority'. (Granasztói 2000). These are fundamental issues that will take time to evolve, and conditions need to be provided in which these debates can take place. The impetus to provide these conditions needs to come from Hungarians themselves in order to break this pattern of silent rebellion, if the nation is truly to flower. It would perhaps be timely for Hungarian academics and policy makers to stop, take stock and decide what were the positive aspects of Hungarian education that need to be preserved and what were the new methods, techniques that could complement the existing system.

Our picture here is one of fragmentation and not of integration: there seems to be little strategic overview of what is required for the economy. With standards falling, academics finding it difficult to devote themselves fully to the ever-increasing numbers of students, and modes of delivery being taken up willy-nilly from Western models, and finally little labour market planning, we are concerned that what once was a solid educational system is liable to crumble under market pressures.

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