

Higher education reformed

After months of protracted debates within the government and between the responsible ministry and various social stakeholders, Parliament finally passed the reform of the higher education system. Though the changes introduced are vast, budgetary concerns dominate the details and thus impact the overall assessment of the new law. The state cuts funding for students massively and saves a lot of money in so doing. At the same time, however, this approach could also exacerbate the already significant inequalities in the higher education system, since it makes the access of students from underprivileged backgrounds considerably more difficult.

It took longer than anticipated, but definitely in time for the academic year 2012/2013 the government passed its higher education reform just before Christmas last year. The changes introduced raised a number of controversies, and as a result the law has been the subject of numerous protests by students and university rectors. True to its stated aims, the law undertakes a comprehensive reform of the Hungarian higher education system.

The bottom line at the same time is also that it saves the exchequer considerable money, roughly 40 billions Forints or 15% of the total state spending on education. Many critics charge that that is indeed the true intent behind the comprehensive changes. Nevertheless, in spite of the obvious spending cuts, at least part of the reform seeks to address substantial issues. Those changes are not always popular either, however. Let us take a look at the most prominent issue, the decline in spending and its effects, most importantly on state-funded slots.

What did not happen

Before analysing what happened, it may be worthwhile to briefly take a look at what was initially planned but ultimately dropped. The debate between the Ministry of National Resources' Education Department on the one hand, and the universities and student organisations on the other side, got so heated on occasion that the Minister for Public Administration and Justice, Tibor Navracsics, had to step in twice to mediate. Nevertheless, the government stood by its most important controversial decisions, with two exceptions.

The more minor change is that universities will not have to make a successful foreign language examination a mandatory admissions requirement from 2016 on. This loosening of the original plan goes hand in hand with the government's decision to grant a temporary language amnesty, that is to let those who cannot collect their university degrees because they never learned a foreign language (or passed a test to attest their knowledge) bypass the requirement, though this opportunity will be temporary.

No closures but a drastic reduction in funding

The more significant surprise is that no institutions will be closed, or at least no closings are planned, though they may happen yet. When Prime Minister Orbán was asked – in response to rumours about various universities and colleges being closed by the government – a few months ago whether he had any plans to close institutions of higher education, he replied that the government would not do so, though he added that some schools may have to completely revert to private funding. Ultimately, this too could herald inevitable closure for at least some schools.

While no institution has ultimately been singled out for a total loss of funding, the system as a whole will experience a huge cutback amounting to the abovementioned roughly 38 billion HUF, and an even more drastic cut in the number of state funded students. The latter has emerged as the focal point of student protests.

Are tuition fees back?

The general consensus in Hungary has been for a while now that the first university degree should be free of charge. When the Gyurcsány-government tried to change this by introducing a general tuition fee, 82.2% of voters said “no” in a referendum initiated by Fidesz, which endorsed the consensus and rejected the tuition proposal. Yet tuition has always been a reality for many students who failed to fit into the government mandated quota for state-funded higher education slots.

Critics charge that Fidesz has surreptitiously snuck tuition back in, by cutting state-funded slots so drastically as to give thousands, potentially tens of thousands of students no alternative but to pay even higher tuitions than hitherto. Total state funded places at institutions of higher education will drop from 53,450 to roughly 34,000. Some areas, most notably the social sciences (including economics) and legal studies, will experience drastic cuts, while others, especially technical areas and medicine, will be treated nicely, meaning they will experience practically no changes. While universities and colleges may survive on an institutional level, some departments will be in a tough spot if few students choose to dole out the large amount of cash (several hundred thousand HUF a year) to pay the full tuition.

The pros

This may make sense for several reasons, proponents of the government’s measure argue. The most obvious one is that the state and correspondingly the education system, too, lack funds, while some or many students have the capacity to partially or completely fund themselves. It is somewhat paradoxical for the state to forego that money so that it can finance the education of students who could – with the help of loans or their parents – afford it, and then potentially go on to make a lot more money thanks to their free education.

Furthermore, free education has spurred the proliferation of higher education degrees that have little value in the real world, and while once a university degree was virtually a guarantee for lifetime employment and middle-class status, today some kinds of degrees that are now being defunded are a hindrance to employment. The higher education reform makes useful technical degrees more attractive by making it relatively easier to get a funded slot, and at the same time also may make some people think harder about the course of studies they pursue: if they pay a fortune for the diploma, then less useful degrees may seem less attractive to students or their parents, who hold the purse.

Equality problems

Still, one problem raised by critics is that this will significantly skew the already unequal education system towards the upper and upper middle classes, restricting the access to higher education of students with more modest backgrounds, and almost comprehensively excluding them from certain fields, such as law, where the government has left some 100 publicly funded slots for students nationwide, or the social sciences. Moreover, public funding in any form is primarily determined on the basis of scholastic achievements, where students from a privileged background enjoy an advantage.

Unless some regard is given to social background and some effort is made to recruit and let students from poorer backgrounds in, the higher education system might boast far fewer students from poorer background. In light of the fact that in OECD comparison Hungary already fares very poorly in terms of the educational access of underprivileged youth, this could raise problems over the next few years. The decrease of state-funded students plus the already introduced lowering of the age of compulsory schooling from 18 to 16 years might result in dramatic increase of unemployed people in Hungary. Not to mention the fact that in line with the provisions of Europe 2020 strategy most European countries are more and more devoted to raise the ratio of youngsters having a diploma, not to decrease it.

Many of the Orbán-government's economic and social policy measures have served to benefit the middle and especially the upper middle-classes, while Fidesz has been generally less concerned with the difficulties experienced by those with lower or no incomes. Two of the government's key policies, the flat tax and the mortgage repayment option, were geared towards helping those already better off. The direction of education policy meshes therefore with the overall outlines of governmental policy.