

# **EQUITY IN EDUCATION THEMATIC REVIEW**

## **HUNGARY COUNTRY NOTE**

**Nancy Hoffman (Rapporteur)  
Maria Luisa Ferreira  
Ben Levin  
Simon Field**

**Review visit: September - October 2005**



## **ACKNOWLEDGEMENTS**

The Hungary Review took place between 26 September and 6 October 2005. We would like to express our profound thanks to the very many people in different parts of the country who, during our visit, gave up their time to meet us, welcome us at their schools and other institutions, and provide us with hospitality. The Review Team wishes to express its particular gratitude to the national co-ordinator Judit Keller, and to the main author of the Country Analytical Report – Peter Rado.

## TABLE OF CONTENTS

ACKNOWLEDGEMENTS .....	2
1. INTRODUCTION .....	5
1.1 The OECD thematic review of equity in education .....	5
1.2 The visit to Hungary and the country note .....	6
2. SUMMARY OF RECOMMENDATIONS .....	7
2.1 Achieving reasonable fairness across the lifespan.....	7
2.2 Recommendations for special populations .....	8
2.3 Enabling conditions for greater fairness .....	8
3. HOW WE LOOK AT EQUITY IN THE HUNGARIAN CONTEXT .....	10
3.1 Political, economic and historical contexts .....	10
3.2 The main challenges as we see them.....	12
4. SELECTION MECHANISMS IN THE HUNGARIAN SCHOOL SYSTEM .....	14
4.1 Data on the education system.....	14
4.2 Selection and choice in the school system .....	15
5. FRAMEWORK FOR OECD EQUITY RECOMMENDATIONS.....	18
6. RECOMMENDATIONS .....	19
6.1 Achieving fairness across the lifespan .....	19
Early childhood education and care.....	19
From basic to secondary school.....	20
Improved educational options for low-skilled adolescents and adults .....	21
Tertiary education.....	24
Improvements across entire system.....	25
6.2 Recommendations for special populations.....	27
Children with special needs .....	28
Education of Roma students .....	30
6.3 Enabling conditions for greater fairness.....	32
Final Note .....	35
ANNEX 1: NATIONAL STEERING COMMITTEE, BACKGROUND REPORT AUTHORS, NATIONAL CO-ORDINATION .....	36
ANNEX 2: OECD REVIEW TEAM.....	37
ANNEX 3: PROGRAMME OF THE VISIT .....	38
ANNEX 4: THE STRUCTURE OF HUNGARIAN EDUCATION.....	41

ANNEX 5: A MEASURE OF SCHOOL SEGREGATION: HUNGARY IN INTERNATIONAL CONTEXT.....	42
BIBLIOGRAPHY.....	43

## 1. INTRODUCTION

### 1.1 The OECD thematic review of equity in education

1. This country note was prepared as part of the OECD thematic review of equity in education. The review aims to assist countries in developing and implementing effective policies for equity in education. It examines the contribution of different phases of education to lifetime equity and inequity and looks, in particular, at socio-economic, ethnic, regional and gender issues. The thematic review is primarily concerned with equality of opportunity while recognising that relative equality of outcomes is often used as an indicator of equality of opportunity. The exercise is designed to examine equity over the lifecycle, recognising that inequities emerging early in life may be either magnified or diminished by later experience.

2. The thematic review involves four separate strands of work. Each participating country prepares an analytical report on equity in education; country visits by teams of experts take place in a subset of participating countries leading to the preparation of country notes such as this one; and a statistical profile of all OECD countries, in respect of educational equity, is prepared. All four strands of work feed into the preparation of a final comparative report.

3. The analytical reports describe each country's context and current equity situation, provide a profile of equity in education, examine causes and explanations, and explore the effectiveness of existing policies and potential policy solutions to problems. Each report is supported by data, where they exist, on a specified range of indicators of participation, attainment and labour market outcomes by ethnicity, region, socio-economic status and gender, alongside data taken from the Programme for International Student Assessment (PISA) and the International Adult Learning Study (IALS). The country analytical report for Hungary is now available (Rado, 2005).

4. Five of the participant countries – Finland, Hungary, Norway, Spain and Sweden – have opted for a country visit. The object of these visits is to assess policy through the exploration of the perspectives of different stakeholders and through the observation of practice in specific institutional contexts. This involves the participation of a team of experts able to conduct an in-depth examination of policy and practice and to prepare a country note containing policy recommendations.

5. The OECD will prepare a final comparative report on the countries involved set in the wider context of OECD countries. Drawing on the analytical reports, the country notes and other strands of work, this report will aim to draw general policy lessons about how to improve equity in education. Much existing OECD work on education bears on equity issues and the final report will make full use of this substantial corpus of work. It will draw, in particular, on the results of previous thematic reviews – early childhood education, transition from school to work and adult learning – and on the results of the various PISA studies.

## 1.2 The visit to Hungary and the country note

6. In advance of our visit, we agreed with the Hungarian authorities that our visit should, alongside a broad overview of equity issues in Hungarian education, give particular attention to:

- the Roma population;
- disadvantaged groups;
- the rural population.

7. The OECD review team undertook a visit of 10 days, from September 26 – October 6, 2005. In addition to visits with key policy makers and education leaders in Budapest, the OECD team visited pre-schools, basic schools, vocational secondary, secondary, and tertiary institutions in rural, urban and suburban settings in and around Budapest, Miskolc and Pecs. We met with 200 people in 50 groups. In general, we saw a variety of schools serving disadvantaged young people, not those producing elite graduates. The details of the visit, including the specific schools and programmes observed, are contained in Annex 3.

8. Our report is based on what we learnt during the visit alongside the evidence set out in the Country Analytical Report, prior OECD studies of Hungarian education, and numerous research reports from Hungarian and international researchers. Among the OECD documents we drew on were Education at a Glance 2005, PISA 2003, and a number of Hungary country notes on specific topics including: The Transition from Initial Education to Working Life; Early Childhood Education and Care; Attracting, Developing, and Retaining Effective Teachers; and Understanding the Demand for Schooling: Draft Country Report. Other key documents included Education in Hungary 2003, country profiles compiled by Eurydice and Eurostat. Among the many reports on the Roma, we drew particularly on the annual reports of the Commissioner of Human Rights, the Roma Education Fund Needs Assessment Study for Hungary (12/2004), and the Hungarian Roma Education Note prepared by the National Institute of Public Education, 2003. The collection of papers in Chance for Integration (Hermann, 2004), were especially helpful in distinguishing between policies and programmes that would better serve all disadvantaged children, and those needed especially to address discrimination against the Roma as a visible minority.

9. This main author for this country note was the rapporteur for the exercise, Nancy Hoffman. The other experts on the team, Ben Levin, Maria Luisa Ferreira and Simon Field, also contributed to the writing and the team as a whole take responsibility for the final text.

10. The report is in four sections. Section 1 provides a context for the discussion of equity issues in Hungary. Section 2 describes the Hungarian school system with a focus on selection mechanisms. Section 3 briefly summarizes our analytic framework. Section 4 contains recommendations for consideration by Hungary in three areas: achieving reasonable fairness across the life span; achieving equity for special populations; and, finally, conditions enabling the achievement of equity. By enabling conditions we mean the mechanisms that should be in place if schools are going to change.

## 2. SUMMARY OF RECOMMENDATIONS

### 2.1 Achieving reasonable fairness across the lifespan

#### *Early Childhood Education and Care*

- Provide early child care (0 to 3) and associated family services for all those in a position to benefit, particularly disadvantaged children, regardless of parental employment status.
- Provide access to kindergarten for all disadvantaged children from age 3-6 regardless of family employment status.
- Establish a uniform age at which students move out of kindergarten into basic (primary) school rather than promotion based on evidence that the child is “physically, mentally and emotionally prepared.”

#### *From basic to secondary school*

- Maintain the 8 year basic school and the 4 year secondary school as the primary structure for schooling.
- Establish and implement policies and guidelines that require all schools (including 4+8 and 6+6 structures) to admit, retain, and graduate students with varied backgrounds (ethnicity, academic attainment, family income, and disability).

#### *Improved educational options for low-skilled adolescents and adults*

- Upgrade short cycle vocational education and fold it into ordinary long cycle vocational and general education.
- Create a community-based second chance system for disconnected young people and low-skilled adults.

#### *Tertiary education*

- Ensure through effective monitoring that the recent (2005) incentive programme to admit and provide financial support and scholarships for disadvantaged students achieves its goal of increasing the number of disadvantaged students and those self-identified as Roma participating in tertiary education.
- End the ad hoc two-tiered system of providing free tertiary education to some students and not to others: ensure that there are common arrangements for all admitted students (whether grants, loans, means-testing, or full state support), allowing for targeted help for poorer students.

### *Improvements across entire system*

- Strengthen school leadership and particularly the capacity of leaders to drive and support equity outcomes.
- Ensure that teachers who have the skills necessary to succeed with diverse learners are distributed to schools most in need of them.
- Reduce current levels of grade retention and minimize this practice at all levels of schooling.
- Ensure that schools serving disadvantaged students offer foreign languages and information technology courses at the levels these subjects are offered to advantaged students.

## **2.2 Recommendations for special populations**

- Fundamental steps, some orders of magnitude greater than those already pursued, will be necessary to include the Roma population in Hungarian society, and to ensure that the Roma population share in the fruits of economic growth. These should include measures taken across the entire range of public policy domains to combat both discrimination and social and economic disadvantage. We believe that these steps should be pursued as a national priority.

### *Children with special needs*

- Discontinue use of the catch-all category “mild degree of mental disability”.
- Place all children except the severely mental and physically handicapped in mainstream classes and schools. Integrate special needs teachers into those same schools to take advantage of their professional strengths.

### *Education of Roma students*

- Provide high quality education for Roma children.
- Create robust programmes with numerical goals and appropriate supports to increase the number of Roma achieving the matura.
- Establish programmes to develop Roma teaching assistants and teachers.
- Reduce the number of Roma students given private student status to the same proportion as in the general population.

## **2.3 Enabling conditions for greater fairness**

- Establish a high-level commission involving educators and politicians to define the responsibilities of schools receiving public funds for achieving the government’s public policy objectives in regard to equity. Such discussions (i) should be supported with data about current inequalities and projections of the likely consequences of growing inequities on the economy, on social cohesion, and on the status of Hungary in the world arena and (ii) should consider mechanisms used in other countries to implement equity policies within schools and school districts.

- Reconsider the balance of investments between sectors of education with greater funding going to improve the education of minority and disadvantaged students, and to basic schooling, to ensure a strong start for schooling across the nation and less funding going to tertiary education, a sector where government support has grown over the last 5-7 years.
- Create several highly visible demonstration sites to provide models of excellent education serving the needs of diverse learners, including Roma students.

### 3. HOW WE LOOK AT EQUITY IN THE HUNGARIAN CONTEXT

#### 3.1 Political, economic and historical contexts

“None of us wants to turn things upside down, we’ve done that already.” Anon. Hungary 10/05

11. Introduction: We begin this report on issues of equity with optimism and with the assumption that all children should be able to succeed in Hungary. Hungary has a declining population caused by a low birth rate. The schools are relatively well resourced. With a student/teacher ratio of about 10:1 (OECD, 2005a), Hungary has the lowest number of students per teacher of all the OECD countries. In principle this allows teachers to tailor their lessons to individual student needs. Most young people now complete secondary education, and 70% of these go on to further education. There is a healthy and diverse tertiary sector graduating students able to contribute to the global economy. These advances in educational attainment are major achievements of the last decade of which Hungary should be justly proud. Hungary also has a tradition of educational achievement on which to draw. Education is highly valued in Hungary, and our informants rightly described themselves as members of an intellectual culture.

12. Hungary has made rapid progress to a market economy since the political transformation that resulted from the collapse of communism. Hungary continues to have a low inflation rate (about 4.7% in 2003) and documented unemployment is relatively low at about 6%. After years as a “star” performer which brought the economy to its current state, Hungary’s growth rate is currently among the slower of the new EU member countries. Today Hungary is at a crossroads. It faces the exciting prospect of globalizing its economy and of exercising new rights and assuming new responsibilities with its membership in the European Union, but it must simultaneously not lose traction on key domestic issues that require attention. In order to keep foreign investments and the local economy growing, Hungary needs a well educated, flexible labour force and an informed and active citizenry. It must ensure that its least advantaged citizens are given opportunities to benefit from Hungary’s developing prosperity. There are social costs that arise from poverty. Better off people need to be aware of this, as they themselves play a role either in creating and sustaining or in reducing poverty. The new demands require that domestic policies protect key values of Hungarians such as equal chances for all while adapting to a rapidly changing globalized environment. With public will and the strategic deployment of current educational resources, Hungary has the capacity to achieve more equitable educational outcomes for its citizens. How it might consider doing so is the subject of this report.

13. Since the fall of communism, the country has changed dramatically – for the better in most ways – but change is not without unintended consequences. In building a democratic society, all Hungarians did not start on equal ground. Those who were best positioned to take advantage of democracy and the freedoms of the new political system were able to do so. Competition is threaded through Hungarian society: it is particularly evident in the education sector. Exams and other selection processes sort children into elite schools, and academic competitions identify those young people who are most promising in an academic field of endeavour. In addition, freedom of choice is exploited by those who can best use it – people with education and the social capital to navigate a rapidly changing society. In some cases individual success arises from ambition and hard work alone, but if the experience of other countries is applicable, and we believe that it is, chances for success come more easily to those who are already positioned to take make use of them. In economic terms, Hungary is not a particularly unequal country. The Gini index shows that income inequality in Hungary is well below the level both of some Western European countries such as the UK and Spain, and that of transition countries such as Poland (Guio, 2005).

(Of course these data do not identify the position of the Roma). It follows that the economic context should not present any insuperable obstacles to the achievement of equity in education. However the PISA results (discussed below) suggest that Hungary lies at an extreme position, in terms of differences between schools, and in terms of the strong impact of social background on school performance. Hungary now faces the challenge of developing an education system that compensates for family disadvantage without reinventing the level of state control and the attendant opportunities for abuse that existed under the old regime.

14. We were deeply impressed by the vitality of Hungarian society, the commitment to participatory democracy at the grass roots level through local self government, and the ingenuity of many in ensuring that their children get the education that will best prepare them for the future. Over recent years there have been a sequence of reforms – described in detail in the country analytical report (Rado, 2005) – designed to improve equity in education in Hungary. These include:

- The *2003 Amendment to the Public Education Act* aims to reduce early selection and segregation in schools. To this end, pupils in the first three grades can only be required to repeat the school-year if they fail due to frequent absence from school. From 2003 schools can get earmarked money for integration if they create a mixed and favourable environment for Roma children.
- The *János Arany Development Programme* for gifted students aims to facilitate the educational careers of gifted but disadvantaged students coming from small settlements. Students participating in the programme receive study grants, while the institutions receive twice the usual per capita grant.
- The *Phare programme* to support of the social integration of disadvantaged youth, launched in 1999, aims to support disadvantaged, particularly Roma students using different methods and tools at different levels of the educational system. A new project was launched in 2002, with the intention of establishing Roma community houses in smaller, disadvantaged settlements.
- The *Public Education Act* and the *Equal Opportunities Act* established the legal framework for inclusive education.
- From 1999, in Budapest, the *Mentor Programme for the progression of Roma students* aims to help seventh and eighth-grader Roma students to continue their studies in secondary school. Individual mentors provide after-school lessons to a maximum of five students. As a reward, teachers receive a monthly grant for each of their students.
- The aim of the *Roma Integration Programme* of the Ec-Pec Foundation is to help disadvantaged Roma students achieve reasonable results in school. To achieve this goal, they have devised a special development programme, allowing students lagging behind in their studies due to their socio-economic disadvantages to deliver a better performance in normal schooling conditions, regardless of whether they study in special school types or remedial education groups within normal school programmes. Roma teaching assistants support the work of teachers in the schools participating in the programme. The two-year pilot phase of the programme has proved that at least half of all Roma students attending special schools are able to meet normal curricular requirements if they are given appropriate development and care.

15. We are impressed by the energy and thought that has gone into these reforms, and we would support a strengthening and a broadening of the reform agenda. But we remain troubled by the extent of inequity, and, particularly, by the dire situation of the Roma—Hungary’s most visible minority. On this front too, we noted a number of positive initiatives, but we were doubtful that they match the scale of the challenge. According to the Roma Education Fund, 56% of Roma families belong to the lowest 10th of the population in income. What the Roma need most are dignified employment opportunities with family supporting wages. To benefit from future employment opportunities, Roma young people need learning

opportunities of the highest quality now. Recent steps to integrate schools so that young Roma learn with their peers are positive steps, and we commend all those who have worked to make this happen. There are other poor people in Hungary – especially low skilled adults – who could prosper if there were a more substantial and responsive second chance retraining system available to them. Again, we are aware that the government recognizes the need for such a system, and is taking steps to put learning opportunities in place.

### 3.2 The main challenges as we see them

16. In this report we make recommendations concerning reforms to the education system. But we would also want to make one recommendation which is more important than any of these.

17. The current circumstances of the Roma population in Hungary are unacceptable in a developed European country and a threat to the future cohesion of Hungarian society. This has been said many times before, and recognised by many Hungarians, but we make no apology for repeating and re-emphasizing the point. **Fundamental steps, some orders of magnitude greater than those already pursued, will be necessary to include the Roma population in Hungarian society, and to ensure that the Roma population share in the fruits of economic growth. These should include measures taken across the entire range of public policy domains to combat both discrimination and social and economic disadvantage. We believe that these steps should be pursued as a national priority.**

18. The countries that requested that OECD carry out a study of equity, including Hungary, did so because they were concerned about the social, economic, and moral costs of inequity. Although several of the countries among the ten participants in the equity study have longstanding policies to provide not only equal chances, but to reduce the disparity in outcomes of education as well, they are aware that their governments must continue to collect data, monitor progress, and make adjustments to respond to changing economic and social conditions. What is impressive in the policies and programmes of the countries with the most equitable outcomes is that they have done so not at the expense of quality, but by achieving excellent results with small variation based on family income and educational background. Hungary can work toward such a goal as well. Indeed, on the whole, countries with less inequity also have higher average levels of achievement – e.g. excellence and equity are not in opposition to each other. Almost without exception, our Hungarian informants spoke passionately about the need to make Hungary a more equitable society than it is today, and many of them had long been engaged in activities to enhance the chances and choices of the disadvantaged. They were open to new ideas, and not at all defensive about the questions we posed.

19. Nonetheless, the evidence, particularly from PISA, suggests that Hungary faces more obstacles to the attainment of greater equity in education than many other countries. Hungary combines the following political values:

- extreme devolution of responsibility for education to local self-governments, including very small settlements;
- open system of school choice;
- selection mechanisms that sort students between and within schools;
- limited accountability by schools or municipalities to the public or the Ministry of Education for results;
- resistance to the collection of data by ethnic and social identity.

20. We are far from the first to note the very light hand of central government – often reasonably explained as a reaction against communism. Indeed, multiple domestic and international reports have

attributed the high degree of inequity in Hungarian education to the factors above. These reports lead to recommendations for action similar to those we are making in Section 4 of this report, see OECD, 1999, 2004b, 2004c; Rado, 2005.

21. We argue that some practices that result from these values may need to be rethought for the purpose of achieving greater equity – for example, should there be more collective responsibility for children or greater central responsibility for practices within schools to achieve more consistent results? While we welcome many aspects of school autonomy, autonomy needs to be balanced by measures which hold schools accountable for enacting goals such as equity which contribute to the common good. Hungary has had a long enough respite from intrusive and overly detailed central control to consider swinging the pendulum back a bit from total school autonomy and radical decentralization.

22. Memoranda and reports from the Hungarian government and by Hungarian researchers note the frustration of having policies to promote equity that the central government has limited power to implement. The necessary levers for assessing, guiding, and changing school practices to better serve diverse learners in a consistent way across all Hungarian schools do not yet exist. Indeed, in a frank appraisal of Hungary's PISA results, Dr. Balint Magyar, the Minister of Education, concluded: "The provision of quality education and high standards can only be achieved if schools and teachers are convinced that it is possible to be accomplished and are willing to put efforts in it. Benefits, recognition of results and rewards are all necessary to motivate schools and teachers to improve performance, and to reach excellence. This area is still underdeveloped in Hungary....", (OECD, 2004a).

23. Three key elements appear to be missing:

- Country-wide expectations for school leaders and teachers accompanied by requirements for professional development with an evaluation mechanism that rewards increases in student learning and provides both help and sanctions for poor performance.
- A national system for enacting change with sufficient level of detail, incentives and sanctions to ensure implementation (visions for change with goals, timetables, and outcomes already exist in a number of areas such as vocational and tertiary education etc. but without implementation strategies).
- The mid level governmental structures (regional or county) and third party or non-governmental organizations that can translate policy into action plans that produce consistency of practices across the entire society while respecting the diversity of needs and desires in local communities.

24. The country note discusses these issues in the sections on teacher policy and on conditions for enabling greater equity.

25. Finally, although we do not dwell on the issues, we know that equity cannot be achieved through measures taken in the education system alone – school outcomes are shaped by larger social forces such as levels of employment, access to health care, adult and life long learning opportunities, and public values honouring the contributions to society of all individuals and groups. These larger issues compounded are in essence what separate the situation of the general population from those whose children are particularly at risk of educational failure.

26. The OECD team believes that Hungary should debate the following question: What balance between local control of schooling and central government authority is necessary in order to reduce the disparities in educational outcomes between disadvantaged and advantaged students?

## 4. SELECTION MECHANISMS IN THE HUNGARIAN SCHOOL SYSTEM

### 4.1 Data on the education system

27. The 1992 Act on the Protection of Personal Data and Disclosure of Data of Public Interest provided that “personal data may only be collected and processed with the consent of the individual or if it is required by law.” Thus, after this date, the government was no longer permitted to identify individuals by ethnicity in the process of collecting data on education. While the political history behind this law is completely understandable – Hungarian citizens were mistreated and murdered on the basis of their ethnic identity – the absence of country-wide, systematically collected data makes it difficult to fully understand the situation of ethnic minorities in Hungary. Nonetheless, despite the official prohibition against the collection of ethnic data, the country is not without data. In general, when we mention such data as the percent of Roma in special schools, or the number of Roma in segregated classes, these data come from social science researchers working on specific policy issues. We were told that researchers ask teachers and others to estimate on the basis of their personal knowledge who are Roma students. On the basis of samples from schools and districts, researchers extrapolate figures for the general population. We cite these data as do all others writing about the Roma. And like others writing about the Roma, we recognize the limitations of the data.

28. Not only does the lack of official data impede the creation of an accurate statistical portrait of the education of Roma people, it limits educators’ abilities to identify special educational issues of ethnic minorities, and to fully document and address discrimination. Because they lack data to differentiate between “mentally disabled,” “disadvantaged,” and Roma children, these categories are sometimes used as if they were synonymous and the same programmes and policies are required for each group. They are not the same, and we have tried to keep them separate in this report. Poverty and ethnic identity may be linked when ethnicity carries a stigma that results in the limitation of choice and opportunity. This is especially true in the case of a visible minority like the Roma. In the case of “mental disability,” our team supports the conclusion of other studies that discrimination against the Roma results in their extreme overrepresentation in this category. In “Financing the education of disadvantaged students,” (Hermann et al., 2004), the authors argue, and we agree, that “programmes aimed at preserving Roma culture – and at more effective education of disadvantaged students – should be treated separately”. In regard to poverty, not all Roma are poor. Although difficult to count, according to an estimate from 2003, about 1/5 of the Roma “live above the social average levels while about 60% of Roma children are designated as “disadvantaged”, (REFNAH, 2004). There are also disadvantaged children who are not Roma, whose needs must be recognized.

29. While this report attempts to recommend changes and improvements that are “doable” in Hungary today, there are points of urgency where the report pushes beyond what appears to be possible. This is especially true in regard to decentralization, school choice, and selection mechanisms in our recommendations in regard to the schooling of Roma children and in our recommendations regarding the second chance system for low-skilled young people and adults.

30. PISA Data: Several comparative data points from the international study, PISA 2003, are important for understanding inequities in the school system in from early childhood through tertiary education. PISA 2003 shows that Hungary has exceptionally large differences in performance between children of high and low socio-economic status. Hungary has very small performance differences within schools and great differences between schools most of which are attributable to family background. PISA 2003 results place Hungary just one rank above the bottom in regard to one of the study’s key equity

indicators: variation in performance within schools versus variation in performance between schools. The top countries for this equity indicator have relatively high achievement across all schools (i.e. small variation in results). Variation within schools is unrelated to the schools in which students are enrolled; this means that a school in a low income neighbourhood would have the same range of high and low achievement as a school in a wealthy neighbourhood. In addition, in PISA 2003, Hungarian 15 year olds performed near the bottom in mathematics. This means that a large number of Hungarian 15 year olds are not reaching appropriate levels of mathematics achievement. Finland and Canada, one relatively homogenous and the second considerably diverse, both have high achievement and comparatively small variation between schools. (Between school variance in math performance of Hungarian 15 year olds was about 70% while the average of 30 OECD countries was 34%. In three countries – Iceland, Finland and Norway – variance was only 10%.)

31. Hungary stands out among OECD countries in terms of the large effect which social background has on school performance. This means that student socio-economic status has a larger influence on attainment in Hungary than in any other participating country, apart from Belgium (OECD, 2004c, table 4.4 page 399). Our Hungarian informants called this PISA Shock. How the factors above fit together, and what can be done about them are issues treated in the analysis and recommendations below.

32. Hungary's education system resembles a giant pyramid with universal access and participation at the bottom and increasing selection and limited participation in tertiary education at the top. Thus, from the outside, Hungary's school system looks very much like that of other Western countries. Like other western countries, recent data show a rapid expansion of tertiary education with an increase in the number and mix of public and private institutions and student degree attainment rates with about 70% of students who complete the maturata entering tertiary education. The pyramid then is getting wider and flatter – a step for which Hungary should justly take credit. The question then is not how many students move from compulsory education to enter and complete a postsecondary degree, but who those students are. Are the successful students coming from advantaged families whose parents have attended tertiary education themselves? Are disadvantaged and Roma students represented in tertiary education in proportion to their percentage in the Hungarian population? One can and should ask similar questions about who graduates from vocational schools versus gymnasia or which students pursue foreign language in basic school and which students enter schools with entrance exams – especially the gymnasia that begin in 4th and 6th grades.

#### **4.2 Selection and choice in the school system**

33. How School Selection Works: A basic finding of the OECD team is that most of the issues we have identified as problematic and even urgent grow out of the compounded effect of numerous selection mechanisms in Hungary. Many countries have selection mechanisms, but Hungary appears to have every kind and at all levels of schooling; and they add up to a system that deeply disadvantages the poor, visible minorities, and special education students. The stratification and sorting system includes:

- unlimited school choice;
- high degree of professional autonomy of teachers;
- ability for any self defined minority group to set up and own its own school with government support;
- state supported transportation to schools of choice;
- grade retention throughout schooling;
- selection for special programmes within schools and within classes;

- selection into secondary education with variable ages of entry.

34. The combined effect of all these selective measures is illustrated in Annex 5 which shows that Hungary sorts students from different backgrounds into different schools of age 15 more comprehensively than any other OECD country. Such an extreme position is worrying, not least because it may be linked to the exceptionally strong link between social background and school, mentioned above, which is also visible in Hungary. Moreover, beyond age 15 we saw little reason to suppose that matters change much, given:

- a divisive system of fee and non-fee-paying students in tertiary education;
- very weak adult and second-chance education;
- weak reporting of outcomes, including little knowledge about differences in outcomes among ethnic and income groups.

35. The power of ordinary selection mechanisms is compounded by the radical decentralization of government down to very small units. There are, by the standards of other countries, an astounding 3 177 separate jurisdictions/ settlements with 2 349 maintaining at least one school. There are over 6 000 schools serving the 19 counties of Hungary plus Budapest with a school age population of fewer than 2 000 000. Some schools have only kindergarten (see p.5 notes); others have only 50 children for grades K-8. Some small schools may be good quality, but there are real pressures on the capacity of any small school with a very small number of teachers to deliver an education adapted to the needs of children of varying ages. Even the smallest settlements appear to be committed to maintaining schools at least through grade 4 whether there are adequate resources or not. Families with means abandon some small schools for better ones leaving behind those without the knowledge and resources to exercise choice for their children.

36. In the Soviet era, public education in Hungary was characterized by a high degree of centralization and homogeneity. After the transition, education legislation declared the freedom of school establishments, the freedom to choose a school and the professional autonomy of schools. In the last 15 years, Hungary has established a market place of educational options. And due to a continuing demographic trend, the number of children has dropped by 30 to 40% in pre-schools and in what we call here “basic” schools, namely schools providing education for the first 8 grades up to about the age of 14. Thus, a wide array of educational institutions are competing to attract children and retain or increase their per pupil financing. The result is a system out of balance: high performance schools with excellent reputations select students by exam and grades since they can fill more places than they have available; middling schools take the next tier, and isolated, marginal, or weak schools have small classes for children who are “leftovers” with few options. Usually these are the children of the poor and disadvantaged. Thus, the very children who need the richest resources, the most gifted teachers, and the greatest support are least likely to have it.

37. In response Hungary developed a range of initiatives described above. We were not able to evaluate these initiatives although it does seem to us that they are moving in the right direction. We also believe that these initiatives should be evaluated so that further reforms can build on this experience. However we should record the impression of the team that these relatively modest initiatives, on their own, are unlikely to have a large effect on the equity of overall outcomes particularly in respect of the entrenched problems faced by the Roma population.

38. Hungary’s experience with growing inequities is not unique, but it is worrying. It is perhaps worth a public appeal for fairness for children who, after all, did not choose their disadvantaged parents. Other countries have implemented explicit policies to mix students by ethnicity and income based on research that shows that academic achievement among disadvantaged children improves while advantaged children benefit from learning to live with greater diversity; they have implemented intensive programmes in basic and secondary schools to help promising students catch up, and have reserved places for such

students in high achieving schools. Such international experience alongside Hungary's own initiatives require broad debate and discussion in Hungary.

39. Hungary also has some promising developments with high numbers of young people completing the new competency-based 'maturata' (exam at the end of upper secondary education). This new exam was designed to test school learning as opposed to broader learning gained through family status and to provide a tertiary entrance exam, thereby eliminating additional tests to enter tertiary education. In addition, some upper secondary schools offer various combinations of programmes with a comprehensive character (schools of mixed type). This is a structure that could be turned into an opportunity: schools might make deliberate efforts to mix various kinds of curricula, to allow students in one track to take courses in another where they have areas of interest or strength, or to provide special guidance and support to ensure that more low-income students enter the highest prestige programmes. Nonetheless, such approaches do not add up to the robust policies and especially the implementation plans and accountability systems needed.

40. On schools choice we should note the provisions of Hungarian law.

*If after complying with its mandatory admission obligation the primary school is able to accept additional requests for admission or transfer, then it shall give preference to those whose place of permanent residence, or else place of temporary residence, is at the same municipality where the school is located. In this respect, schools may deny admission to pupils with multiple disadvantages only if they can site a lack of places. If after complying with its mandatory admission obligation the primary school is able to accept some additional requests for admission or transfer but is unable to accept all these requests, then it shall pass the relevant decision by drawing lots. It shall do so in front of the applicants for admission, who shall be invited for the draw. Nevertheless, pupils with multiple disadvantages or with special educational needs can be admitted without drawing lots, along with pupils whose special circumstances justify this. Such special circumstances shall be defined by the local government in a decree. [Act LXXIX of 1993, Article 66 (2)]*

41. The law needs to be backed by practical arrangements to ensure that schools encourage diversity in their applicants and enrolled students. Such arrangements should have real teeth, such that schools which do not comply risk having their funding withdrawn. On fair selection, the approach of drawing lots has been used in other countries – see box.

*UK Scheme to Allocate School Places by Lottery*

An academy in south London is one of a number of schools now allocating some of its places to children in the area on a random basis. The arrangements are seen as a way of breaking social segregation, particularly where better-off families buy up homes near popular schools.

The south London academy which has brought in the scheme is the Haberdashers' Aske's Hatcham College Academy in Lewisham. This year more than 2 500 parents were chasing the 208 places available for 11-year-olds. About half of the places were allocated to children with special needs, children in care, siblings of existing pupils and to the 10% of the whole intake selected on musical aptitude. Of the remaining places, half were allocated on proximity to the school, while the other half were selected at random from within the school's three-mile catchment area.

## 5. FRAMEWORK FOR OECD EQUITY RECOMMENDATIONS

42. The recommendations are organized in the light of different but interconnected dimensions of equity, (Levin, 2002):

- Whether the overall provision of education is sufficient and of the right kind to serve all learners: Looking across the lifespan, what are the specific requirements, for example, for a country-wide healthy start for education in early childhood and how do these requirements differ from those for basic schooling or adult education?
- Whether there is sufficient attention to and support for learners from groups and segments of the population that are particularly at risk of educational failure: Does the system meet the needs of ethnic minorities whose first language is not that of the majority population, of persons with disabilities, families with low levels of education, or boys as opposed to girls?
- Whether the enabling conditions are in place to make specific recommendations for changes and improvement in schooling possible: Is there a vision and are there goals for the school system and implementation mechanisms such as mid and local level governmental structures to carry out plans and spend money effectively/ Is there the capacity to improve schools through the further education of school leaders and through thoughtful accountability systems?

43. We include in enabling conditions as well the capacity to plan for and disperse newly available EU funds in such a way that the whole adds up to more than the sum of the parts in relation to equity. A number of these enabling conditions have already been identified by the Ministry of Education and others as particularly important to achieve in Hungary, (OECD, 2004a).

44. There are positive starting points in each of the three categories of our framework. For example, in terms of overall attainment, Hungary ranks 6th among the OECD countries in participation in secondary and tertiary education—a major improvement within the last decade (OECD, 2005a), and a promising development for the country's economy. In regard to support for at risk groups, Hungary has the legal structure in place to address inequities – especially those caused by visible minority status. And in regard to enabling conditions, there are initiatives underway that should increase the capacity of the system as whole to attain more consistently acceptable results across the country. These include the development of an assessment system, and – also positive – the recognition that simply providing additional financial support to schools with high numbers of disadvantaged students is not sufficient to address inequities, (Magyar, 2004).

## 6. RECOMMENDATIONS

### 6.1 Achieving fairness across the lifespan

#### *Early childhood education and care*

- **Provide early child care (0 to 3) and associated family services for all those in a position to benefit, particularly disadvantaged children, regardless of parental employment status.**
- **Provide access to kindergarten for all disadvantaged children from age 3-6 regardless of family employment status.**
- **Establish a uniform age at which students move out of kindergarten into basic (primary) school rather than promotion based on evidence that the child is “physically, mentally, and emotionally prepared”.**

45. Provide Early Childcare: The sorting of students begins at birth with access to childcare. The ministry of Health, Social and Family Affairs requires – in principle – that all local self governments provide early care to all children needing it—admirable in theory but in practice too narrowly defined as those families in which both parents work or are unable to care for their children, (OECD, 2004b). Few Roma children, given very high rates of unemployment among their parents, are eligible. In practice, only 8.7% of the 0-3 cohort is served, and that number has decreased since 1990, (OECD, 2004b). Children in isolated communities or in urban areas living under circumstances of disadvantage who would gain greatest benefit from the stimulation and socialization provided by day care centres do not attend. Thus, they are likely to enter compulsory education already behind their more advantaged peers, an educational gap that is likely to grow over the years.

46. As the extensive research literature shows, children of poor families without educational resources of their own reap particular benefits from early enrichment and socialization to the norms of schooling in day care centres. In interacting with the families of young children, child care centres can provide support in child rearing, identify problems and team with parents to address them, and generally link families with community resources such as family literacy programmes, effective parenting classes, and health services that ensure a strong start for their children.

47. Provide kindergarten from age 3: Pre-school kindergarten is compulsory from the age of 5, and children may begin at 3. In 2003, the government amended the Education Act to ensure access at age 3 to disadvantaged children defined as children who have at least two siblings, who receive regular educational support due the financial situation of the family or who are registered as being at risk by family protection services (p.58, Demand For Schooling, OECD, 2004d). Nonetheless, a larger number of poor children could benefit – even if their caregivers are at home – for the same reasons as these children should benefit from early care as noted above.

48. Kindergartens appear to be among the strongest areas of Hungarian schooling maintained by local self-governments with about 96% of Hungarian children aged 3 to 5 participating in some kind of kindergarten. Hungary has a tradition of preparing teachers well for kindergarten and of investing in facilities. The kindergartens we visited were well resourced, child-centred and orderly, although some had substantially better facilities than others. Among the most impressive programme and facilities we visited

was the Katica Community Nursery and Kindergarten in Joseftown, a school serving a heterogeneous mix of children – infants through 6 or 7 year olds.

49. Establish a uniform age for beginning basic school: Hungarian students do not move from kindergarten to basic school at a uniform age as children do in most OECD countries. We were told that decisions to hold children longer in kindergarten are subjective. Teachers and parents value the child-centred pedagogy of kindergarten and in some cases believe it would not be in the best interest of the child to move into a less flexible, more content centred primary school. Roma children are particularly likely to be held back in kindergarten with about 50% starting basic school over age, and, of these, 10% at age 8, (REFNAH, 2004). The solution, however, is not to retain the child, but to ease the transition by collaboration between the two levels of schooling. International research shows that grade retention results in lower rates of school completion and success, and is particularly unnecessary in regard to very young children.

#### *From basic to secondary school*

- **Maintain the 8 year basic school and the 4 year secondary school as the primary structure for schooling.**
- **Establish and implement policies and guidelines that require all schools (including 4+8 and 6+6 structures) to admit, retain and graduate students with varied backgrounds (ethnicity, academic attainment, family income and disability).**

50. Maintain the 8 year primary school and the 4 year secondary school as the primary structure for schooling: By the time students have completed the basic eight grades of school, their educational futures are all but settled. Very strong selection and admission mechanisms sort students between:

- vocational secondary schools attended by 40% of students;
- “short cycle” vocational training schools attended by 23% of students;
- three differently structured ‘gymnasia’(academic upper secondary) schools :
  - the basic model which begins at 8th grade (27%);
  - schools beginning at 4th grade (5%);
  - schools beginning at 6th grades (3%).

51. In six or eight grade gymnasia, students start tertiary preparation 2 or 4 years earlier than in four grade gymnasia. We were told that these schools are highly favoured by the best-educated and most powerful parent stakeholder groups and that students from these schools have the best chance of entry to tertiary education. These schools often require admission exams, these being restricted by the government to institutions with twice as many applicants as places. The majority of schools admit pupils according to their educational performance in basic school. We were told that this performance ranking is strongly correlated to the school attainment of parents, and is used not only to select between schools but also between various classes within the same school. In order to achieve greater equity, Hungary should minimize options for starting secondary school before grade 8, a policy issue that has received considerable attention in Hungary.

52. Establish and implement policies and guidelines that require all schools (including 4+8 and 6+6 structures) to admit, retain and graduate students with varied backgrounds (ethnicity, academic attainment, family income and disability): Selection between and within school begins with seriousness in basic school. Parents’ choice of programmes is unrestricted; a child can be enrolled in a school of a national minority or

a church even if the parents do not belong to the minority or practice no religion, or in a dual language school even if the child does not speak the given language. Parents are free to form their own schools, and to receive government funds. Even when parents do not send their children far from home to basic schooling, they may find a school that offers dual language or music or science to one segment of a class, while other children get a less enriched curriculum. Indeed, we visited a school in which, of each cohort of 40 students in a grade, half were learning English while the other half—many of them Roma—were not. Among basic schools there are ones with better reputations in every town, and these are where knowledgeable parents tend to send their children. We agree with the Ministry of education that in return for receiving public money, schools should be required to reflect the diversity of local populations and ensure access for all, particularly disadvantaged groups. Monitoring will be necessary, linked to real penalties for schools which do not comply.

53. The structural hierarchy between secondary schools is well illustrated by survey data collected in the late '90s. At that point nearly 80% of children of parents with university qualifications, 60% of children of parents with college qualification, 40% of children of parents with secondary school-leaving certificates and only 20% of children of parents with vocational training qualifications attend general secondary schools. The Roma population is extremely underrepresented in general secondary school; data from 1998/99 show only about 3.6% of the cohort attending, (Andor and Liskó, 2002). Unfortunately, there are no more recent data on Roma participation in general secondary. The more recent PISA results cited above on variation between schools in relation to family background confirm this pattern of inequity.

#### ***Improved educational options for low-skilled adolescents and adults***

- **Upgrade short cycle vocational education and fold it into ordinary long cycle vocational and general education.**
- **Create a community-based second chance system for disconnected young people and low-skilled adults.**

54. The 1999 OECD thematic review of the transition from initial education to working life in Hungary concluded that Hungary had put in place (p.41) many of the most important building blocks for a framework to assist the transition to working life. In particular, the report noted as a strength the double qualifying pathway' (p.39) that allows young people to obtain an occupational qualification and simultaneously qualify for tertiary education. With about 70% of students now taking the maturata and about 83% completing either vocational or general secondary schools (Eurostat Youth education attainment level – total percentage of the population aged 20 to 24 having completed at least upper secondary education), this is a major strength of the system, especially since there are now places available in tertiary education and a loan scheme to support attendance. Better outcomes are still needed for those young people and adults who do not complete either vocational secondary or general secondary school among them over 90% of Roma students.

55. While a high percentage of young Hungarians do complete upper secondary school, there are few data available on the number and profiles of those who do drop out, are expelled, or do not attend regularly. We believe there are more students than acknowledged whose relation to school is tenuous. The Roma Education Fund hypothesizes that about 9% of Roma young people do not complete 8th grade; as many as 15% are finishing primary school overage and do not attend secondary school. The good news is that the population needing a second chance or alternative system is relatively small; the challenge is that such a second chance system is all but non-existent; and in Hungary, the chances of employment without an upper secondary education are very limited. In OECD countries, Hungary has some of the highest rates of unemployment among 20-24 year olds who left school without attaining an upper secondary education, (OECD, 2005a) as well as high rates for those holding vocational qualifications, (Development Strategy, 4.2).

56. There are currently three educational choices for students who are alienated from school for one reason or another:

- alternative schools;
- private student status;
- short cycle vocational education.

57. The first two options serve small numbers of students. In regard to alternative schools (schools with experimental pedagogies) certainly a larger number of options would be helpful, but given other improvements needed, we do not recommend that major resources be devoted to such schools in the immediate future. In regard to private students, the law permits schools to exclude students (for a variety of reasons such as behaviour issues or disabilities) and require that they be educated at home. In fact, the Parliamentary Commissioner for National and Ethnic Minorities continues to receive complaints that this status is abused by school authorities, panels of experts, and local officials to expel Roma students from school. Such students do not receive home services, and probably would be well-served by a supportive school environment. We approve the effort to use this status sparingly and appropriately, and urge the continuation of efforts to monitor abuses.

58. Upgrade short cycle vocational education and fold it into ordinary long cycle vocational and general education. Many Hungarian and international reports point out the weaknesses of short cycle vocational education. The Ministries of Education and Employment Policy and Labour published the most comprehensive of these, The Development Strategy for the Republic of Hungary for Vocational Education 2005-2013, prepared for the European Union. The report cites a number of the issues identified by the OECD team:

- The system appears to be disconnected from employers' needs, with few apprenticeship opportunities. Hungary ranks near the bottom for providing combined school and work opportunities, (EAG).
- The number of students entering the system is decreasing (5.1.3 Dev Strat).
- The drop out rate is high with an estimate of 20-25% (5.1.3 Dev Strat).
- These schools are the last resort for socially and academically excluded young people.
- There is a little evaluation and no mechanism for continuous improvement.
- There is low labour market demand for the skills taught.

59. In connection with the Development Strategy, in 2003, the government launched a three-year development programme which initially involved 90 schools and has been extended to another 100 schools to join in October 2005. The goal is to address the problems identified above. The dropout rate in the 11th year of classes for those participating in this programme was 11% compared with 13% in classes not participating.

60. Although we agree with the problem analysis, we believe the solution needs to be more radical. There is little evidence that the system as it is currently structured can address the weaknesses identified. Much educational research suggests that segregating low-skilled young people in these schools will not get the best out of them. According to numerous studies, to be a high quality option for preparing young people for 21st century careers, secondary technical education must make better links to academic instructors within general secondary schools, to tertiary institutions that offer valued degrees and credentials, and to employers and a labour market that are demanding more, and more complex, skills.

While there is some evidence that vocational education can increase students' likelihood of completing school, there is little to suggest that vocational qualifications lead to high levels of employment. Hungary already has a system of vocational secondary schools that would benefit from improvement, but has many strengths.

61. We therefore recommend phasing out short cycle vocational programmes and folding these students into vocational and general secondary education, and at best, into the current comprehensive schools that offer both general and vocational secondary; in any case the short cycle is functionally obsolete with the move to compulsory schooling until age 18. Such a change would make the organisation of vocational secondary education similar to the number of other countries – for example Norway and Finland – with no short cycle on offer. It is important to note that Hungarian young people seem to agree and are voting with their feet. According to the Development Strategy, there are 50% fewer students in short cycle vocational education than in 1990, and the number who have chosen vocational secondary school (leading to the matura) has increased by 40%. In making this recommendation, we recognise that short cycle vocational schools cannot be closed down overnight, and it would have to be balanced by expansion in places in vocational and general secondary education. Implementation have to be carefully handled – the aim throughout would be to provide better opportunities to those currently pursuing this programme, rather than remove from them even these limited opportunities.

62. In addition, because there will always be students who do not fit these options, we would also recommend that Hungary create a flexible, responsive, set of community based options that can serve both young people and adults. We heard about and saw community-based programmes that are getting good results (including those run by Jozsef Mayer and Peter Singer, and Little Tiger in Alsoszentmarton). There is a substantial literature from other countries as well that provides models of effective community-based programmes for highly challenged young people.

63. Create a community-based second chance system for disconnected young people and low-skilled adults: Only one other OECD country reports having fewer adults than Hungary participating in continuing education, where less than 10% reported having taken part during the preceding year, (OECD, 2005a). While official unemployment in Hungary is low (under 6%), many people are not participating in the labour market at all, having stopped seeking work or alternatively as with the Roma, having dropped out of official figures. Thus, those most in need of rebuilding their skills have few opportunities to do so.

64. The draft country note from the thematic review of adult learning (OECD, 2005c), notes, as in many countries, private, expensive adult training is growing and serving the skilled professionals who purchase services themselves or whose companies provide for them while the low-skilled have few opportunities and incentives to participate in skill development (p.30). According to Eurostat only 4% of Hungarians with low levels of formal education and 5% of the unemployed take part in life long learning. Thus, in Hungary as elsewhere, lifelong learning policies run a high risk of aggravating inequality. In addition, Hungary faces a dilemma common to many countries: how to co-ordinate oversight of adult education between various ministries including Employment and Labour, Education, National Cultural Heritage, and the National Institute for Adult Education – an independent body charged with accrediting adult training providers. In regard to equity, low skilled adults may be the forgotten people since Hungary does not make retraining them a priority. Indeed, the country note from the thematic review of adult learning recommends that Hungary should pay much more attention to informal, community based structures for providing adults with educational shortcomings learning options for improving reading, writing, mathematics, language and ICT skills and the knowledge needed for active citizenship.

65. Hungary will face a growing underclass of disconnected young people and low skilled adults if it does not take steps to provide them with assistance. This is a difficult population to reach, and we heard few success stories. While we are uncertain of the function of the regional employment centres and the stability of their funding, these might be the bases from which such programmes could be mounted. There is a large literature on the design and appropriate pedagogical techniques for implementing community based second chance systems: among the features are assessment of non-formal learning, strong links with

employers; learner centred and contextualized pedagogical methods that respect students' prior knowledge; improvement of literacy skills; financial support for participation with incentives and sanctions; and modular schedules so learning fits in with adult schedules. In addition, any such programme such be designed against standards of best practice, be evaluated regularly, and be sufficiently flexible to adapt to changing student needs.

### *Tertiary education*

- **Ensure through effective monitoring that the recent (2005) incentive programme to admit and provide financial support and scholarships for disadvantaged students achieves its goal of increasing the number of disadvantaged students and those self-identified as Roma participating in tertiary education.**
- **End the ad hoc two-tiered system of providing free tertiary education to some students and not to others; ensure that there are common arrangements for all admitted students (whether grants, loans, means-testing or full state support), allowing for targeted help for poorer students.**

66. Ensure that the recent (2005) programme to admit and provide financial support and scholarships for disadvantaged students achieves its goal: Rates of participation in tertiary education tripled between 1999 and 2002, (OECD 2004d), with slower increases since. According to Education at a Glance (OECD, 2005a, p.242), nearly 70% of Hungarian students completing the matura enrol putting Hungary 6th in the OECD countries. By 2012 because of declining birth rates, there will be a place in tertiary education for every graduate — most likely a greater supply of places than needed. Given the openness of tertiary education then, the severe under representation of Roma students and students of disadvantaged families can be attributed to their unequal preparation for study and the absence of programmes to recruit and support them. Students are admitted to tertiary education on the basis of their entrance scores with the higher scoring students supported by state funds to the institution and the lower scoring students admitted as “private” students required to pay tuition fees. Given the close relationship between student socio-economic condition and academic outcomes in Hungary, it is likely that lower scoring disadvantaged students are admitted in high proportion as private students.

67. A small programme begun in September 2005 demonstrates that Hungary is moving positively to increase the number of disadvantaged and Roma students admitted to and supported in tertiary education. When disadvantaged students are admitted as private students, the state steps in to pay their tuition fees instead of requiring that the family do so. The number of students paid for in this way cannot exceed 3% of all admitted students. In this first year of operation, the state is paying the private tuition of 270 students. There are also small pockets of special support and innovation that should be encouraged. Among the examples are the Romaversitas Invisible College, the Roma studies programmes in Pecs and at the Central European University, and scholarship support from philanthropies such as MACIKA, a public foundation to support Roma tertiary education. The latter provided small scholarships to 1 700 students this year. We would particularly encourage special measures to support Roma students in teacher training programmes to increase the supply of Roma teachers available to primary and secondary schools.

68. End the ad hoc two-tiered system of providing free tertiary education to some students and not to others: The small special support programmes mentioned above should be viewed as temporary or supplementary steps in a process to create a more equitable system of payment for higher education and access for a broader segment of the population. Currently there appear no clear or equitable criteria to determine who has to pay tuition fees and who does not, generating a lot of potential unfairness. Institutions receive a set per pupil amount for state funded students, but may set tuition fees as they like for private students. In addition, they can differentiate fees across fields of study so that private students may be restricted in their academic choices. Both of these aspects of the system can lead to abuses with students dropping out because they cannot afford tuition fees although their academic performance is strong; and students hesitating to choose the field for which they are best suited because the fees are high or private

places are restricted. In addition, private student status may have a chilling effect on access to tertiary education. Disadvantaged students are likely to believe that they cannot afford the tuition fees and associated costs of tertiary education, and that they will not be able to pay back loans, and so are discouraged from even making an application.

69. The system should operate on the principle that all students admitted are qualified for tertiary level work, and thus all have similar options in regard to financing their studies and choosing fields, while also recognising that students from poor backgrounds may need special help. There are building blocks in place in Hungary and helpful models and experience in other countries. For example, Hungary now has a student loan scheme supported by the Council of Europe Development Bank that is open to all Hungarian citizens under age 35 admitted to tertiary institutions. Like loan schemes in other countries, loan payments are income contingent. In regard to tuition fees, Hungary might look to the many countries that have decided to make student contributions a source of support for higher education, but have also built in incentives to encourage low-income students to participate. Both New Zealand and Australia have had fees for more than a decade; and the UK has recently implemented a scheme that allows students to defer all of their fees until after graduation. The UK scheme also exempts the lowest income students from paying the first 1 125 pounds sterling (about 1 600 euros) of their fees and provides maintenance grants as well.

#### *Improvements across entire system*

- **Strengthen school leadership and particularly the capacity of leaders to drive and support equity outcomes.**
- **Ensure that teachers who have the skills necessary to succeed with diverse learners are distributed to schools most in need of them.**
- **Reduce current levels of grade retention and minimize this practice at all levels of schooling.**
- **Ensure that schools serving disadvantaged students offer foreign languages and information technology courses at the levels these subjects are offered to advantaged students.**

70. Strengthen school leadership and particularly the capacity of leaders to drive and support equity outcomes: Hungary has a decentralized school system where school leaders have major responsibility for school management and academic leadership. They must be entrepreneurs, innovators, and spokespersons for the value of public schooling to Hungarian society. If, as we believe, Hungarian school leaders are like others in OECD countries, their formal training and on-going learning will have been almost non-existent or sporadic, (Bolam *et al.* 2000; Hickcox, 2002). An international body of research is beginning to define the core competencies required of any school principal, although this does depend somewhat on the form of governance under which they serve: typically, leadership training should include the development of competencies such as the following: fiscal management, staff selection, student assessment, professional development, teacher evaluation, community and family engagement, and the management of change. For the purposes of this report, it is important to note that each of these core competencies has an equity component. Principals should be equipped, for example to lead culturally inclusive professional development activities and to engage families with their children's schooling especially those unfamiliar with Hungarian academic expectations.

71. Ensure that teachers with the skills necessary to succeed with diverse learners are distributed to schools most in need of them: Good teaching is the undisputed key to good learning. (For the well-documented relationship between teaching techniques and learning, see, for example, *How People Learn: Brain, Mind, Experience, and School*, 1999, National Academy of Sciences). If greater equity of results is a national goal then effective policies need to be developed to ensure that well-prepared teachers work in schools most in need of them. People we spoke with in schools and elsewhere tend to attribute poor

academic results solely to the social backgrounds of the student body, implying that if students came from “better” families, they would learn more. We asked at several points in our visit to schools, which schools outperform expectations – that is, which schools with a large population of disadvantaged students show unexpectedly high achievement. This question appeared to meet with incomprehension – this suggested to us that the notion that parentage shapes destiny is deeply embedded and that even extraordinary teaching would not make much difference. Thus, Hungarian educators must send the message that teachers can and do make a difference in results with disadvantaged students. Teachers with appropriate training and support should be able to achieve results comparable to those of middle and upper income students, Hungary must also develop the training programmes and incentives that results in a cadre of teachers choosing to work with challenging students and setting high expectations for them.

72. Examples of Incentives to Distribute Teachers More Effectively to Disadvantaged Schools:

*In Sweden, the centrally bargained fixed-pay scheme for teachers was abolished in 1995 as part of a package designed to enhance local autonomy and flexibility in the school system. The government committed itself to substantially lift teacher salaries over a five-year period, but on the condition that not all teachers received the same raise. This means that there is no fixed upper limit and only a minimum basic salary is centrally negotiated, along with the aggregate rise in the teacher salary bill.... The scheme is underpinned by a system of central government grants to ensure that low-income municipalities are able to compete effectively for teachers and other staff in the service sectors of the municipality, (OECD, 2005d).*

73. Hungary faces a second challenge in teacher policy in regard to civil servant status. Once a teacher gets a position and survives the first year, she or he has what is effectively lifetime tenure, (OECD, 2004d). Only a serious breach of discipline can result in dismissal. While lifetime tenure is common in many countries, Hungary both grants tenure early, and does not have strong requirements for professional development or teacher evaluation. It is an irony that in a country where competition and the operation of the market are core values shaping education, after their initial hiring, teachers are almost totally exempt from competitive pressures.

74. The draft country note prepared on Hungary as part of the OECD thematic review of teacher policy, (OECD, 2003b) noted a number of problems in teacher policy which have an impact on the achievement of greater equity.

- Teacher education: Hungary trains too many teachers, and the training received is widely regarded as inadequate, particularly for instructors of older children. Given the challenge of retaining Roma and disadvantaged students through the matura, preparing secondary teachers to promote the success of these students appears critical.
- Teacher professional development: The free market strategy for the provision of professional development is not balanced by a commensurate requirement that the teacher’s choice of opportunities improve the learning outcomes of the school. It is not clear that there are sufficient service providers experienced and successful in preparing teachers to work with diverse and disadvantaged students. The Hungarian Accreditation Board that accredits the suppliers of professional development does not submit them to rigorous evaluation.
- Teacher Employment: Teacher salaries are set by the state, and like other civil servants, they received a 50% pay raise in 2002. Nonetheless, teacher salaries are not competitive with other fields requiring university degrees; small, less well off settlements have difficulty attracting teachers especially in hard to staff fields like foreign languages and computer technology.

75. Reduce current levels of grade retention and minimize this practice at all levels of schooling: In general good practice suggests that intense academic support and “catch up” during summers or within the school year are far better strategies than retention for enabling the on-time and successful completion of

secondary school. Grade retention is a costly procedure, since it involves an additional year of schooling and, in principle, one less year earning money in the labour market. Schools have few incentives to take these costs into account since they are recompensed in terms of the number of students in the school, although alternative interventions – such as additional help in small groups, would be costly for individual schools. We were also concerned to see that repetition disproportionately affect Roma pupils. Evidence from a number of countries suggests that repeating a grade provides little support to struggling learners. Finally, many countries have demonstrated their capacity to effectively maintain standards, and intervene effectively to support those at risk of falling behind, without recourse to grade retention. PISA 2003 notes that “grade repetition can be considered a form of differentiation in that it seeks to adapt curriculum content to student performance. The results suggest that countries with high proportions of students who have repeated a grade at the upper secondary level at least once tend to perform worse” (OECD, 2004c). In a positive step in 2004, (Acts of Education) Hungary mandated the end of grade repetition in the first three years of elementary school. We support this reform and propose that it should go further. Compared with other OECD countries, Hungary has a slightly higher than average proportion of 15 year olds repeating in upper secondary (3.3 in Hungary as opposed to 2.0 average).

76. Ensure that schools serving disadvantaged students offer foreign languages and information technology courses: Because teacher salaries are set uniformly, Hungarian schools lose particularly in the competition for foreign language and technology instructors who find attractive and lucrative positions in the private sector. These two subject areas are of major importance in helping disadvantaged students prepare for and compete in the labour market, and their schools are the least likely to have strong language and ICT teachers. ‘Education in Hungary 2003’ notes survey data that show that “for children of disadvantaged families practically the only chance for learning foreign languages or mastering computer skills is exclusively at school” while middle class and privileged children are more likely to have special language classes at school and out of school tutoring and to use a computer both at home and at school (87% of privileged children versus 17.2% of disadvantaged, Table 6.2).

## 6.2 Recommendations for special populations

OECD visitor to a 10-year-old special education student: Are you reading xx (a Hungarian classic) with your classmates?

Teacher answers for the child: she does not have to read it; she’s mildly mentally disabled.

OECD visitor to the child: What are you reading?

Child: I’m just finishing Harry Potter.

77. **Fundamental steps, some orders of magnitude greater than those already pursued, will be necessary to include the Roma population in Hungarian society, and to ensure that the Roma population share in the fruits of economic growth. These should include measures taken across the entire range of public policy domains to combat both discrimination and social and economic disadvantage. We believe that these steps should be pursued as a national priority.**

78. The recent creation of the Roma Education Fund and the declaration of the Decade of Roma Inclusion (2005-2015) represent the culmination of high-level discussion in Central Europe, in the World Bank, The Council of Europe Development Bank, the European Parliament and such bodies. Hungary and other countries have established inclusion and social cohesion policies, provided incentives with a goal of changing both practices and outcomes, and have used the legal process to address grievances. Many of these mechanisms have been summarised above and are set out in detail in the country analytical report (Rado, 2005). A substantial gap remains between changes in policies, and changed practices that improve the lives of children; here the results come nowhere near meeting the scale of the challenge. What struck us most, and is confirmed by data, is that our informants generally believe that the life chances and educational situation of the Roma are getting worse not better. The key issues are unemployment, mental and physical health, poor educational resources in isolated, segregated schools, and continuing discrimination from other Hungarians. Outside education, we did not investigate these challenges in any

detail, but we saw enough to gain a strong impression of the scale of the problem, and to appreciate that education reform needs to be part of a comprehensive package to address the range of challenges faced by the Roma population of Hungary. Our recommendation above is designed to promote such a comprehensive package.

79. Within education, our team has chosen to make recommendations on and address four issues which have received less scrutiny than others: testing, mainstreaming, quality improvement for isolated schools, and development of Roma educators. We should note, however, that the first two issues are treated in the National Development Plan Operational Programme of Human Resource Development, and a number of projects with funding are currently underway to end unfair testing and labelling, and to integrate Roma students into mainstream classes, (REFNAH, 2004).

80. The two issues treated below, categorization and segregation of students labelled “mildly mentally disabled” and educational opportunities and outcomes of Roma children, have been the subjects of research, policy analysis, government programmes, and public discussion for decades in Hungary and other central European countries. One study in process finds 40% of Roma are identified as “disabled” compared with 9% of all Hungarian children under age 14. The number of Roma children in special schools in rural areas is three times bigger than would be expected given their proportion in the population. About 20-22% of Roma children are in the 700 Roma-only classes, (REFNAH, 2004). The average for the European Union is about 2.5%. There is perhaps no other subject in Hungarian education that has garnered so much attention. Indeed, the literature on this topic goes back decades; and it was a subject of discussion prior to EU accession, and is a continuing concern in central Europe.

#### *Children with special needs*

- **Discontinue use of the catch-all category “mild degree of mental disability”.**
- **Place all children except the severely mentally and physically handicapped in mainstream classes and schools. Integrate special needs teachers into those same schools to take advantage of their professional strengths.**

81. Discontinue use of the catch-all category “mild degree of mental disability”. A higher percentage than average across the OECD countries of Hungarian children are labelled as having a “mild degree of mental disability” at age 4 and 5, put in special schools, and started on an education that remains largely segregated throughout the years of schooling. The law identifies these children as “permanent slow learners”. It also defines the cause of their slowness as related to educational and socio-cultural environment. We find this procedure to be highly questionable. First, many children with learning difficulties catch up if they are given adequate support, and can rejoin the mainstream, but the legal framework appears to prevent this. Second, even for those with learning difficulties which continue over a long period, it will often provide those children with a more constructive learning environment if they are taught in an ordinary class or at least in an ordinary school. Third, we were profoundly concerned at the exceptionally high proportion of Roma children who receive the designation of mildly mentally disabled.

82. Our impression is that those so-labelled are largely very young children who come to school without knowledge of school culture and expectations, and occasionally with a mother tongue other than Hungarian. Two successive decrees in 1998 and 2001 gave parents a greater role in the assessment process and guaranteed a review process in an attempt to stem abuses. According to a study by the OECD (confirmed by much other research), Roma children continue to be inappropriately and harmfully labelled as having low IQs based on the assessment of expert panels assembled by the National Committees for Assessing Learning Abilities and Rehabilitation when, with intensive “catch up” teaching they would and can manage in regular classrooms.

83. Evidence from a rigorous evaluation of Step by Step, a programme for Roma children labelled mentally retarded in Bulgaria, the Czech Republic and Slovakia, found that after two years in a three-year

programme that trained teachers in child-centred methods, 64% of the children had met the requirements of the national curriculum. At the end of grade 3, 62% of students in the special education pilot classes were achieving at a level that would indicate they could be integrated into the mainstream at grade 4. Similar results were achieved in Hungary with a small cohort of Roma children, (see the OSI-NY Step By Step Roma Special Schools Initiative Final Report, February 2003 and 2004 for a proven model for enriching the education of Roma students that provides evidence that the participating students were not mentally disabled). Good practice would insist that Hungary end this early selection, labelling, and segregation of these young children from their age-mates.

*Example from Step by Step Roma Special Schools Initiative Final Evaluation Report (Year 3) - Summary*

- \* The educational model was founded on the experience of validated educational practice. The key components of the model are:
- \* High expectations for success, coupled with the use of mainstream primary school curriculum to replace the special school curriculum.
- \* Anti-bias education for all teachers and administrators in the project.
- \* Appropriate methodologies for second language learners.
- \* Placement of a Roma family coordinator/teaching assistant at each site to assist in the classroom, act as a role model for children, history into the curriculum, and serve as a liaison between the family and the school.

84. Although the issue of how Roma children are classified as being mentally disabled has been debated for many years, we nevertheless find the evidence disturbing. It is clear to us that the human rights of the Roma population are being infringed, that prejudice against the Roma is at work in the operation of these classifications, and that immediate remedial action is required. We are therefore recommending wholesale abolition of the current procedures, which are discredited beyond the point of redemption or reform, in favour of an entirely new system.

85. Given the low pupil teacher ratio, and the need to consolidate resources, the knowledge of teaching and learning among effective special needs teachers could benefit all children. The law already provides for additional per pupil funds to support children who are falling behind for various reasons: these funds should be used not for separate classrooms (a perverse incentive to label and segregate children), but for the supplemental services mentioned in the law to differentiate or individualize instruction for all children by the means described: the establishment of separate study groups; the use of obligatory and optional class time for special forms of provision; reducing class sizes; and allocating additional state support in a differentiated manner, (Education in Hungary 2003, 2004). Special needs education Ed in Hungary 2003, chap 9. As a result of a change made in 2002 in the way special funds are distributed for integration, in 2003 9 935 students were integrated into mainstream classes, and another 7 565 were integrated in 2004-05, (Judit Szira, 11/05).

86. Place all children except the severely mentally and physically handicapped in mainstream classes and schools. Integrate special needs teachers into those same schools to take advantage of their professional strengths. Today in Hungary, there is little differentiation apparent between students with special needs attributable to an organic cognitive dysfunction and those who come to school unprepared and disadvantaged. Not only do we advocate eliminating the category of “mild mental disability,” we also recommend that Hungary continue along the path it already appears to be on—the integration of children with developmental delays into mainstream classrooms with special supports as needed.

87. There is a robust literature confirming that special schools are much more expensive than integrated schools with supplemental services. International research and data from 4 countries concur that separate education is at least two times the cost, (Chaikind *et al.*1993 in Levin). Even more important, integration is preferable for psychological health and development of children who do not have severe disabilities; and improved educational outcomes yield substantial benefits to the child and society.

### *Education of Roma students*

- **Provide high quality education for Roma children**
- **Create robust programmes with numerical goals and appropriate supports to increase the number of Roma achieving the maturata**
- **Establish programmes to develop Roma teaching assistants and teachers.**
- **Reduce the number of Roma students given private student status to the same proportion as in the general population.**

“After my name, there was tz for tzigane; that didn’t make me feel very good.” Roma university professor talking about her early school experience.10/05<sup>1\*\*</sup>

88. Provide high quality education for Roma children. We know that many Hungarians (including Roma leaders and families) have been working on Roma issues for many years and that there is a lengthy record of research and recommendations showing what needs to be done. Nonetheless, despite this knowledge, the situation may be getting worse. In schools with Roma students, we heard much that was disturbing – comments that show deep prejudice and stereotypes exist about Roma young people’s capacities for and interest in schoolwork, and that expressing these is acceptable. There is a substantial gap, then, between good intentions present in the legal and policy framework and the actual improvement of the lives of a large group of children and families. In addition, incentives to change practice appear to work in perverse ways because there are almost no accountability mechanisms in place to ensure that local self-governments use funds for their intended purposes. We heard of some schools that were receiving simultaneously supplemental funds for integrating Roma children as well as for providing them with separate education.

89. We recognise and support the efforts currently being made to provide integrated schooling, mixing Roma and non-Roma children in schools. In earlier comments on school choice we have indicated that schools receiving public funding have an obligation to reflect diversity and the local population mix. The implication is that Roma-only schools should only exist in geographically isolated Roma communities. However, school integration, while important, is not the only route to the improvement of school quality. We urge educators concerned about improving outcomes for the Roma to address the quality of education for Roma children whether in segregated or integrated schools. Additional resources are certainly required in schools in isolated Roma communities. Quality improvements include but are not limited to implementation of a child-centred, engaging pedagogy; the inclusion of Roma culture and history as Hungarian history; the teaching of the Lovari, Romani and Beash languages; and the hiring and support of Roma teachers, parent aides, and teaching assistants. These measures are important not only in schools with many Roma children; all Hungarian students need to learn about the Roma, as part of their culture.

---

<sup>1</sup> This quote is poignant because it suggests that being identified as Roma has negative implications. The purpose for the collection of data by ethnicity (which we recommend below) is to have an accurate statistical portrait of the Hungarian population. Such data, however, should underscore the positive not the negative aspects of diversity in the Hungarian population.

90. Create robust programmes with numerical goals and appropriate supports to increase number of Roma achieving the maturata: Developing an accurate picture of Roma participation in secondary and tertiary education is difficult. The following 1998 data come from researcher surveys and are extrapolated to the entire population. The number of Roma students in secondary schooling has increased, but almost all of the increase is in vocational education—not in general and vocational secondary schools which prepare students for the maturata, (OECD, 2003a).

**Table 1. Access to education of the Roma population in Hungary, 1994, 1998/99 (%)**

	Outcomes for cohort of Roma students leaving basic education	
	1994	1998/99
No further education after completing general school	48.8	14.9
Vocational training school	9.4	9.4
Apprenticeship training school	31.2	56.5
Vocational secondary school	10.0	15.4
General Secondary school	0.6	3.6

Source: KSH data 1994; Liskó, 2002.

91. According to a more recent survey, 10% of Roma children do not complete basic school at all, a figure that has been stable for many years. Many children finish over age; only 4 to 50% of Roma children leave primary school at the appropriate age of 14 or 15 with the rest finishing between ages 16 and 18, presumably after repeating one or more years. This late school leaving may account in part for the high drop out rates from vocational training programme. The Roma education fund estimates that the drop out rates for 9th and 10th grades from vocational training are 36% and 29% respectively. The study cited also finds for its sample that drop out rates are highest where schools blame students for lack of effort rather than considering the external causes for school failure (poor housing, non attendance in kindergarten, unemployment) and lowest where school leaders understand the circumstances shaping the students' responses to education.

92. One serious challenge in regard to data is that we do not have accurate figures for the number of Roma students completing the maturata in the last several years, nor the number going on to tertiary education. We would estimate that if one removed from the general secondary school completion figures students graduating from the Gandhi School, the numbers would be extremely small indeed. In other words, the pipeline for Roma students from basic school to the maturata, and from the maturata to tertiary education is almost completely blocked. Without explicit goals for increasing the number of Roma graduates and excellent support programmes, we do not believe that Hungary can change the current outcomes. We would encourage educators to take steps in particular to support the growth of young Roma leaders who are in secondary school today. These are the young people who will enter the economy as equal players, work with their home communities, and provide models of the many roles Roma can play in contemporary Hungary.

93. Countries pursuing comparable endeavours have done so only with explicit targets and strategies such as identifying disadvantaged and minority young people at the beginning of secondary school and providing extra help and support through the secondary school years and into tertiary education or replicating successes such as the Gandhi School. The many Roma dropouts and Roma in short cycle vocational school are additional reasons to end this form of education. As in several other of our recommendations, we note that there is no dearth of ideas about good practices that would work, (Orszagos Kozoktatasi Intezet, 2004). There are simply limited mechanisms for consistent implementation, monitoring, data collection, evaluation, or spread of programmes with good results.

94. Example of a programme to support college preparation of disadvantaged students in the USA:

*Puente Project, University of California, USA: Operating both in high schools and community colleges throughout the state, Puente's goal is to increase the numbers of educationally disadvantaged students in California who enrol in four-year colleges and earn degrees. Puente-trained teachers conduct academically accelerated English writing classes that focus on Mexican American and Latino literature and experience. Students are matched with mentors from similar cultural and social backgrounds who are successful professionals. The students also meet regularly with a Puente counsellor who guides them through the college application and transfer processes. Puente high school graduates enrol in four-year colleges at twice the rate of students with comparable backgrounds. Forty-seven percent of Puente community college students transfer to four-year colleges, compared to 27 percent of their non-Puente peers.*

95. Establish programmes to develop Roma teaching assistants and teachers: Hungary is deeply in need of Roma professionals in the schools. We noted that 46 schools participate in the OKI FAK programme for the employment and training of Roma teaching assistants. We believe that Hungary should build on this practice. We are interested in why there are not more Gandhi schools, support structures (as the boarding facility in Miskolc) and other successful leadership programmes that send Roma to gymnasium and tertiary education, then on to work in education. Programmes with well-designed incentives and sanctions could result in success at recruiting Roma young people and their parents into specially designed teacher education and teacher assistant programmes. Other countries facing similar problems of shortages of teachers from minority groups have typically addressed them by implementing explicit, highly visible, programmes for teacher education candidates with substantial academic and financial supports over a period of several years.

96. Netherlands' Strategy for Improving Ethnic Diversity Among Teachers:

*There are no obligatory targets with regard to the ethnic origin of education personnel. However, it is considered important that the staff in schools reflect the ethnic diversity of society. The SBO (Sector Management Employment) initiated the project Full Colour on behalf of the Ministry of Education. One of the aims of this project is to stimulate employers in education to develop intercultural personnel management, of which appointing personnel from minorities is an (important) aspect. Full Colour uses a range of instruments to achieve this: seminars, publications, workshops, a website, electronic helpdesk, pilot projects and so on. In addition, a special course on mentoring new teachers from ethnic minority backgrounds is being developed. Another SBO project, Eutonos, aims to stimulate the participation of ethnic minorities in school boards. Full Colour also supports teacher training institutes to attract and keep more students from minority backgrounds. From Attracting, Developing and Retaining Effective Teachers, Background Report for the Netherlands (January 2003). More information on the website of SBO.*

### 6.3 Enabling conditions for greater fairness

97. The OECD team believes that Hungary should debate the following question: What balance between local control of schooling and central government authority is necessary in order to reduce the disparities in educational outcomes between disadvantaged and advantaged students?

- **Establish a high-level commission involving educators and politicians to define the responsibilities of schools receiving public funds for achieving the government's public policy objectives in regard to equity. Such discussions (i) should be supported with data about current inequalities and projections of the likely consequences of growing inequities on the economy, on social cohesion, and on the status of Hungary in the world arena and (ii) should consider mechanisms used in other countries to implement equity policies within schools and school districts.**

- **Reconsider the balance of investments between sectors of education with greater funding going to improve the education of minority and disadvantaged students, and to basic schooling, to ensure a strong start for schooling across the nation and less funding going to tertiary education, a sector where government support has grown over the last 5-7 years.**
- **Create several highly visible demonstration sites to provide models of excellent education serving the needs of diverse learners, including Roma students.**

98. Commission on equity: As we have noted at various points in this report, in its degree of governmental decentralization, parental choice of schools, and the extent of social segregation between schools, Hungary is at the extreme end of the continuum. Almost all key school-related decisions except salaries and tenure of teachers are in the hands of local self-governments. For example, ministry staff do not appear to have the resources to improve local managerial capacity or school leadership, to disseminate model curricula and new pedagogical approaches, to support the formation of school teams, or to take measures to ensure that new skills are actually applied in practice. At the local level, there are few checks and balances: the school head may hold office as mayor or an education committee official simultaneously. In addition, the micro regions and regional units are still under developed, so Hungary currently appears to lack the mid-level government structures that might work to equalize resources and put pressure on underperforming schools to improve. The many reports on Hungarian education that we consulted for this study note the major quality disparities between small and large settlements, between regions of the country, and between rural and urban areas. We saw these ourselves. Our recommendation, therefore, derives from a belief that fundamental barriers to equity will remain in Hungary despite good intentions and even good policies unless there is a highly visible, participatory process for addressing the history of non-implementation of current policies, and making explicit changes to the way government entities operate at all levels.

99. Balance of investments. As we have noted, Hungary should be proud of the rapid increase both in tertiary places available to students and student participation. The growth of tertiary education, however, has been extremely costly. With a loan scheme now in place, and discussions going on in many countries about charging students tuition fees on the basis of family ability to pay, we believe it is time to right the balance, and devote greater funds to the urgent work needed to strengthen basic through secondary and secondary vocational school with special attention to the funding needed to produce better outcomes for disadvantaged students.

100. Establishment of demonstration sites. In regard to the establishment of demonstration sites recommended above, Hungary has several sources of discretionary funds that are being used for improvement of schooling – among them the special funds targeted for disadvantaged children and for integration and the structural funds provided through the Human Resources Development Operating Plan (HRDOP). Both sources of funds could be better directed than they appear to be currently. Hungary needs some visible successes that can serve as “existence proofs” that disadvantaged children can attain high standards; it needs as well, particularly at the secondary level, classrooms where pedagogical innovations can stimulate discussion of whether the didactic model is the only model for achieving the competencies required for the new maturata. At the same time, Hungary needs to use discretionary funds to stimulate improvement across the system. We are concerned that neither the structural funds nor the special funds are being used as well as they might for either demonstration or widespread improvement.

101. In regard to additional per pupil funds appropriated by the Ministry to reduce segregation or support-disadvantaged students, these do not appear to be sufficiently targeted to result in the greatest improvement for the funds expended. There should be substantial requirements for the use of such special funds, rather than simply providing them as an entitlement to self-governments with qualifying students. With careful redeployment of these funds, Hungary could establish exemplary schools that could serve as beacons of hope and examples for those committed to greater equity.

102. In regard to the HRDOP funds, since these might be best used for improvements across the system, we were concerned about the competitive process used to select recipients. Given competition, the most enterprising school management teams will tend to obtain the funds, when in fact the needs will probably be greatest in schools with the weakest management teams. If the goal is to use funds to make improvements across the system, then a mechanism is required to provide those schools needing improvement with appropriate help in applying for funds, and using the funds as planned. In both cases, the ministry should demand more of schools and self-governments receiving additional funding. By way of contrast, there are OECD countries with highly decentralized school systems, but the devolution of control to local governments comes with controls and support. These include:

- Prescriptiveness about outcomes – the ministry of education sets standards in sufficient detail to make transparent to schools what results are expected.
- Data collection – student data, including ethnicity and income, are collected in order to help institution and national policy makers identify inequities in education outcomes for students from different population groups and to design appropriate interventions. The collection system respects the public interest in individual privacy through the use of special identifiers, protected data warehousing and family permission.
- An accountability system – the ministry provides or requires schools to provide comprehensive reports to families, schools, local governments and voters about the results of schooling whether through a school inspection system, school self-study, testing of students, or data collection or some combination of these.
- Capacity building for effective institutions – a central unit, sometimes with regional service centres, provides an array of services to help schools and school districts meet the standards, although schools may purchase services on the market as well.
- A national communications strategy – public figures including officials, business leaders, and popular entertainers put key messages before the public about the country’s educational goals such as building a competitive work force, lowering costs for social support?, and developing citizen participation in democratic decision-making.

103. Additional Suggestions and Recommendations: Below we note briefly developments within Hungary that might lead toward the controls and supports noted above and make suggestions and recommendations about their further development. These suggestions and recommendations, however, can only be acted upon successfully after Hungary settles on both a more robust strategy for attaining equity and implementation mechanisms that reach down to change practices currently in the hands of local self-governments and schools.

104. Data collection: We recognize the difficulty and sensitivity of classifying people, including students as “Roma” or belonging to other ethnic minorities. Conversely, without such standard administrative data, it will be very difficult to implement policies designed to target help to the Roma population, or to monitor their success or failure. We recommend that following good practices in other countries, the government initiate debate within the Roma community concerning the advantages and disadvantages of data collection, and methods for avoiding abuse, [www.roma.undp.sk](http://www.roma.undp.sk), for the United Nations Development Programme discussion of data collection among the Roma.

105. Accountability system: As of September 2004, all schools are required to have a quality assurance policy. In addition, Hungary is building onto the current system of testing in grades 4, 8, 10 and 12 a reporting system that will allow comparisons of student achievement across schools (to guide school planning and improvement locally and nationally), and provide feedback to local self-governments about what needs improvement. We noted plans to publish these school-level test data. In other countries such plans are typically controversial, and attended by intense public debate. We recommend that careful

thought be given to the publication of these data, particularly with a view to ensuring that they serve the cause of equity. A system of public test results will not serve Hungary well if schools are simply ranked on the basis of a single test. We suggest that Hungary create a system that includes the following kinds of elements: school inspection, self-study, and a report card taking into account multiple factors that bear on school success. In regard to quality assurance, local governments' will require substantial and expensive help to establish the high quality data collection mechanisms needed to give a detailed picture of school culture and outcomes. We would also suggest that quality assurance plans be comparable across schools.

106. Capacity building for effective institutions: To drive quality improvement with 3000 separate jurisdictions and 6000 schools, many with small capacity, the ministry should provide substantial guidance and support to maintainers and school leaders about curriculum, teacher professional development, leadership, education of students with special needs, and the like. Such capacity building might allow Hungary to work with the grain of local government arrangements to promote reform in the interests of equity. We have noted some of the requirements above. In addition, while we were impressed by the many knowledgeable self-government officials we met, given the major role of local self-governments some may require training for education leadership. In addition, all schools should receive help in the following domains:

- the effective use of data to guide planning and improvement;
- the effective engagement of parents and the broader community;
- the use of research to inform policy and practice.

107. A public campaign to communicate changes needed to produce greater equity: We recognize that this is difficult – particularly because of the prejudice against the Roma population and the general sense in Hungary that those who cannot compete are victims of individual failure. Nonetheless, we would suggest that leaders, including the business community including potential investors be encouraged to speak out about the risk to the country of having a large and growing underserved population.

## **Final Note**

108. We recognize that some of our recommendations would cost money (although some might also save money). We have not attempted to cost these recommendations, partly because we are often proposing an initial exercise to define the scope of improvement needed, and partly because we ourselves lack the technical tools to undertake a costing. However we do recognize that, particularly given likely tight control of public spending over the next few years, some of our recommendations may be seen as desirable, but not currently affordable. That said, the Hungarian government has found additional resources over recent years for certain priorities, notably expanding participation in tertiary education. In setting priorities, two things will be important. First, as set out in our first recommendation, a comprehensive attempt to address the needs of the Roma population should be a national priority. Second, the objective of equity should be given priority when decisions are taken on competing demands on the education budget.

**ANNEX 1: NATIONAL STEERING COMMITTEE, BACKGROUND REPORT AUTHORS,  
NATIONAL CO-ORDINATION**

**Hungary National Coordinator**

Judit Keller

**Background Report Author**

Peter Rado

**National Steering Committee**

István Vilmos Kovács – Vice President, National Development Office

Zoltán Loboda – Head of Department, EU Coordination and Planning, MoE (from June 2006: Ministry of Culture and Education, Department for EU Relations)

Judit Szira – Senior Adviser, Roma Education Fund

Györgyi Vajda – Adviser, Ministry of Youth, Family, Social Affairs and Equal Opportunities (from June 2006: Ministry of Social Affairs and Labour)

László Limbacher – Senior Adviser, OECD coordinator, MoE (from June 2006: Ministry of Culture and Education)

## **ANNEX 2: OECD REVIEW TEAM**

Nancy Hoffman (Rapporteur)

Vice President, Youth Transitions, and Director,  
Early College High School Initiative, Jobs for the  
Future, USA

Luisa Ferreira

Senior Education Economist, European Investment  
Bank, Luxembourg

Ben Levin

Deputy Minister for Education, Ontario, Canada.

Simon Field

Education and Training Policy Division, Directorate  
for Education, OECD

## **ANNEX 3: PROGRAMME OF THE VISIT**

**26 September to 6 October 2005**

### **Tuesday 27 September**

- 08.30 – 09.30** Kaltenbach, Jenő: Ombudsman for Minorities
- 10.00 – 11.00** Steering Committee and Peter Radó
- 11.00 – 12.30** Public Education Department: János Sipos (Deputy State Secretary) Sándor Brassói (deputy head of department), Gyöngyi Nagy (special needs), Ágnes Pethő (pre-school).
- 12.30 – 14.00** Child protection/disadvantaged and Roma children: Tamás Lajos Aáry (Commissioner for Education Rights), Gábor Daróczy (Commissioner for Disadvantaged and Roma children), Ágnes Papp (Ministry of Youth, Family and Social Affairs – child protection), Angéla Kóczé (MYFSA – Roma children)
- 14.30 – 15.30.** School financing: Viktória Tóth (ME), Gréta Horváth (ME)
- 15.30 – 17.00** Tertiary Education, Adult Training and Teacher Training: Éva Gönczi (ME – tertiary education), Nóra Milotay (ME – teacher training), György SZent-Léleky (Ministry of Labour – adult training)

### **Wednesday 28 September**

- 08.45 – 09.45** Katalin Kovács: researcher and expert of regional development at the Hungarian Academy of Sciences (she will be talking about the regional and micro-regional dimensions of equity. Before going to the country side and seeing small settlements, she will give an overview of the administrative system and major issues)
- 10.00 – 11.30** Belvárosi Tanoda Highschool: Péter Gulyás, director and teachers (special programme for drop-outs): meeting with the director, teachers and a few students
- 13.00 – 14.30** National Integration Network (Judít Szőke, head of the programme and 2 colleagues). National Development Plan I. (Zoltán Ulicska (NDP) and Kapcsáné Némethi Júlia (disabled children)
- 14.30 – 16.00** OKÉV (Centre for Assessment and Examination): Katalin Gábri, Béresné dr. Dunai Gyöngyi
- 16.00 – 17.30** Advisory Board of the Centre for Education Policy Analysis

### **Thursday 29 September – see detailed programme on separate sheet**

- 09.00 – 10.15** VIII. district  
Erdélyi street elementary school (segregated completely)
- 10.15 – 11.30** Katica community nursery and kindergarten (interesting! Integration of Chinese, black immigrants with Hungarian and Roma children)
- 11.30 – 12.30** Losonci street integrated (normal) elementary school
- 13.30 – 15.30** Local Government of VIII. District: president of education committee, administration, Roma minority self-government of the VIII. , Roma Service
- 16.00 – 17.00** Roma Parliament: Zsigó Jenő, President

### **Friday 30 September**

- 08.00 – 09.15** Eötvös József Vocational Arts School (integrated)
- 09.30 – 10.15** Bulgárföldi Elementary School. (integrated – this is one of the schools for whose amalgamation the self-government of Miskolc is being sued at court by a civil organization for segregation )
- 10.30 – 11.45** National Integration Network (local chapter) and 2 micro-regional coordinator (they are representatives of two local Roma NGOs)
- 12.00 – 14.00** Berzeviczy Gergely Vocational School for Hosting and Tourism (segregated)
- 14.30 – 15.30** Alsószolca Primary School (integrated): staff, owner and teachers
- 16.00 – 18.00** Tokaj Elementary School (complex, integrated programme for children with special needs): staff, director who is the president of the education committee of the settlement, micro-regional office director

### **Saturday 1 October – see detailed programme on separate sheet**

Villány: wine-tasting at integrated vocational school (Croatian minority, Hungarians)

### **Monday 3 October – see detailed programme on separate sheet**

- 08.00 – 09.30** Town Hall: Education Committee president, head of the Roma minority self-government
- 10.00 – 10.45** University of Pécs, Dept. of Roma Studies: Orsós Anna
- 11.00 – 12.00** Csokonai Primary School.: kindergarten, elementary school, vocational training, arts training for Roma children: meeting with children who study at Gandhi High school and parents
- 13.00 – 14.00** Nagyharsány: integrated education facility – micro-regional coordinator, director, children and regional coordinator
- 14.00** Leaving for Egyházasharaszti
- 14.15 – 15.00** Egyházasharaszti: Segregated elementary school: teachers and children
- 15.00** Leaving for Alsószentmárton
- 15.15 – 16.00** Alsószentmárton: segregated elementary school by choice  
“Small Tiger” programme teachers and director, settlement notary, children and parents
- 17.00** Pécs: Gandhi High School (special programme minority high school for Roma children): Csovesics Erika director

### **Tuesday 4 October**

- 09.00 – 10.00** Expert meeting 1.  
Roma and disadvantaged children: János Ladányi (Roma education) Erzsébet Czachesz (Roma), Katalin Tausz (Disadvantaged children and child poverty), Szilvi Németh (disadvantaged), Ernő Kadét (Roma)
- 10.00 – 11.00** Expert meeting 2.  
Disabled children: Mária Kőpataki, Ágnes Torda
- 11.00 – 12.00** Expert meeting 3.  
Adult training, teacher training, public education: József Mayer (disadvantaged), Péter Singer

(Second chance for drop-outs), Judit Villányi (pre-school), Ilona Liskó (vocational), Zoltán Györgyi (adult training), Nagy Mari (teacher training)

- 12. 00 – 13.00** Expert meeting 4.  
Indicators and Student assessment: Kádárné Judit, Fülöp Ildikó Balácsi (PISA results)
- 14.00 – 15.00** László Sió, László Környei és László Kojanitz: education experts of the present opposition
- 15.30 – 17.00** University of Budapest, Psychological and Pedagogical Institute: Iván Falus (professor) and 2 of his colleagues and 2-3 students

### **Wednesday 5 October**

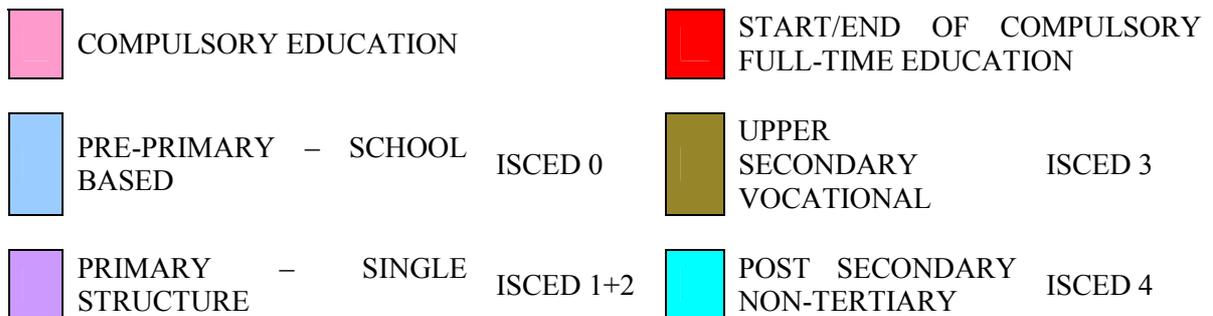
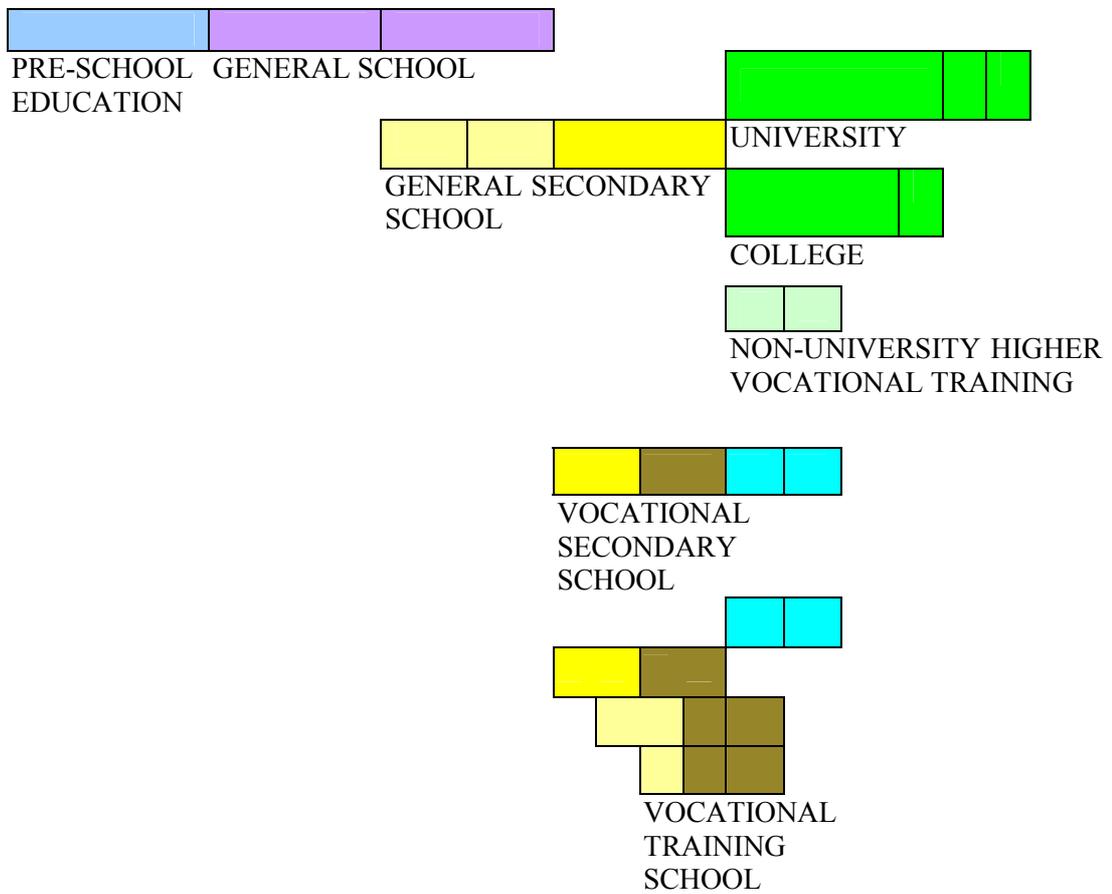
- 08.00 – 09.30** Meeting with Steering Committee and Peter Rado
- 09.30 – 10.30** Viktória Mohácsi (Member of European Parliament): Roma politician, member of the liberal party, used to work at the Ministry of Education
- 10.30 – 12.00** Kurt Lewin Foundation (György Ligeti) és Foundation for the Chances of Disadvantaged Children (András Újlaky)
- 13.00 – 16.00** National Development Office: National Development Plan I; (Human Resource Development Operative Programme I, Regional Development Operative Programme I) and planning of the National Development Plan II.

## ANNEX 4: THE STRUCTURE OF HUNGARIAN EDUCATION

(Taken from OECD report, Understanding the Demand for Schooling: Draft Country Report, 9/2004 Structure of mainstream school and tertiary education in Hungary Figure 11)

**Figure 1. 2003**

Year 3    4    5 | 6 7 8 9 10 11 12 13 14 15 16 17 18 | 19 20 21 22 23 24 25



**ANNEX 5: A MEASURE OF SCHOOL SEGREGATION: HUNGARY IN INTERNATIONAL CONTEXT**

An index of the extent to which school systems 'sort' children of different social backgrounds into different schools. (The proportion of overall variance in the PISA index of socio-economic status which is between schools, as opposed to within schools).



Source: OECD (2004c) table 4.5, column 12, (inverted).

## BIBLIOGRAPHY

Andor, M. and I. Liskó (2000) (Andor-Liskó 2002), *Iskolaválasztás és mobilitás*, Iskolakultúra, Budapest.

Bolam, R. et al. (Eds) (2000), *New Heads in the New Europe*, Waxmann, Munster.

Chaikind, S. et al. (1993), What do we know about the costs of special education? A selected review, *Journal of Special Education*, 26(4), 344-379, ([ericae.net/ericdb/EJ459618.htm](http://ericae.net/ericdb/EJ459618.htm)).

Commissioner of Human Rights (2004), *Roma Education Fund Needs Assessment Study for Hungary (REFNAH)*, 12/2004

Darvas-Nagy, J.T., Kozma and E. Thun (1997), *Higher Education in Hungary*, UNESCO, Bucharest.

Eurydice (2003), *Structures of Education Vocational Training and Adult Education Systems in Europe*, Hungary.

Guio, A-C (2005), *Pauvreté monétaire et exclusion sociale dans l'UE25*, Statistiques en bref, Population et Conditions Sociales, 13/2005, EUROSTAT

Hermann, Z., et al. (2004), *Chance For Integration*, National Institute of Public Education, Hungary.

Hickcox, E. (2002), *Struggling to reform administrative training in Canada: Special reference to Manitoba*, paper presented to the Commonwealth Council for Educational Administration and Management Conference, Umea, Sweden, September.

Lannert, J., G. Martonfi, and I. Vago (2004), *Understanding the Demand for Schooling*, Draft Country Report, Hungary.

Levin, B. (2002), *Costs and Effects of the Step by Step Roma Special Schools Initiative*, [www.errc.org/cikk.php?cikk=1649](http://www.errc.org/cikk.php?cikk=1649)

Lundsgaard, J. and D. Turner (2004), *Study now, pay later*, Observer, March.

Magyar, B. (2004), *Developing Effective Support Systems and Devolving Responsibility to the Frontline*, Hungarian Ministry of Education.

Magyar, B. (2005), *Skills, Productivity and the Lisbon Agenda*, Ministry of Education.

Mulford, B. (2003), *School Leaders: Changing Roles and Impact on Teacher and School Effectiveness*, paper commissioned by the Education and Training Policy Division, OECD, Paris.

National Institute of Public Education (2003), *Hungarian Roma Education Policy Note*, Budapest, Hungary, [www.oki.hu/oldal.php?tipus=kiadvany&kod=integration](http://www.oki.hu/oldal.php?tipus=kiadvany&kod=integration)

National Institute of Public Education (2003), *The System of Content Regulation in Hungary*, Budapest, Hungary, [www.oki.hu/oldal.php?tipus=cikk&kod=english-art-System](http://www.oki.hu/oldal.php?tipus=cikk&kod=english-art-System)

National Institute of Public Education (2004), *Education in Hungary 2003*, Budapest, Hungary, [www.oki.hu/oldal.php?tipus=kiadvany&kod=Education2003](http://www.oki.hu/oldal.php?tipus=kiadvany&kod=Education2003)

OECD (1999), *Thematic Review of the Transition from Initial Education to Working Life, Country Note, Hungary*, OECD, Paris.

OECD (2003a), *Education in Hungary, Education Policy Analysis*, OECD, Paris.

OECD (2003b), *Teachers Matter: Attracting, Developing and Retaining Effective Teachers, Country Note, Hungary*, OECD, Paris.

OECD (2004a), *Developing Effective Support Systems and Devolving Responsibility to the Frontline*, OECD Education Committee, OECD, Paris.

OECD (2004b), *Early Childhood Education and Care Policy, Country Note, Hungary*, OECD, Paris.

OECD (2004c), *PISA Learning for Tomorrow's World: First Results from PISA 2003*, OECD, Paris.

OECD (2004d), *Understanding the Demand for Schooling, Country Note, Hungary*, OECD, Paris.

OECD (2005a), *Education at a Glance: OECD Indicators*, OECD, Paris.

OECD (2005b), *Students with Disabilities, Learning Difficulties and Disadvantages: Statistics and Indicators*, OECD, Paris.

OECD (2005c), *Thematic Review of Adult Learning, Country Note, Hungary*, OECD, Paris.

OECD (2005d), *Teachers Matter: Attracting, Developing and Retaining Effective Teachers*, OECD, Paris

Rado, P. (2005). *Equity in Education: Dimensions, Causes and Policy Responses*, OECD country analytical report – Hungary, Hungarian Ministry of Education.

World Bank (2004), *Roma Education Fund: Summary Document*, Paris, [www.worldbank.org/roma](http://www.worldbank.org/roma)

United Nations Development Programme (2004), *Measuring Vulnerability: Problems and Possible Approaches to Ethnically Sensitive Statistics*.

#### **Other material:**

*Annual Report on the Activities of the Parliamentary Commissioner for the Rights of National and Ethnic Minorities* (2003), Budapest.

*Development Strategy of the Republic of Hungary for Vocational Education, 2005-2013*, [http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/c\\_142/c\\_14220020614en00010022.pdf](http://europa.eu.int/eur-lex/pri/en/oj/dat/2002/c_142/c_14220020614en00010022.pdf)

*Education, Culture and Science in the Netherlands*, OECD Conference on “Teachers Matter: Attracting, Developing and Retaining Effective Teachers”, November 2004, Amsterdam, [www.minocw.nl/congres\\_ocw-oecd/documentation.html](http://www.minocw.nl/congres_ocw-oecd/documentation.html)

*Hungary: Government Actions to Improve the Situation of Roma in 2000-2001* (2001), Immigration and Refugee Board of Canada, [www.irb-cisr.gc.ca/en/index\\_e.htm](http://www.irb-cisr.gc.ca/en/index_e.htm)

*OSI-NY Step By Step Roma Special Schools Initiative Final Report*, February 2003 and 2004, <http://www.osi.hu/esp/rei/research.html>

Parliamentary Commissioners in the Republic of Hungary, [www.obh.hu](http://www.obh.hu)

Puente Project, University of California, [www.puente.net.20](http://www.puente.net.20)

Roma Education Fund (2004), [www.romaeducationfund.org](http://www.romaeducationfund.org)

Structures of Education, Vocational Training and Adult Education Systems in Europe (2003), Hungary.

Student Loan Scheme in Hungary (2005), [www.diakhitel.hu](http://www.diakhitel.hu)

Ten Years of the Ombudsmen (1995-2005), Parliamentary Commissioners Office, 2005, Budapest.

The National Development Programme for Vocational Schools, Hungary (Phase I: 2003-2006).

United Kingdom Scheme to Allocate School Places by Lottery, BBC News, 2005, <http://news.bbc.co.uk/1/hi/education/4293446.stm>