

From deconstruction to systemic reform: educational transformation in Hungary¹

1 Educational transformation: an analytical framework	1
2 Basic information on the country	3
3 The education system	4
4 The transformation of the education system 1989-2006	7
4.1 The transformation process	7
4.2 Particular dimensions and priorities	8
4.2.1 Aims and functions of education	9
4.2.2 System of educational management and administration	10
4.2.3 Financing the school system	12
4.2.4 The structure of the educational system	14
4.2.5 Curriculum, curricular policy and development	16
4.2.6 Monitoring and quality control	18
4.2.7 School autonomy and its instruments	21
4.2.8 The teaching profession	22
4.2.9 Support structures	25
4.2.10 The social dimension	26
5 Key problems and perspectives	27
6 Recommended information sources	28
7 References	29

1 Educational transformation: an analytical framework

According to the common ideal-typical framework of the comparative study to which this paper is a contribution, three major phases of the transformation process are distinguished here. The first phase is dominated by the *deconstruction* of structures inherited from the previous regime and seen as inappropriate in the new political, social and economic context. In the second phase new operating ideas, new regulatory mechanisms, new institutions emerge. This phase is characterized by *construction*, relative *stabilization* and typically by *modernization*. However, many of the new institutions may later be found premature and to be impeding further transformation and development. What first appeared as stabilisation may appear later as the simple concealment of tensions and an obstacle to reaching a higher level of stability. This second phase may still be too much determined by recollection of the past system, it may still be too transitional, and, therefore, may lack coherence. A real *systemic reform*² can be achieved only in a third phase, more than one or two decades after the great shift from one political regime to another.

1 This study has been written in the framework of a broader international comparative study entitled „Transforming Societies of Visegrád Countries and Their Educational Systems“ led by the Institute for Research and Development of Education of the Faculty of Education of Charles University in Prague. July 2007.

2 The notion of systemic reform became widely used during the eighties in the US, especially in the framework of reforming science education. Although it may have various meanings, those who use it stress typically two key elements: (1) changes affect all levels of the system (the classroom, the school, the local/regional district and

The notion of *transformation* can not be separated in this analysis from that of *transition*. Similarly to other Visegrád countries, Hungary has gone (or is still going) through two transitions. The first transition from state-socialism to parliamentary democracy, a market economy and pluralism started when the political regime of the country was changed in 1989-1990. The second one started when the country associated itself with the European Union and, from an independent nation-state, became the member of a wider political and economic community. As the first transition was not yet completed when the second one started, the two transitions have been superimposed upon each other.

Normally the notion of transition designates the condition of an object that is going from one status to another, and where the target is well defined. When the target is reached, transition is over. In the case of Central and Eastern European countries, going from a planned to a market economy and going from the status of an independent state to the status of a member state, the picture is less clear than one would expect (see, for example, *Birzea, 1994; Radó, 1999*). In fact, neither of the two transitions has a clear destination in this case. The current idea of parliamentary democracy and a market economy is continuously challenged everywhere, and the European Union is also an evolving political entity which develops in an open-ended process. Although transition remains a necessary notion (e.g. for the explanation of many social anomalies) it might be more appropriate to talk about *open futures* and *continuous change*. In many Central and Eastern European countries the restructuring of the economy is still going on, and economic recovery is not yet fully accomplished. The culture of parliamentary democracy and a market economy is not yet deeply rooted in these countries (see, for example, the existence of populist and *etatist* movements). After years of simplistic interpretations, views about democracy and a market economy are becoming more realistic. It becomes clearer. For example, it is recognised that democracy and a market economy require an effective state that is able to protect the rule of the law and the rules of free competition. Democracy and a market economy do not solve immediately the inherited problems of low efficiency/productivity or that of the „culture of dependence”. There is a complex interdependence between education and society/economy in both market and planned economies, and new challenges and problems arise continuously.

Although, after almost two decades of unprecedented changes, transition is not yet over, the situation after this long period of transition is not the same as at the time of its commencement. Two phases of transition can clearly be distinguished: the first phase was characterised by a high level of uncertainty and unrealistic views; and education became, in this period, more detached from other social and economic areas. In the second phase actors started familiarising with the increasing complexity of the situation, a new dynamic emerged and education was re-attached to other social and economic areas (the dynamic of transition is presented in *Table 1*).

Table 1.
The phases of two transitions

	Transition 1	Transition 2
Phase 1	Destruction of old structures and idealised views of parliamentary democracy and a market economy	Idealised views of the EU, no direct implications for the daily management of the system
Phase 2	Emergence of new structures and ideas and improved problem-solving capacity	Daily working relationship with the EU; the transfer of community goals and approaches to the domestic scene

the national level), and (2) they are generated or enhanced by a coherent and complex system of interrelated measures and actions (Fuhrman – Massell, 1992).

Phase 3	Systemic reform	Europeanisation of domestic education policy
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The third transformation phase – the phase of systemic reform – should probably not be conceived any more as a state of transition. This is also a phase of change, but its nature is different from the nature of phase 1 and phase 2. Although countries reforming their educational system following a systemic perspective are also in a state of motion, they are different from what we use to call “transition countries”. According to the definition given by a study of the *Office of Educational Research and Improvement of the U.S. Department of Education*, the “notion of systemic reform embodies three integral components: (1) the promotion of ambitious student outcomes for all students; (2) alignment of policy approaches and the actions of various policy institutions to promote such outcomes; and (3) restructuring the governance system to support improved achievement“ (*U.S. Department of Education...*, 1996). If we take this definition seriously, systemic reform means a permanent and conscious effort exercised at several levels in order to continuously improve learning. My position is that this state has not yet been reached in any of the Visegrád countries, and particularly not in Hungary. A possible outcome of this common study could be to acquire a definition of the conditions of a third shift from transition to systemic reform.

Education transformation in Hungary will be presented in what follows within this double framework of transformation and transition.

2 Basic information on the country

Before World War I. Hungary was part of the Austro-Hungarian Empire. Between the two wars the country lived under a moderately authoritarian right-wing conservative regime and in World War II became an ally of the German Third Reich. After World War II the country became part of the communist Soviet bloc. Following a revolt in 1956, put down by the Soviet army, and after a relatively short period of violent oppression, the regime under the leadership of *Janos Kadar* liberalized the economy and realised a mild version of the Soviet-type regime, the so-called “Frigidaire Socialism” or “Goulash Communism”.

The transformation of the regime after 1989 was a peaceful process, following the formal negotiations between a reformed communist party, ready to face free elections, and the new democratic opposition. The country held its first multi-party elections in 1990. The establishment of the political and institutional frameworks of a market economy was a relatively smooth process, although society lived through a dramatic shock of adaptation (between 1990 and 1993 during which one third of the active working population lost its job). The country joined the OECD in 1996, NATO in 1999 and the EU in 2004.

Hungary is a middle-sized country with 10 million inhabitants. After the change of regime it became a major target of foreign investment. Privatisation started early and progressed rapidly. Till the early 2000s the country was seen as leading the reforms in the Central and Eastern European region, but since then it has lost its leading role, mainly because of its incapacity to reform its public service systems. By the middle of the 2000s the deficit in the state budget had reached a level that necessitated drastic rebalancing measures. This situation was not unrelated to the way the country also lost its fame as an island of political calmness. After the parliamentary elections of 2006, when the government announced drastic austerity measures, the streets of its capital became the scene of violent riots.

The number of registered unemployed is not higher than in most European countries, but the activity level of the population is very low (see *Table 2*), much lower than the European average. The proportion of those who are neither in work, nor in education is particularly high among the population younger than 25. Until recently the growth rate of the

economy was significantly higher than the European average. Due to the recent severe austerity measures the rate of growth has dropped below 3%.

Table 2.

The proportion of the employed, the unemployed and the inactive population according to various age groups (2005, %)

	Employed	Unemployed	Inactive
Men between 15 and 64	63,1	7,0	32,0
Women between 15 and 64	51,0	7,5	44,8
Total population between 15 and 64	56,9	7,2	38,6
Total population between 15 and 24	21,8	19,4	72,9
Total population between 55 and 64	33,0	3,9	65,7

Source: The human resource development program of the National Development Plan, 2007

Ethnically the country is relatively homogenous. The largest ethnic minority is the Roma who make up 6-7 percent of the whole population. The Roma represent serious social integration problems that have significant implications also for school education. Two thirds of the Hungarian population declares itself Roman Catholic, but only one sixth is practising religion in a way that has a strong influence on their daily life.

3 The education system

Responsibilities for governance are shared horizontally between the Ministry of Education and Culture (MEC) and other ministries (the Ministry of Employment and Social Affairs playing the most important role among them), and vertically, between the central government, the local (regional) governments and the schools. Local (and regional) self-governments, who are the owners of most pre-primary, primary and secondary institutions, have broad jurisdictions in education. Municipalities, as the owners of the schools, approve all major school level regulatory documents (e.g. rules of organisation and operation and the school level pedagogical program including the school level curriculum). They also determine the budget of the school and appoint its principal. The number of municipal councils (self-governments) maintaining schools is particularly high and their average size is very small. Institutions also enjoy a high degree of decision-making autonomy in terms of organization, functioning and financing. Their owners are not entitled to interfere in pedagogical matters. Unlike most European countries, in Hungary there is no national body operating as a state inspectorate. In 2004 more than 8% of pupils attended non-public schools (this proportion is around 5% in preschool and basic education and close to 15% in secondary education).

Education is compulsory up to the age of 18, although the first cohorts being obliged to stay in school up to this age are those who entered the system as six-year old children in 1998.³ Pre-primary education, catering for children from 3 to 7 years of age, is seen as an important integrated part of the school system. The attendance rate at this level, regarding the 3-5 age-group, is around 86%, with nearly 100% for the age-group 5 where attending is compulsory. Most pupils enter basic education at the age of 6, although an increasing number of them remain in pre-school for an extra year. The typical form of basic education is the “*Általános iskola*” (general school) which comprises the four-year long ISCED1 and the four-year long ISCED2 levels in one institution. However, since the early nineties, after grade 4 and grade 6 pupils have been able to apply for admission to the selective lower classes of

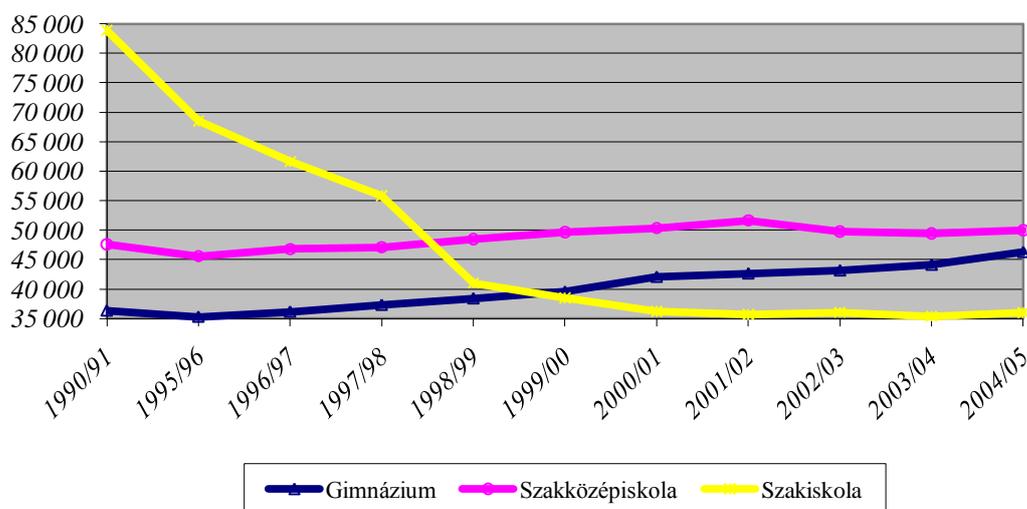
³ That is the first cohort obliged to stay in school up to the age of 18 was in grade 9 in 2007. Those who entered the system before this cohort can still leave school at the age of 16.

“Gimnázium” (general academic school). In 2004 *one fourth* of pupils in grade 9 of the “Gimnázium” (typically 15 year olds) have arrived from the selective lower classes. The borderline between ISCED1 and ISCED2, due to various smaller interrelated policy measures (touching upon curriculum, teacher qualifications, financing and enhanced by development interventions), is being changed: ISCED1 level seems to be gradually and cautiously being lengthened from 4 to 6 years.

Most pupils transfer from basic to secondary (ISCED3 level) institutions at the age of 14-15, after completing the eighth grade class. This is, for most of them, the first major choice between programs and institutions. Typically they choose between three options: the “Gimnázium” (general academic school), the “Szakközépiskola” (professional secondary school) and the “Szakiskola” (vocational secondary school). In the academic year 2004/2005 98.7% of those completing the 8th grade of “Általános iskola” continued at secondary (ISCED3) level. The share of the three main types of secondary programs was dramatically restructured during the first half of the nineties: this happened mainly as a spontaneous process, due partly to demographic changes, partly to parental choices, without deliberate planning (see *Figure 1*). According to legislation, vocational studies can be commenced after the age of 16, up to which pupils receive general education, even in vocational schools (although in these latter a significant amount of time is devoted to practically oriented learning and career orientation).

Figure 1.

The number of pupils enrolled in grade 9 according to program types, 1990-2004



The curriculum, as we shall see in more detail in section “4.2.5 Curriculum, curricular policy and development”, is regulated by a complex system of several layers and instruments adapted to the decentralised character of the school system. The highest level curricular document is the National Core Curriculum, which is a relatively short and concise document. Schools are organising teaching and learning according to their own school level curricula, which are influenced and determined by a number of various middle level “content carriers” and regulatory instruments (examination requirements, nationally accredited model programs, nationally developed digital contents, textbooks, vocational qualifications frameworks etc.). The National Core Curriculum defines ten broad “areas of culture”, and the various disciplines are grouped into these areas.

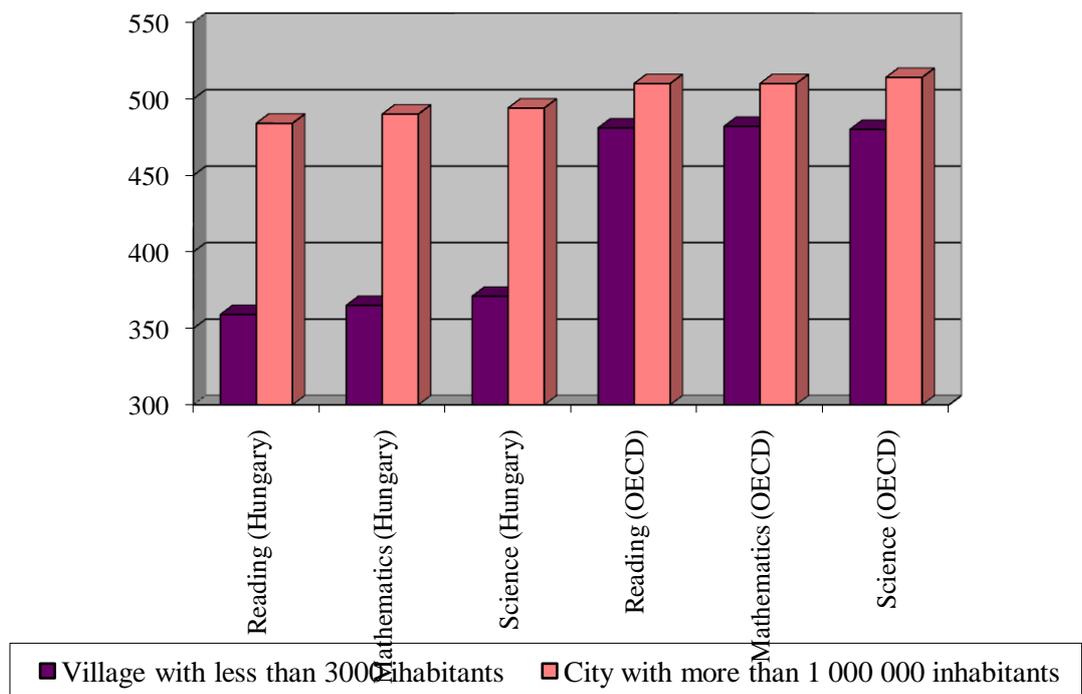
The decentralised character of the system is reflected in other areas as well. For example, as we shall see in the relevant section of this study, the system of financing is a two-

layer system with different resource allocation mechanisms at central and local levels. National authorities do not control school or classroom level processes directly, but accredit actors and define procedures, and organise the system so that the nationally recognised actors achieve their ‘control functions’?? authority? following nationally approved standards and procedures. However, all this happens under the direct control of local agencies. It is important to mention that cases of national standards and procedures *not* being respected by local actors are not rare.

While this system has been capable of combining far-reaching decentralisation with relative coherence, the measurable outcomes do not yet provide appropriate justification for it. As the well known PISA survey demonstrated, the level of achievement of the Hungarian education system is not only lower than most people would expect, especially as far as reading skills are concerned, but inequalities are also much higher (see *Figure 2*). It has to be stressed, however, that most of the mechanisms that could assure coherence and quality within the decentralised context have only gradually emerged, mainly since the middle of the nineties, as the result of a slow and difficult learning process, and as the result of a series of complicated explicit or tacit negotiation processes creating the new rules of the game.

Figure 2..

The average PISA performance in various areas according to type of residence in Hungary and in the OECD countries (2000, standard scores)



Source: The human resource development program of the National Development Plan, 2007

At the time of writing discussions on the possible future of the system are still going on. For many players and observers changes have been too rapid, too big and, therefore, too difficult to absorb. For others they have not gone ahead enough, they were corrupted by too many compromises and, therefore, they remained uncompleted. Since 2004 the field of forces in which education policy is formed has been radically transformed by the accession of the country to the European Union. Although, in principle, according to the Treaty that creates it, the Union has no formal power to shape national education systems, in fact, education policy goals are now defined together with the larger community, represented by the European

Commission. This is particularly true as far as development is concerned. Huge resources from the European structural funds are now available for development in the education sector, and the way these resources are used is determined by the National Development Plan negotiated not only internally between national political players, but also externally, between the nation and the Union. According to this, education policy goals, as they appear in various strategic documents, reflect the Lisbon Agenda of the Union. The key elements of these policy goals are lifelong learning, enhancing competitiveness, improving social cohesion and employment, and, in general, making school education more open to its social and economic environment and making it more relevant for social and economic life.

4 The transformation of the education system 1989-2006

4.1 The transformation process

Compared to other countries in the region, the transformation process in Hungary displayed a number of particularities that have had a determining impact on the course of changes:⁴

- In the second half of the eighties, several years before the collapse of the communist regime, a radical decentralisation policy has been initiated and implemented, following an Education Act in 1985.
- When the political transformation started, a relatively autonomous and influential educational research and development community was already active, with a broad knowledge of educational trends and developments in the Western world. This community had a strong impact on policy thinking and action.
- On the basis of several decades of piecemeal state administration reforms, politically autonomous self-governing bodies were created at the very beginning of the political transformation and the ownership of almost all schools was transferred to them.
- Since governmental responsibility for vocational training was transferred immediately after the political transformation to the government department responsible for employment, which had an increasing weight in government and had access to significant international development funds, employment policy has had a major impact on the development of the education sector.

Due to these particularities the deconstruction phase of the transformation process was not particularly long and not as deep as in several other countries of the ex-Soviet block, and the construction phase could start earlier. New education legislation, based on a very different logic than that which preceded it, was enacted as early as in 1993. To illustrate how the “new logic” differed from the old one, the following key elements could be stressed:

- The new law focused more on defining procedures and on regulating relationships between autonomous actors (schools, local councils, teachers, state authorities, parents) than on prescribing in detail the way institutions must operate or services must be provided. For example, local councils were obliged *in general* to provide educational services and not to run the institutions they became the owner of (that is, in principle, they could sell their school buildings and hire private service providers).
- New regulatory mechanisms were put into practice without knowing exactly what their concrete details should be. For example, the 1993 Law on School Education defined the National Core Curriculum and the school level curricula as the key regulatory instruments in the curricular area, although none of these yet existed.
- Vocational training was regulated in a separate law based on the assumption that training is shared between the institutions of the formal school system and the emerging new actors of the market economy. Thus, the regulation of the new training

⁴ For more details see: Halász, 1990, 1993, 1998, 2003

system was committed to the care of players and institutions that were still in the process of emerging from the new market economy.

Although a few years were needed for most actors to familiarize with the new logic of the system, and this logic, implicitly or explicitly, was questioned several times by the various players in the education policy arena, not later than in the middle of the nineties the focus was already on stabilizing and further developing the new system.

A further particularity of the Hungarian case has to be stressed here: this is the rejection of the idea of a comprehensive reform, or at least, a kind of redefinition of what a comprehensive or systemic reform means. In this respect it is symptomatic that an influential policy concept published at the very beginning of the education transformation process held the title “*Anything but reform...*”.⁵ The concept behind this title did not propose keeping the system unchanged but, in fact, to change it in a different way. Instead of a well-conceived top-down reform, the authors of this document proposed to change the overall regulatory framework so that changes could be brought about by various autonomous actors, and they suggested that the central authorities should only steer the changing system. A systemic reform, according to this approach, should not be orchestrated from the centre but emerge from accumulating bottom level actions.

Innovation became a particularly frequently used term, often displacing *reform*. As a consequence, although Hungary has not introduced a major reform transforming its primary and secondary education system, thanks to an extremely high number of national level developmental interventions and to permanently encouraged local innovations the system went through a fundamental transformation. A key feature of this transformation is that (1) it produced very uneven outcomes, including many that nobody wanted and (2) that some basic easily identifiable structural problems have never been solved. For example, by the second half of the nineties it became clear that the system, instead of reducing social inequities, was in fact boosting them⁶ and some years later it also became clear that it was financially unsustainable⁷. In the following sections the transformation process and its outcomes will be presented according to the most relevant problem-areas.

4.2 Particular dimensions and priorities

The transformation process has led to significant changes in all relevant dimensions of the school system, from aims to structures and to available resources through content and work organisation. The changes have had various sources. Some of them stemmed from deliberate political actions pursued by successful pressure groups that could push them through legislation and were able to persuade the key actors to follow them. Some of them have emerged from the uncoordinated action of various actors within the system: such as individual schools, families, teachers and pupils. Others were largely determined by structural constraints which were no different from those of other education systems, although local actors may have the feeling that they were achieved by them. A number of changes originated from within the education system, but many of them have just been passively received by it, since they have come from external sources (such as demographic changes or the changing stratification of society). The more than 15 years that have elapsed since the beginning of the great social-political transformation can be described as a period of swirling changes.

5 See Lukács & Várhegyi, 1989. The theses of the reform proposal have been published in English under the following title: “Educational Policy for the Nineties: theses for a new concept of state educational policy” (Hungarian Institute for Educational Research, Budapest, 1990)

6 See for example the country report produced within the framework of the OECD thematic review on equity (https://www.oecd.org/document/3/0,2340,en_2649_34531_36296195_1_1_1_1,00.html)

7 See for example a document prepared by a national think tank called the Centre for Education Policy Analysis (Országos Közoktatási Intézet, 2004)

Given the decentralised character of a system which allows autonomous action to many influential actors, and, particularly, given the presence of contesting political forces that replaced each other several times in power positions, one cannot speak about a well guided and clear change process. Instead, we have to disentangle an extremely complex picture of changes and try to identify some major trends.

4.2.1 Aims and functions of education

Before the first free elections the scene of education policy already abounded with change proposals, new ideas, plans and concepts. All major social and political players agreed that schools must be autonomous; teachers should be given freedom to renew pedagogy; local communities should have a right to influence education. Autonomy, freedom and free initiatives have been the focus of public attention. There was also a strong desire to revitalize values from the time that preceded communism. Religion and ethics were to be brought back to schools. There were many references to Europe, although not many players the education policy arena really knew what kind of challenges Europe (meaning Western Europe) was facing at that time. Practical goals like providing the economy with a skilled labour force or ensuring financial stability in public services did not receive much attention. The “classical” public service policy goals like quality or equity, especially when it came to their practical implementation, came to the sight of policy attention only in the middle of the nineties.

Although the discussion between conservatives and progressives, the left and the right-wing was present in education policy debates as in other countries, a particular feature of the Hungarian case is the relatively low impact ideology had during the analysed period. Following an early constitutional court decision on the issue of religious education, the secular character of state education has not been seriously questioned. Although the first freely elected government had a conservative, Christian and nationalist character, the first major legislation in the education field led, in 1993, to a Law on School Education based basically on liberal principles. In spite of some, sometimes quite determined, attempts to go back to the pre-war period, nostalgia for pre-communist times did not influence the outcomes significantly.

The way education policy was made and the way its goals and aims have been defined have largely been determined by the political colour of those who controlled the government agencies responsible for education. During almost half of the time since the beginning of the transformation a small liberal party was in charge of the ministry of education, and its coalition partner, the socialists, controlled the ministry of labour. Although there were two election periods where conservative parties gained control of the ministry of education a genuinely conservative education policy (focussing, for example, on discipline and excellence) could not emerge.

Up to 2006 education policy was dominated by various modernisation goals and actions. Innovative schools could have access to resources provided by various developmental programs (from among which the educational development mega-program of the Soros Foundation in the second half of the nineties must be mentioned with particular stress). Under the influence of various internal and external factors, especially the accession of the country to the European Union, lifelong learning became an integrating principle of policy thinking. Investment in school information technology was and still is high on the agenda. Quality assurance methods have been imported from industry and implemented in schools.

As a reaction to these changes, by the middle of the 2000s a relatively high number of teachers and schools felt fed up with changes and strove for “calmness”. When, in 2006, the socialists acquired control of the ministry of education for the first time, their major pledge was to slow changes and restore calm. Interestingly, however, this pledge is particularly difficult to accomplish for two reasons. First, because the changes of the previous period, no

matter how many they might have been, did not address some of the fundamental, and still unsolved problems (like, for instance, inefficiency and the financial un-sustainability of the system). Second, because membership of a relatively underdeveloped country in the European Union means, unavoidably, development constraints and obligations, backed by huge amounts of development resources.

4.2.2 System of educational management and administration

It is in the area of the system of educational management and administration that some of the key features of the transformation process appear perhaps most strikingly. As mentioned earlier, a policy of school administration, linked to a decentralisation policy in the broader system of public administration, had been implemented several years before the change of political regime. Following the first free elections and the taking of power by the first freely elected (conservative Christian nationalist) government the question of school autonomy and decentralisation was raised again. Many of the supporters of the new government did not see in the decentralisation of the late eighties anything other than a sign of the disintegration of the previous communist regime and wanted to return to more centralised administrative patterns. In fact, decentralisation in its early phase was not much more than a simple deconstruction of earlier power mechanisms without the building up of new ones. In this period decentralisation could also appear as a provisional state, closely related to the collapse of the previous regime, especially to the dissipation of its economic basis.

The approach of going back to a more centralised model of educational administration was, however, blocked by the fact that this would have required an amendment to the constitutional law on public administration which would have demanded a two-thirds majority in parliament. But this was made difficult also by the fact that the state could only have strengthened its legal powers to control education, without being able to pump any more money into the system.

The slow process of building up the new mechanisms of more efficient state which would steer towards a decentralised administrative environment started in the middle of the nineties. This has been a process of difficult collective learning based on trial and error, and accompanied by many deviations, uncertainties and tensions. One of the first components of this was the establishment of the already mentioned two-tier curriculum regulation system (to be presented in more detail in section “4.2.5 Curriculum, curricular policy and development”). The paradox of establishing a new control mechanism adapted to a decentralised environment appeared clearly and strongly in the debates on curriculum regulation. Although *de facto* since the beginning of the nineties and *de jure* since the adoption of the 1993 Law on School Education, there has been no nationally valid central curriculum, those who introduced the new national core curriculum in 1995 were seen more as reducing central control than as introducing new control mechanisms.

The current framework of management and administration was, in fact, established by the 1993 Law on School Education. This legislation has created a balanced power triangle whose three points represent three centres of power: the national level of government, the local councils and the schools as professionally autonomous institutions. Although the basic legal frameworks were created in 1993, it took quite a long time for the various actors to learn how to live in this new space of three centres of power, and how to solve problems that arise within the particular dynamics of this space.

Attempts to bring back the mechanisms of direct central control have appeared in several ways. For example, the 1993 Law on School Education established territorial administrative units subordinated directly to the ministry of education following a pre-war model (these units were abolished a few years later after a change of government). The same law contained a provision that would allow the removal of the financing of teacher salaries

from the unified system of local public financing, and put this under the direct control of the ministry of education (this option was also rejected a few years later). It was only following the first major amendment of the Law on School Education – that is, after 1996 – that the dominant policy line became the one that aimed not at re-centralising but at building up new mechanisms of indirect central control within a decentralised context. The 1996 amendment to the Law on School Education introduced, for instance, the regional planning of school infrastructure development and supply under the jurisdiction of county councils with overall national steering. The same amendment added a key paragraph to the Law on the “system of evaluation and measurements” in school education. It was also the 1996 amendment of the Law on School Education that established the first genuine and coherent quality and demand-oriented regulatory mechanism in the area of teacher professional development (see section “4.2.8 *The teaching profession*” for more detail). This mechanism, while fully adapted to the decentralised context and entirely demand-driven, allowed strong national control over quality and resources, and was open to further development aiming at more strategic steering by national agencies.

By the end of the nineties national level agencies were in possession of a wide range of instruments to be used for strategic steering in decentralised conditions. Financial incentives became one of the most important of these instruments. In the two-tier system of public financing, already mentioned, that emerged following 1989 (see next section in more detail) local governments gained almost full freedom to determine the budgets of their schools. However, the calculation of state subvention given to local governments remained dependent on the so called “*sectorial normatives*” (e.g. the number of pupils enrolled into particular programs). Through the definition of these sectorial normatives in the yearly law on state budget, the state could heavily influence the behaviour of local governments (for example making them entitled to get more money only in the case of organising a specific type of service determined centrally). From the end of the nineties special development funds, allocated directly by national authorities to schools or to local governments on the basis of open tenders, became a major tool with which to influence the behaviour of local actors (schools and those responsible for their management). For example, local councils could apply for state financial support by submitting proposals on improving the local management of education or on organising the professional evaluation of their schools.

The use of similar instruments became dominant in national efforts for ensuring the achievement of quality and equity goals. For example, at the end of the nineties a major program – named *Comenius 2000* – was started, aiming at assisting schools in establishing an internal quality assurance system based on centrally elaborated and authorized protocols. Later on, significant resources were made available for supporting schools which implemented various equity oriented programs. Quality and equity requirements were built into the terms of references of many developmental interventions, which meant that applicants could gain state money for developmental activities only if they met these requirements.

A further important aspect of the development of governance and administration is the development of the institutional frameworks for social partnership, social consultation and mediation. The 1993 Law on School Education was already elaborated within a very intensive web of communication and consultation with various professional and social organisations. This Law created the *National Council for Public Education*, with representatives of professional associations, teacher training institutions, scientific communities and – later – the business community. This body became a key player in curriculum and examination matters, enjoying a right of veto in these areas. The same law also created the *Council for Education Policy* with representation from school governors, teacher unions, parent and pupil organisations and government agencies. This body could discuss all education policy issues, excluding teacher salaries and working conditions which remained part of another

institutionalised negotiation framework. Among the many developments in this area it is worth mentioning the establishment, at the end of the nineties, of the post of *educational ombudsman*. This opened a new way of tackling the many conflicts and tensions that unavoidable appeared in the decentralised system with an increasing number of active actors with conflicting interests.

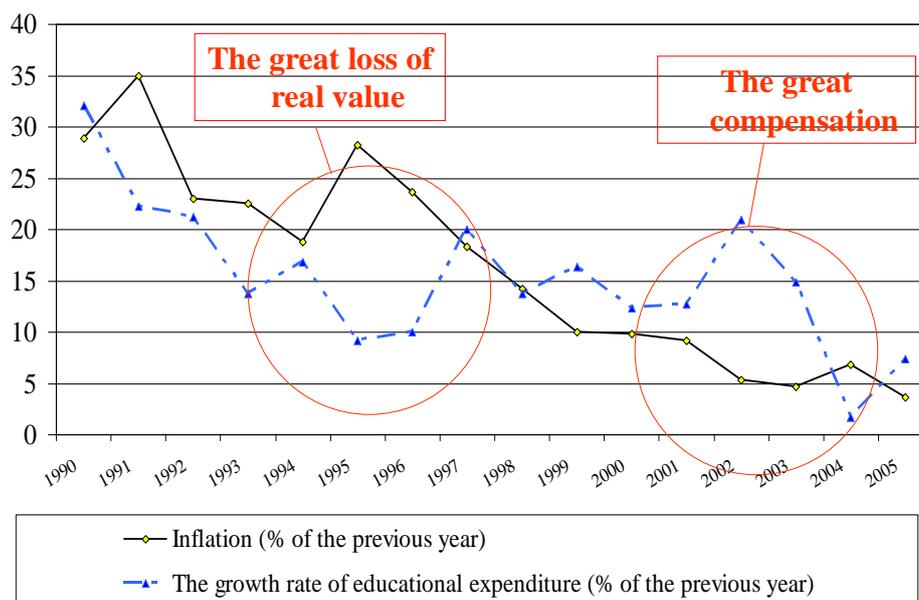
All these events show that, as emphasised earlier, national authorities, instead of trying to control school processes directly, started to devise indirect instruments, like accrediting autonomous actors and defining standards or procedures to be followed by autonomous local players. The fact that national standards or nationally defined procedures are, as mentioned earlier, not always respected by local players is a particularly important feature. This raises the question of whether, after a shorter or longer transition period, local actors will learn how to play correctly within the framework of national standards and procedures and how to use their freedom to improve quality or whether the system of indirect regulation will prove to be ineffective and a return to less sophisticated and less advanced methods of regulation will become necessary

The development of the system of management and administration illustrates well the complexity of the transformation process. Before 1989 school autonomy was the key slogan, and the main target of the dominant actors was the reduction of direct political control by the state. The formal construction of a new administrative space was achieved in 1993, but the emergence of real and more efficient social practices viable in this new administrative space took several years. In this process, school autonomy was reinforced but also counterbalanced by local/regional planning, by increased financial responsibility and by the growing capacity of national actors to use effectively the indirect regulation tools.

4.2.3 Financing the school system

In 2004 Hungary spent 3.7% of its GDP on school education which was 0.1 percentage point higher than the OECD average. Two years earlier the figure for Hungary was only 3.1% and today (in 2007) it is again probably much lower than the OECD figure. The reason is that in the autumn of 2002 there was a 50% salary increase in the public sphere which has, since then, partly lost due to inflation. In fact, the whole period analysed here was characterized by capricious changes and sometimes drastic shocks. Following the parliamentary elections in 2006 the education system was facing again a severe restriction period. This reflects the unbalanced nature of budgetary and, related to this, education policy. Efforts to improve financial conditions have been followed regularly by drastic measures of austerity. As shown by *Figure 3*, during the first half of the nineties attempts were made to keep the growth of educational expenditure close to inflation, but in the middle of the decade drastic austerity measures decreased dramatically the real value of expenditure. A few years later efforts were made to compensate for this loss, but in 2004 the real value of expenditure again decreased.

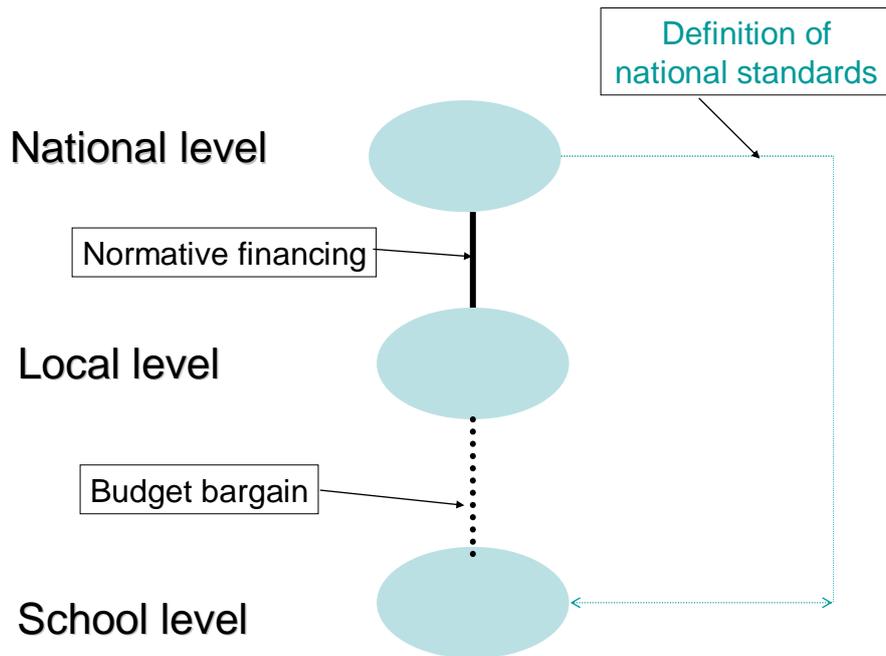
Figure 3.
The growth of educational expenditure and inflation (1990-2005)



In fact, the system has inherited serious efficiency problems. Hungary employs more teachers for the same number of pupils than most OECD countries (in 2004 the country employed more than 20% more teachers per 1000 pupils than the OECD average). This inefficiency problem was for a long time hidden by the fact that the cost of the teacher workforce was low, but when, in 2002 teacher salaries were raised significantly, this overstaffing became apparent. Although in 2004 the country spent a higher percentage of its GDP on school education than the OECD average, individual teachers earned a much lower percentage of the per capita GDP than did their colleagues in other OECD countries (the Hungarian figure was 91% for lower secondary teachers with 15 years of practice as against 132% as the OECD average).

The system of financing education has been incorporated into the overall system of local public financing by the 1989 public finance reform. Since then the basic pattern has not changed. This means that local councils receive a lump sum of state support through the budget of the ministry of the interior for the totality of the public services they run, and they have to complement this from their own sources. A state subvention is distributed among local councils on a normative basis, the principles of which are set down every year in the law on the next year's state budget. Education indicators (like the number of pupils attending certain school types or programs) are taken into consideration when the overall sum is calculated, but these have only an indicative value: they leave local governments free to allocate money to schools as they want. This freedom is, however, seriously limited by the national standards set by the Law on School Education and some other pieces of legislation, like, for example, the law on public employees and the national salary scale defined by this. According to this, the system of financing school education can be described as a two-tier system (which is similar to the system of content regulation), in which the logic of budget allocation is different at macro level from the logic at micro level (see *Figure 4*).

Figure 4.
The two-tier system of financing school education in Hungary



Although during the last 15 years there have been many proposals to change the mechanism presented in *Figure 4*, especially by taking teacher salaries out of the overall system of local public financing, this could not be implemented as this system is constitutionally deeply anchored (only a two-thirds majority vote in parliament could alter it). It is interesting to note that it took several years for the key players to learn the logic of the double-tier system, that is, the fact that things follow a different logic at macro than at micro level. For example a battle won in the parliament in the annual budget debate on overall educational spending could be lost the following day if the parliament voted on increasing the percentage of income tax to be reallocated to councils or on putting a limit to local taxes. This demonstrates one of the most important features of the transformation process analysed in this study. Practically all systems of regulation established after the fall of communism are much more complex than those that operated under the planned economy. Learning to operate in this new and much less transparent context has been, and still is, a major challenge for all players of the education policy scene.

The system of financing also deserves particular attention in this context of educational transformation because of the great unsolved problem of financial inefficiency. It is an open question whether this problem can be solved without major comprehensive reform. If, for instance, the relatively high demand for teachers is linked with the structural features of the school system (as ISCED1 level education lasts only four years the need for subject teachers is higher than in systems where this education level is longer), probably only national structural reforms could achieve a solution. But one can also observe developments showing that, at a certain level, even basic structural features can be modified by a series of local actions. This is apparent in the behaviour of many local councils, which are currently reorganising their schools so that all institutions are merged into one large one at city level, and within this large new institution structures are modified using simple internal organisational measures.

4.2.4 *The structure of the educational system*

Since 1989 many structural changes have taken place in the school system and many new structural tensions have arisen: it is not possible to give even a rudimentary picture of these

here. In the introductory chapter some elements of structural changes have already been touched upon: these will be complemented here by only a few further elements that are particularly relevant for a deeper understanding of the transformation process.

Structural issues have been particularly strongly determined by political considerations and the polarisation between the various political actors has been perhaps strongest in this defining area. Another key feature of this area is its complexity, and the difficulty for the different actors to understand the logic of structural tensions and the possible long-term implications of structural changes. Debates on structural issues have always tended to be dominated by poor information, narrow perspectives and professional prejudices. It is not surprising that since the beginning of the nineties many of the better-informed of those involved in education policy-making in Hungary have been of the opinion that it is better not to open the Pandora's box of structural questions when arranging policy discussions.

The original plan of the new National Core Curriculum proposed to change the existing 8+4 structure into a 6+4+2 one, with the ISCED1 level lasting ideally 6 years, and the ISCED3 level only 2 years. This proposal ran into heavy resistance. Critics accused those formulating the proposal of wanting to reduce the common part of schooling, thereby harming small village schools, making schooling more selective, destroying academic secondary education and so on. The dispute ended with a strange compromise: practically all players accepted that the age of compulsory schooling be raised to 18, which was legislated for in 1996. Since then, a number of piecemeal steps have been taken that may push the system towards the 6+4+2 structure, but this is not any more an explicit policy goal. For example, the internal curricular arrangement of technical secondary schools has been changed so that in grades 9 and 10 pupils learn only general subjects and their professional training starts only in grade 11. Specialised vocational training cannot be started any more before grade 11, even in vocational schools. ISCED1 teachers have been allowed to teach certain classes in grades 5 and 6 and the training of ISCED2 and ISCED3 teachers is being unified. With the introduction of the advanced level of the secondary school leaving examination, pupils were obliged to make a choice in grade 11. That meant that the learning profile of pupils in the last two years of secondary education became differentiated. In certain periods financing incentives have also encouraged local authorities to go towards the 6+ system. In spite of all these changes, Hungarians still think their school system has an 8+4 structure.

Another structural development that deserves particular attention is the emergence of six- and eight-year academic secondary schools (comprising both the ISCED2 and the ISCED3 levels). This was made possible by an amendment to the education law in 1990. Although the development of this sector has never been a policy goal (on the contrary, almost all political actors condemned this trend), the number of academic secondary schools enrolling 10 and 12-year-old pupils increased up to a level where in grade 9 almost one third of pupils enrolled in academic secondary schools have entered this sector at the age of 10 or 12. This proportion, after a few years of slight decrease, was around 25% in the middle of the 2000s.

The fact that pupils are enrolled in radically different programs at the age of 15 came to be seen as strongly problematic following the publication of the results of the first PISA survey. The survey showed that Hungary possessed one of the most selective systems in Europe. However, no serious attempt was made to alter the structural characteristics of the system. While there is no way of returning to the pre 1989 8+4 structure, the alternative 6+4+2 (or a similar three-tier) structure cannot gain any consensus. The tendency to sweep problems under the carpet in this area is symbolised, among other things, by the fact that since 2003 the National Core Curriculum has defined the cycle of 9-12 grades as a unified phase of schooling with homogeneous content requirements. Although one quarter of pupils in grade 11 and 12 attend specialised vocational training programs, (that is, they follow learning

pathways fundamentally different from those in secondary schools leading to the Maturity examination), the National Core Curriculum, which is meant to regulate the common core content across the whole spectrum of schools and programs, covers grades 11 and 12, instead of restricting the common core to ISCED1 and ISCED2 levels.

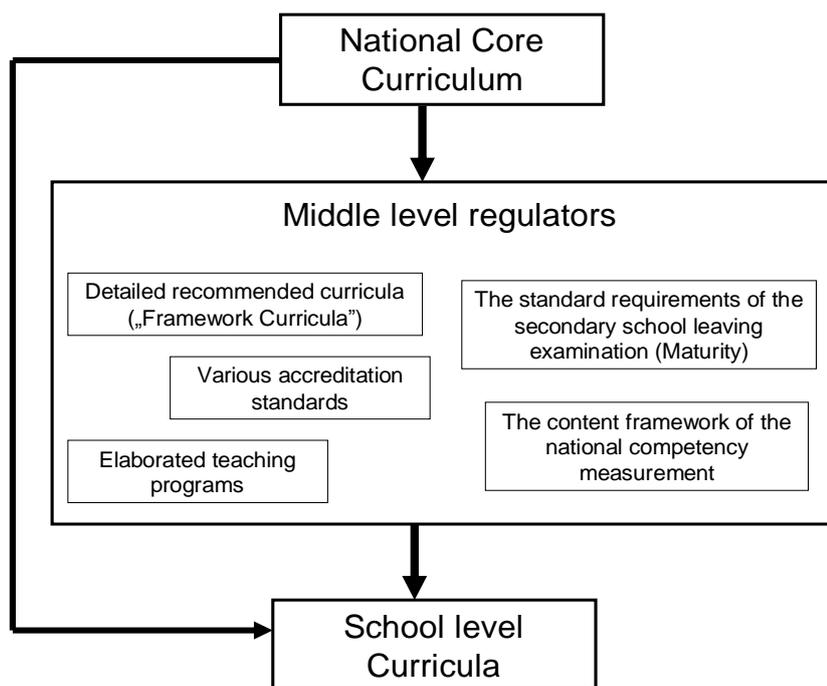
From what has been said above, it must be clear that in the area of school structure even the deconstruction phase is not yet over. Although there are processes of reconstruction, modernization and stabilization, the scene is characterized by the fact that the system and its actors have not yet been able to elaborate viable solutions and establish consensus around it. As mentioned in the previous section, it is not excluded that the decentralised character of the system may achieve some solutions. As local councils, (the owners of the schools) have a great deal of freedom to shape the organisational features of the schools, and as the boundary between the internal organisation and systemic structure has been blurred, new structural arrangements may emerge without structural reform at a national level. This can be enhanced also by the vague borderline between curricular and structural policy.

4.2.5 Curriculum, curricular policy and development

The current system of curriculum regulation has emerged from a complex process of development that started before the changes to the political system. Although it is still in a state of evolution, its main features were fixed in the 1993 Law on School Education. This is a two-level system with, at one extreme, a national framework setting overall standards and, at the other, detailed school-level curricula which, in fact, regulate daily teaching at classroom level. Between these two tiers there is a middle-level regulatory framework which consists of a rich variety of instruments (recommended detailed curricula that schools can apply as their particular school curriculum, well elaborated and documented teaching programs, textbooks and electronic content carriers etc.) offered to schools partly by the state, partly by market players. School-level curricula are also strongly influenced by the system of evaluations and examinations, especially by the secondary school leaving examination (Maturity) and the new, so-called *competency measurement system*. This latter is a test-based measurement covering every school and every pupil in certain grades. A scheme of the system of curriculum regulation is presented in *Figure 5*.

Figure 5.
*The system of curriculum regulation in Hungary (2007)*⁸

⁸ This is a modified and enriched version of a diagram presented in Vágo & Vass, 2007



It is important to stress again the organic nature of the development that led to the emergence of the complex system presented in *Figure 5*. When the process started, more or less simultaneously with the change of regime, only the top and the bottom level of the system were envisaged, and everything in the middle was the outcome of a development conditioned by the need of those involved to reduce uncertainty created by the disappearance of the detailed national level regulator. They also demanded an increase in the capacity of the system to assure quality and further efforts at modernisation.

This development is a clear example of shifting from the deconstruction phase to that of construction, stabilisation and modernisation. It is an open question whether the phase of systemic reform has been reached here. The reform of the secondary school leaving examination, the building up of the system of competency measurement and a major development program started in 2004 aiming at the production and dissemination of elaborated teaching programs may be seen together as an overall curriculum reform deserving at least partly the attribute of being ‘systemic’. However, most analysts would probably question statements asserting this. Looking closer at three of the major middle-level components, the reader may try to answer the question of whether Hungary is deliberately implementing a systemic reform or is only trying to connect elements that have sometimes drifted off in divergent directions.

The reform of the *secondary school leaving examination* started in the middle of the nineties following the publication of a reform plan that contained three major elements:

- transforming the Maturity examination into one which allows pupils to choose between two levels (basic and advanced) in each discipline
- making the examination more standardised, based on nationally elaborated tests and correction procedures
- making the examination more externally controlled and connecting it with the entrance procedure to higher education

After one decade of debates, research and field trials the new Maturity examination was introduced in 2005. By this time the three goals enumerated above were complemented

by a fourth one: shifting the nature of tests from controlling the recalling of memorized facts towards measuring competencies and the capability of students to apply their knowledge.

The building up of the system of *competency measurement* was started in 2001, under the strong influence of the first PISA survey. The idea was to give every school feedback on how successful it was in developing general competencies in two areas: reading comprehension and mathematics. After two years of testing the system, it was integrated into education legislation through, ‘symptomatically’, the annual budget law in December 2004. The fact that the regular (yearly) competency measurement was made part of the Law on School Education by the adoption of a yearly budget law is symptomatic because it shows that major reform elements may “get through” only by the method of following disguised procedures. The first detailed and explicit content (curricular) framework behind tests of competency measurement was elaborated only years after the measurement system was put into operation, without raising the question of the relationship between this and the framework set by the National Core Curriculum.

The development and dissemination of *detailed teaching programs* (program packages) was started in 2004 within the framework of the first National Development Plan financed from EU structural funds. These program packages have been developed on the basis of a concept that criticized the quality of school-level curricula and the lack of professional quality instruments that could guide schools and teachers to develop their school-level documents and related pedagogical procedures. The new program packages, the test versions of which were tried out in a limited number of innovative school clusters, contain everything needed for a good quality organisation of the learning process: the description of learning goals, definition of required teacher competencies, teaching materials, methodological ideas adapted to various learner groups, evaluation instruments and so on. Here again, at least at the beginning of the development process, the question of the connection between this new powerful instrument and the National Core Curriculum was not raised. This project was conceived as the implementation of a program aiming at developing a set of competencies that were defined within the National Plan of Development negotiated with the European Union.

Looking back from the time when this study is being written to the time when all these new developments were conceived and a decision on their implementation was taken, it is practically impossible to identify a coherent and deliberate strategy of systemic curriculum reform. The different elements were initiated by different actors who sometimes were involved in heavy professional and political debates with each other. Nevertheless, when one looks at all these developments together, and one discovers the quite strong and deep connections between them, one cannot avoid the feeling that they together make up the elements of systemic reform.

4.2.6 Monitoring and quality control

People tend to link monitoring and quality control with inspection. As mentioned earlier, there is no state inspectorate in Hungary. Inspection, which operated earlier in a devolved way (under the direct control of regional councils), was abolished following the 1985 Education Act. Although there were several attempts to reconstruct it, these attempts have so far failed. Teachers are supposed to be controlled by their employer, the principal of the school, through the normal internal organisational mechanisms of controlling working personnel. Agencies which are external to the school cannot send inspectors to see what teachers do in their school. As for the quality of the work of the school as an organisation, this is the responsibility of its owner, the local (regional) council. Given the high number and relatively small size of municipal governments, it is evident that this arrangement cannot adequately ensure quality. As concerns about quality are high, but most of those players of the education policy scene

who can effectively influence the policy process do not believe in the capacity of state inspectors visiting teachers and schools to assure quality, a number of measures and instruments have been devised for quality control since the early nineties. In this area one can observe a similar process of evolution to that in the area of curriculum regulation.

At the beginning of the nineties, immediately after the great political transformation, the debate on monitoring and quality control was dominated by the discussion on input versus output control. Those who argued in favour of output control said that determining in detail what teachers have to do and controlling whether they really do it is an inefficient way of controlling quality and suggested the use of instruments controlling outputs or results. The meaning of quality has also undergone major changes during the decade. Before the middle of the nineties, and long back into the past, quality was more or less synonymous with academic excellence. High quality education meant an education that could produce academically capable pupils, and one of the widely recognised tests of this was the achievement of pupils in various national and international academic competitions. Those teachers and schools whose pupils showed a high level of achievement at these competitions were seen as being good quality.

In the middle of the nineties a new professional group, expert in quality issues, started to emerge. A series of debates was initiated on this issue where various quality paradigms were confronted and a kind of consensus was reached. According to this, quality has three equally important references: (1) national standards, (2) goals set by individual institutions and (3) the demands and expectations of the users of educational services. A school can be seen as producing good quality if it is good in each of these three dimensions. This was a major breakthrough as it opened the way to reconciling diversity and quality and it also made it possible for schools enrolling difficult pupils to get the label 'high quality'.

The emergence of various quality control instruments is again a typical example of the development of education in Hungary. Various actors have invented various instruments in different periods. They convinced politicians and legislators of their value or, possessing the appropriate resources, they simply started using them. As a result of these more or less uncoordinated developments, by now there is a remarkably long list of quality control instruments operated by various actors in the country (see *Table 3*).

Table 3.
Instruments of quality control and development

ACTORS	INSTRUMENTS
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<p>Government (Ministry of Education)</p>	<ul style="list-style-type: none"> - <i>Curriculum</i> <ul style="list-style-type: none"> . defining curricular standards, . providing nationally developed teaching programs and controlling their quality - <i>Assessment, evaluation</i> <ul style="list-style-type: none"> . competency measurement (testing pupils in every school) and related measures (e.g. in the case of low achievement) . defining secondary school leaving examination standards . organising directly upper level examinations . sample-based international surveys - <i>Accreditation</i> procedures <ul style="list-style-type: none"> . state accreditation of teaching programs . state accreditation of textbooks . state accreditation of evaluation experts . state accreditation of in-service training courses and providers . state accreditation of quality experts (not in use any more) - <i>Institutional level quality management</i> <ul style="list-style-type: none"> . prescribing institutional level quality management and its standards . national quality award . developing evaluation and school level quality assurance instruments - <i>Expert system</i> <ul style="list-style-type: none"> . national list of accredited experts and related standards - <i>Other.</i> <ul style="list-style-type: none"> . operating the National Centre for Evaluation and Examinations (+ regional units) . the establishment of a National Council for Evaluation in Public Education . commissioning various expert analyses (national and regional) . a quality evaluation development component in the National Development Program . a national strategy for quality evaluation . financial incentives to local self-governments to conduct school evaluations . educational ombudsman
<p>Local council (self- governments)</p>	<ul style="list-style-type: none"> - approving the pedagogical programs of schools - operating an internal quality management system - evaluating institutions through <ul style="list-style-type: none"> . expert reports . school self-evaluation . opinion of school council . evaluation by regional service institutions and experts . examination results - other instruments <ul style="list-style-type: none"> . e.g. appointment of heads, budget . overall surveys (by private evaluation companies)
<p>Institutional leaders</p>	<ul style="list-style-type: none"> - compulsory institutional quality management program - compulsory personnel evaluation - school level evaluation of pupil achievements

There is perhaps one item in *Table 3* that has to be commented on in more detail: this is the prescription of institutional level quality management. As mentioned earlier, a development project called Comenius 2000 led by the end of the nineties to the introduction in schools of quality assurance methods imported from industry. These methods, based on a national protocol elaborated by the ministry of education, were close to what is known as Total Quality Management. In 2002 a ministerial decree made the creation of a system of quality management compulsory for every school, and later on this was integrated into the Law on School Education.

Most of the items in *Table 3* are in a constant process of development. For example, the competency measurement, presented in the previous section, has undergone, since its inception in 2001, several major developmental phases. It has been extended to more cohorts than at the beginning, its feedback mechanisms (reporting back to schools and teachers) have been significantly improved, the content framework behind the tests is being permanently reworked and a number of further improvements are envisaged. A recent development is the prescription of specific measures for schools that present lasting low achievement. This instrument also takes the form of extended debates within professional circles: for example on the question of whether results should be made public or not.

The system of quality evaluation, like other elements of the transformation process in education, has been and is strongly influenced by European and broader global developments. For example the recommendation of the European Parliament and the Council⁹ on quality evaluation has often been used as a reference when adding new elements to this system or when proposing the modification or the replacement of some of them.

Learning is a key element of the construction of the complex edifice of quality control. The early debate of input and output control, the new definition of quality or – something that has not yet been mentioned – the emergence of significant distinctions between notions that used to be seen earlier as having more or less the same meaning (like effectiveness, efficiency, achievement, success and quality or assessment and evaluation) are all signs of this learning process. This case shows again that transition has been going on not only from communism to democracy and from soviet block to EU membership but also from systems conceived in simple terms to more complex ones.

The question of which phase has been reached in this area is not easy to answer. It is clear that the construction, stabilisation and modernisation phase started years ago, and this phase produced significant results. If one looks at all the instruments used for ensuring the quality of education in schools, one may discern a quite coherent system, consisting of strongly interrelated elements that may reinforce each other. However, it is clear that behind the development that produced the emergence of all these elements there is not anything that could be called a systemic reform according to the definition referred to in the introductory section of this study.

4.2.7 School autonomy and its instruments

Much has already been said about school autonomy. As mentioned earlier, the idea of school autonomy appeared and was in great measure implemented before political transformation. As in many other countries moving from centralised to decentralised governance, the elaboration of the meaning of school autonomy was a rather long and complicated process. At the beginning of the nineties most actors on the education policy scene did not make a clear distinction between institutional and sectoral autonomy, that is, a move towards a system under the exclusive sectoral control of the ministry of education would have been conceived

⁹ Recommendation of the European Parliament and of the Council of 12 February 2001 on European Cooperation in Quality Evaluation in School Education (2001/166/EC)

by many as moving towards autonomy even if this had been done within a centralisation framework.

The legal framework of institutional autonomy was created, in fact, by the 1993 Law on School Education, and was developed further by various amendments later. The 1993 law specified well the major areas of jurisdiction of schools as institutions (for example creating its own organisational and operational rules, establishing its own pedagogical program as a strategic document regulating the totality of the pedagogical process in the institution and including the detailed school level curriculum). Most institutional powers were put into the hands of the community of teachers, with a relatively weak (“much responsibility, little power”) role for the principal. The self-governing power of the teaching community was seriously restricted by the extended rights of the owner of the school (in most cases the local council) to formally approve all key school- level regulatory documents. However, the power of the owner has also been limited by that of the school: when approving the basic documents it can judge them only from a financial and purely legal point of view and has no right to interfere in professional matters.

At school level the 1993 law counterbalanced the power of the teaching staff with that of the school council consisting of representatives of parents, pupils and the local community beyond that of teachers. Since 1996, however, the status of school councils has been quite ambiguous. The 1996 amendment suppressed the compulsion to establish school-level councils, but this body still has to be consulted on many specific issues (for example on how to use the financial resources collected by the school from non- public sources).

By the end of the nineties the discussions on the question of school autonomy had vanished. Most players in the education policy arena understood that autonomy does not mean lack of external control and that it means as much responsibility as freedom of self-determination. The dominant idea, at least in circles of education policy experts, is now that a system of accountability that combines institutional autonomy with strong external checks and feedbacks is the optimal one. The idea, reinforced by the PISA survey, that while autonomy combined with accountability brings positive results, autonomy without accountability can seriously harm the effectiveness of the system, has become quite widely accepted.

Since the middle of the nineties a number of new measures have been introduced that have increased the responsibility of schools for their results. After a few years of experimentation, as already mentioned, all schools were legally obliged in 2002 to establish a formal system of internal quality assurance. Although in many schools this has remained a formal process which does not imply a real professional commitment by the majority of the staff, the complex responsibility of every school for the quality of the services it provides is now generally recognised. The already mentioned system of competency measurement is being developed further so that individual schools can become a target of intervention if their results do not reach a certain standard. Leadership is also seen increasingly as a key factor in the quality of the work of the school.

School autonomy is again – as opposed to structural issues – one of those areas where the period of deconstruction has clearly been succeeded by the phase of reconstruction, modernization and stabilization. It has also come close to the phase where things are put together so that the conditions of systemic reform are, perhaps, given. However, systemic reform, consisting of deliberate and coherent actions for making autonomous institutions capable of taking full responsibility for the continuous improvement of the learning of their pupils, has not yet started.

4.2.8 The teaching profession

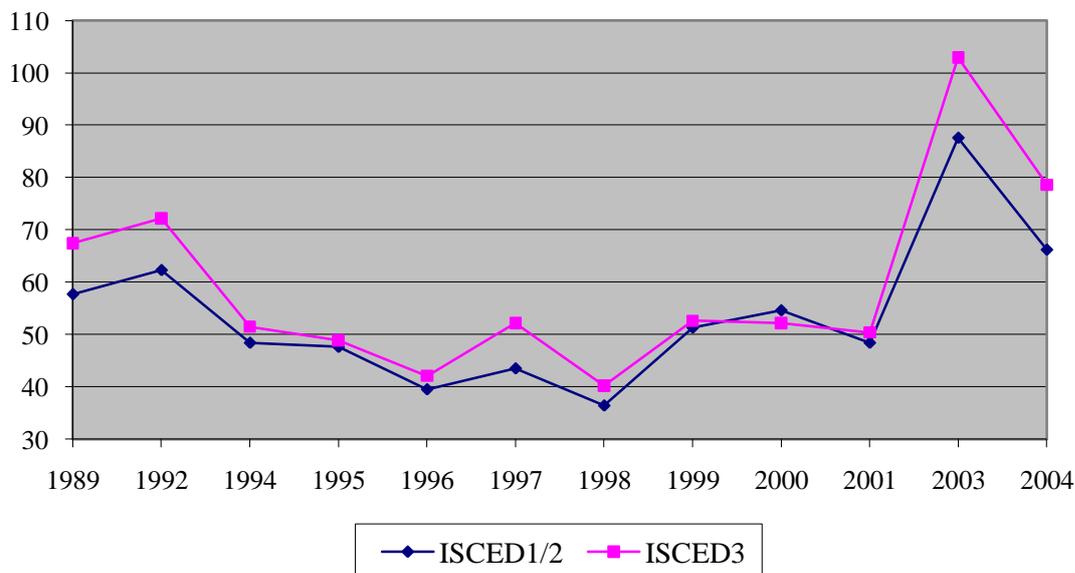
Most teachers (those working in schools maintained by local and regional councils and the state) are public employees. This is a status that is different both from that of civil servants

(those who are employed by public authorities) and that of employees working under the jurisdiction of the Employment Law. The national salary scale of public employees determines only the minimum salary for various categories (according to length of service and level of qualification). This means that teachers, in principle, can negotiate salaries higher than the minimum, although – given budget pressures – this happens only in a limited number of schools. The legal employer of teachers is the principal.

During the transformation period public employees, including teachers, were particularly strongly hit by the impact of the economic crisis and especially by the low efficiency of public financing. In 1992, at the deepest point of the transformation crisis, on average they still earned approximately 70% of the salary of employees with a college or university degree, and in the middle of the decade this percentage was less than 50%. In fact the real value of teacher salaries decreased by more than 40% in this period (see *Figure 6*). In 2002, following the victory at parliamentary elections of the socialists who during the campaign made a pledge of increasing the salaries of public employee by 50% , the gap between teachers and other graduates disappeared, but only for a single year (after the single great leap no further measures were taken to maintain the new balance). The question of this huge salary increase is still heavily debated: as it was not accompanied by any kind of quality demand or measures for improving labour efficiency, it caused, perhaps, as some claim, more harm than benefit.

Figure 6.

Salaries of fully qualified general and secondary school teachers in proportion to the average salary of employees with a college or university degree, 1989–2004 (%)



Source: Education in Hungary..., 2007

The low level of salaries is strongly related to the inefficient use of the labour force in the school system. As already mentioned, in 2004 Hungary employed more than 20% more teachers for 1000 pupils than the OECD average. The decrease in the number of pupils during the nineties was not accompanied by a proportionate decrease in the teacher labour force. For teacher unions preserving all jobs has been a more important goal than increasing the salary of individual teachers. The low cost of the teacher labour force until 2002 did not encourage the authorities to reduce the labour costs of the system. In fact, until recently governments introduced a series of measures that increased the need for labour (e.g. the raising of the age for compulsory schooling, transforming vocational training into a form of full-time education,

introducing an extra year for foreign language learning, encouraging parents to keep their children in pre-school education for an extra year etc.).

Although the enlargement of school autonomy, the possibility for every school to establish its own pedagogical profile, the encouragement of innovation and policies stressing the need for more professionalisation demanded a higher level of professional commitment, the life and working conditions of teachers have been working against this. As a consequence the current situation, despite the single great salary increase, can still be described as a negative tacit agreement: “low salary for low quality work”. The spiral of increasing quality requirements and rewarding higher quality work with higher pay has not been put into motion. Teachers have not become supporters of reforms. Although there is an increasing minority of highly committed teachers characterised by high level professionalism and willingness to innovate, the majority is in a state of apathy and do not show any enthusiasm for reforms.

During the last decade many attempts have been made, however, to rouse the rather passive teaching profession. Innovative teachers and schools have had many opportunities to acquire extra resources for financing their initiatives. There were efforts to make the salary scale more flexible and to create possibilities for school leaders to recognise higher performance. Professional organisations have received financial support to finance their activities. The new system of continuous professional training introduced by the 1996 amendment to the Law on School Education, as already mentioned, was designed so that it could be led by the demands of teachers and teaching communities.

The system of continuous professional training deserves particular attention. It consists of several interrelated and closely connected elements which together form a coherent mechanism:

- A guaranteed amount in the state budget for professional teacher development (when the system was established this amounted to more than 1 percent of all public education expenditure)
- State financial support transferred to schools who thus become buyers of training services
- Each school obliged to establish a training plan and use state financial support in accordance with this plan
- Open competition between course providers (every kind of legal person can become a training provider provided it is accredited by the relevant state agency)
- Quality assured by the state accreditation of providers and training programs by a national agency
- Individual promotion of teachers made dependent on participation in training
- The establishment of a national coordination and methodological centre for professional teacher development

As already mentioned, school leadership has recently been recognised as a strategic factor for school development. The principle according to which principals are nominated for five-year terms on the basis of open competition has been applied for several decades, although before 1989 this could have been politically manipulated. The professionalisation of school leadership has been seen, since the early nineties, by many experts as a condition for increased school autonomy to lead to higher performance (*Révész, 2007*). In the second half of the nineties several universities started providing two-year management courses for school leaders. The 2003 amendment of the Law on School Education recognised the qualification offered by this type of training as a required criterion for the nomination of principals, although only for their second term and with a significant delay in the legal obligation entering into force.

From a transformation perspective one can state that the teaching profession has not played a clear and coherent role in the educational transformation process in Hungary. While

an increasing minority, estimated at between 10 to 30 percent during the last decade, has been a major driving force behind the changes, the majority has never been committed to the reforms. No new social contract could be elaborated and concluded between the larger society and the teaching profession. A relatively large proportion of the profession consists of teachers who are confronted by the daily difficulties of family subsistence. However, the number of those who are actively seeking to improve their own practice and that of their school and who do have a new perspective has probably reached the critical mass that is needed for the sustainability of changes. Regarding the state of the teaching profession, one might be inclined to think that the system has not yet left the deconstruction phase and has not yet fully entered the construction, stabilization and modernization phase. Although the critical mass of teachers who can play the role of engine of construction and reform is already visible, they have not yet become the dominant part of the profession.

4.2.9 Support structures

Support structures in education have received significant attention during the last two decades in Hungary. There is a widely shared view that quality and development can be sustained in a decentralised system only if schools and teachers have access to a rich supply of professional support. One of the peculiarities of the Hungarian scene is the strong role of private providers in this area. The general model is quite similar to what we could see in the case of the system of continuous professional training of teachers. Private providers play a role in almost all areas of professional support, from training to evaluation through professional advising and research. These providers, mainly small companies of consultants, but also some large ones, have gradually emerged since the middle of the nineties, reinforced by state policies relying on them. The typical mechanism applied in various policy fields by the national agencies has been to make funds available for local councils to buy the services offered by private providers but national agencies also have purchased their services directly.

This started with the creation of the so-called *expert system* in 1993, with the adoption of the Law on School Education. According to this legislation, the evaluation of schools, especially the quality of their pedagogical programs, has become the responsibility of local councils but they could exercise this responsibility only through hiring professionals accredited by the state. When, in the second half of the nineties, schools submitted their pedagogical programs to local councils for approval these latter were forced to hire a high number of accredited experts, most of them offering their services as individual entrepreneurs or small companies, to evaluate these documents. Before this, in the middle of the decade, when local governments were severely hit by austerity measures and were forced to rationalise their systems, many larger cities contracted specialized consulting companies who monitored their local school systems and made concrete proposals for schools to close or merge. These companies, working for several local councils, acquired significant knowledge of how local educational services could and should be organised in a more efficient way.

At the end of the nineties, when the quality assurance movement started, the state financed directly the activity of those consultant companies which worked together with schools volunteering to build up an internal quality assurance system with external assistance. Some of these companies had previously gained quality assurance experience in industry and they tried to transfer some of the procedures from industry to schools. By the early 2000s, a number of private consultant companies had established pedagogical institutes and had started selling a wide range of support services to schools and their maintainers. After 2004, when financing educational development from EU structural funds started, private providers of education support services could easily compete for these funds and often offered better and cheaper services than public sector agencies.

As for the public agencies that provide support services, their conditions during the period analysed here was characterised by continuous uncertainty and instability. Frequent reorganisations, capricious political demands, budget restrictions and changes in leadership made the working conditions of public support institutions extremely fragile, at both national and local or regional level. Institutional stability could not be established even in areas that enjoyed higher level policy support, for example in the area of evaluation. Although all competent experts seemed to agree that the country needed a national institution responsible for evaluation, and capable of high quality professional work, this idea has never been realised. National level evaluation tasks have been executed by unstable institutions, operating always under severe financial constraints and lacking appropriate leadership.

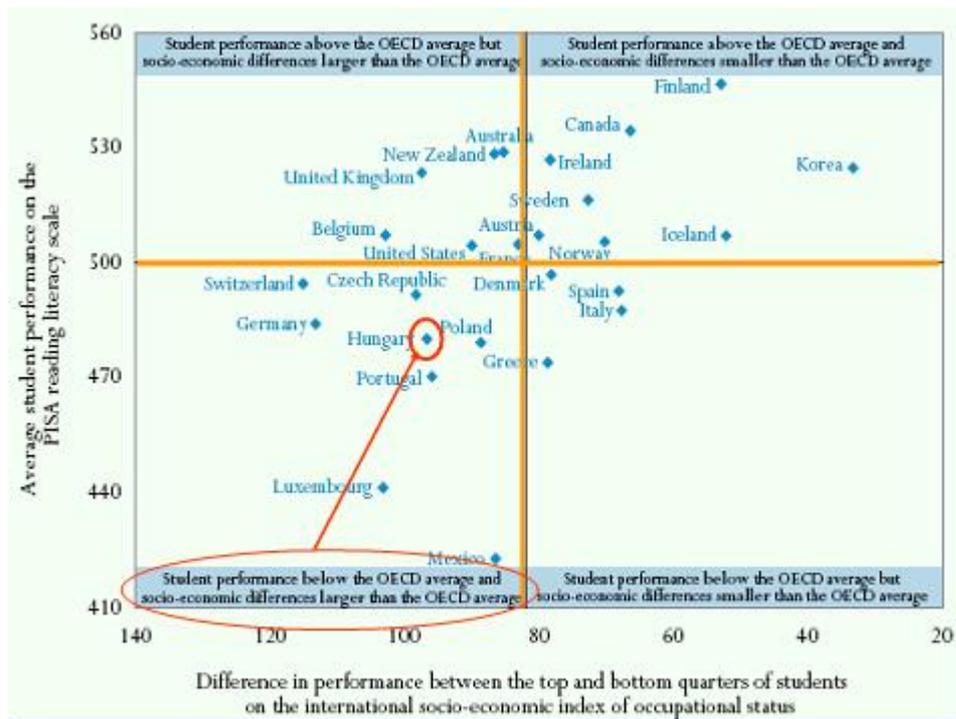
4.2.10 The social dimension

As mentioned earlier, the social dimension of education was not seriously addressed in the first phase of the educational transformation process: the question of inequalities or equal chances was not in the forefront of education policy discussions. This was partly a reaction to the explicitly egalitarian ideology of the previous political regime, and was linked also with the emergence of new education policy themes that could not be addressed before the change of regime (like, for instance, religious education, or the creation of non-public schools). The first warnings addressed to education policy-makers about the neglected social area were sent from abroad by international organisations: first the OECD and later the European Union. This latter, when its country assessments preparing the accession process started, made it explicit that Hungarian governments should do more for the social integration of the Roma minority. This issue also became a priority of the development program of the Soros Foundation, started in the middle of the nineties. The first governmental measures aimed at improving the educational situation of the most disadvantaged started in the second half of the nineties. These measures could benefit from the new opportunities opened up by the Phare program of the European Union.

The fact that there are serious problems with the social function of the education system became widely acknowledged after the publication of the results of the first PISA survey in 2001. The PISA survey revealed that the Hungarian system was among those where the social background of families had the strongest impact on the educational achievement of pupils. The country found itself in the group of countries where low achievement was coupled with low-level equity (see *Figure 7*). It was following this that the government started its first major programs aiming at the social integration of the most disadvantaged groups.

Figure 7.

Student performance and socio-economic differences according the PISA 2000 survey



Source: EaG, 2002

Improving equity has become a high level priority of the human resource development components of the National Development Programs financed from EU structural funds since 2004. The integration of pupils with special education needs also has become a major policy goal supported by various concrete measures.

The treating of equity problems is a good example of the consecutive phases of the transformation process. In the first deconstruction phase the issue was simply neglected: in fact various institutional conditions that aimed earlier at assuring equity were simply destroyed (for instance the unified structure of the school system was discontinued and the vocational sector that had earlier enrolled the most disadvantaged was driven back). In the second phase equity became a policy priority but the various related measures were not yet built into a coherent system. For instance, measures in education, employment and social policy were not connected. It was only in the third phase, within the framework of the National Development Plan negotiated with the European Commission, that the various measures became part of a more or less coherent system. It is still a question, whether this can be seen as a sign of systemic reform.

5 Key problems and perspectives

After going through all the areas and all the cases presented in the sections above the key question that this study has to raise is this: is the initial hypothesis of the three succeeding phases of deconstruction, construction (with stabilisation and modernisation) and systemic reform valid? Can we describe appropriately the development and the current state of education in the Visegrád countries, and particularly in Hungary using this hypothesis?

The Hungarian case shows that the term deconstruction is highly relevant as designating the first phase of the transformation process. Although actors in this phase may feel that they are building a new system, in fact, they do not do much more than deconstructing the old one. Their efforts to build up a new institutional environment are extremely poor as they can rely only on general theoretical considerations and follow broad value orientations, since they do not yet have tangible experience of how the new system

works and what kind of problems, challenges and difficulties it produces. The real construction process starts only when these problems, challenges and difficulties are faced and the actors are forced to elaborate new viable solutions. All these problems, challenges and difficulties bring instability and lower the feeling of security of key actors. Previous patterns, tried and tested solutions may appear extremely attractive in this phase. But turning back to what has already proved to be unviable cannot lead to stability. Stabilisation starts when the key players become capable of elaborating new solutions. However, the devising of new solutions, stabilising the new situation through these solutions and even successful modernisation efforts do not necessarily lead to systemic reform. This last requires something more that is probably not yet in position, at least not in the Hungarian case.

Systemic reform, that is, a rich set of actions, measures and policies that push in a coherent way the system of education towards more quality, more equity and more built-in adaptive capacity requires a higher-level political capacity than the education system in the Visegrád countries probably has, and certainly than the system in Hungary has. In spite of the huge number of changes, actions and piecemeal reforms, there are a number of crucial issues that have not yet been addressed appropriately. The financial efficiency and sustainability of the system is certainly one of these. Any successful partial reform measure achieved within a financially non-sustainable system may only conceal the fundamental problem: the basic structural features of the system cannot survive. Another great unsolved problem is related to the teaching profession. All the modernisation efforts remain only on the surface if a critical mass of the teacher profession has not identified itself with it, and – what is also particularly important – this critical mass is not yet capable of making a critical impact. Has the critical mass been reached? Probably, yes. But it certainly is not yet capable of determining the dominant education policy discourse. There are still too many teachers who see the construction of the elements of the modern educational system as having no connection with their daily practice and daily difficulties, and their voice is still dominating the narrative of the profession.

At the time of writing this study Hungary, together with the other Visegrád countries, is in the process of finalising the planning of how to use European structural funds for modernising its education system. Within the framework of the EU-funded national development programs for 2007-2013, an unprecedented amount of resources will be available for reforms, which may become a tremendous force pushing the system towards systemic reforms. In view of the fact that beyond the resources provided within the EU-funded national development programs no further domestic resources will be available for reforms, this is the only potential force that may put a systemic reform into motion. However, as the clarity and the tangibility of the European reform goals are still far from what would be needed for laying the foundations of a real systemic reform in the education sector, and as the national (domestic) impact of community education policies is still very weak, this external force is not enough to trigger an authentic national systemic reform. As systemic reforms are becoming unbreakably linked with europeanisation, only the progress of the latter may create appropriate conditions for the former. Thus, one of the main conclusions of this study is that the shift from the second phase of transformation (construction, stabilisation and modernisation) to the third phase (systemic reform) cannot be detached from europeanisation. This shift is or will be strongly conditioned by the nature and the quality of the process of europeanisation.

6 Recommended information sources

In this section a few English language information sources are recommended beyond those that appear in the list of references in the next section.

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