# Hungarian Politics In-Depth

Week 19, 9-16 May 2011



# All Against Hoffmann

Rózsa Hoffmann's first two higher education plans disappointed major figures in the governing party, the Prime Minister among them. Now the leaked information from her third plans threatens to inflame major portions of the higher education community as well. While Hoffmann and/or Fidesz are right that far-reaching changes are necessary in a system that is both inefficient and costly, for the moment the publicly disseminated portions of its approach raise crucial doubts. The foremost question is what the government plans to do with the masses of youth who have no place in its plans for the education system.

For months now, Rózsa Hoffmann has been fighting uphill battles against various senior figures in Fidesz and the Orbán-government. Her improbable political survival is in itself testament of her tenacity and political skills. The KDNP politician first fought Fidesz' primary point-man on education, former minister of education Zoltán Pokorni, about her various reform plans. Pokorni thought her too much of a conservative, a traditionalist out of touch with the needs of a modern education system.

Then she entered what appears a losing battle with Minister of the National Economy György Matolcsy, who also manages the exchequer. Matolcsy wants to enforce a strict line of austerity in education as well, while rumours say (or rather used to say) Hoffmann is heroically trying to resist the imposition of budgetary imperatives on education.

In parallel, however, she has apparently also aroused the ire of the man who – at least in public - appears unflappable: Prime Minister Viktor Orbán. Already last fall Hoffmann's rudimentary concept for the reform of higher education died a stillbirth, in part maybe also because it included goals that were both ambitious and costly. When in mid-April she presented another draft, Orbán rejected it out of hand, and her humiliation was leaked to the press. In a cabinet that is generally secretive and fairly successful at containing damaging leaks, the PM's irate reaction to Hoffmann's plans - apparently he considered them insufficiently thought-out and not backed up by impact analyses - seemed like an intentional snub.

### Hoffman against herself and the glass ceiling

The cabinet's highest-ranking, and in fact only prominent woman, with Minister Miklós Réthelyi mostly absent from education debates, State Secretary Hoffmann is de facto an education minister - may be wondering if she is singled out for public embarrassment. Though several cabinet members have been the subject of vituperative public attacks - most notably Matolcsy, but more recently Minister of the Interior Pintér as well - Orbán has thus far made sure that he personally, as well as the cabinet, stand behind their "men". While Hoffmann hasn't been dropped thus far, the public dissemination of her scolding suggests that she may not enjoy the same level of protection as other high-ranking officials.

In light of her extraordinary ability to antagonise not only the left-liberal intelligentsia but also leading members of Fidesz, she now appears to be the least likely candidate to survive a cabinet reshuffle that experts have been expecting for several months now. At the same time, Orbán, like most politicians, loves the ability to surprise, and he may hold on to

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Hoffmann just to spite the pundits. There would appear few other reasons to keep her in the cabinet.

Hoffmann has thus far failed to affect major changes in education and has also failed to present ideas that could make a vulnerable education system more ready for churning out youth that are better equipped for a labour market that is inexorably intertwined with global economic trends.

### A radical plan in the making

At the April cabinet meeting, Orbán rebuked Hoffmann and apparently devoted unusually significant time to tearing into her plans. Apparently, he had previously had a one-on-one talk with Hoffmann, trying to personally impress upon her the considerations he thought important for the draft. Hoffmann supposedly pledged to comply but nevertheless left crucial controversial points of her original plan unchanged. At their testy cabinet meeting encounter, Hoffmann allegedly told Orbán she needed two years to produce a decent higher education plan, while Orbán gave her two weeks.

The two weeks are up, and though the plan hasn't made it back to the cabinet yet, the details that were leaked to the public set off alarm bells in higher education circles across the country. Not only does Hoffmann's department suggest to scrap almost half of the 29 state-owned institutions of higher education, but the president of one of Hungary's most prestigious universities, the Corvinus University of Budapest (BCE), was not invited to a "survivors" meeting of the remaining institutions' presidents.

Parallel to the reduction in the number actual institutions, Hoffmann's proposal would also significantly cut the number of state-funded spots at the state universities. More students would be compelled to pay the entire cost of their education if they insist on pursuing higher education.

#### About faces in several areas

The latter especially is for all intents and purposes a repudiation of one of Fidesz' most fundamental positions: there won't be a tuition fee to pay for the first diploma in Hungarian higher education. The Socialists, who had tried to impose such fees already back in the 90s and then made another attempt under Gyurcsány early in the previous term, were subjected to scathing attacks by the then-opposition party Fidesz. In fact, Fidesz initiated a referendum against the tuition fee (and two other fees) in 2007, whose overwhelming success in 2008 became one of the key instruments in the slow demise of Fidesz' archenemy, PM Ferenc Gyurcsány.

While opportunities to study in return for privately covering the costs of one's education have always existed in the higher education system, Fidesz seeks to drastically increase their share as a total of the student spots in higher education and it also claims that it would increase the amount payable to reflect the total cost of education. While Fidesz refuses to call this a tuition fee as to avoid the charge of reversing its position on this issue, the official,

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ministry-provided translation of the Hungarian term "költségtérítéses" makes clear that tuition fees are exactly what Fidesz would impose on a growing number of students: according to the Ministry, the affected students are called "fee-paying students".

Also inconsistent with Fidesz' previous positions are the envisioned cuts of some 38 billion forints from higher education, since Fidesz had previously harshly decried similar cuts by its predecessor government.

### Yet changes are necessary

It is nevertheless clear that changes are necessary in higher education. Fidesz is right in claiming that the colleges and universities produce far too many graduates who learned next to nothing and have little else to show for their studies other than a diploma. Some areas of study considered cosy programmes by prospective (and often present) students appear particularly ill-suited for anything else than very slightly improving their holder's odds of securing decent white-collar employment while significantly increasing the number of overqualified waiters. Moreover, Fidesz is on the right track in pushing for an education that is more willing and capable of taking market (though Fidesz pointedly avoids the term) needs into consideration. A good sign is the apparent commitment to actually increase the number of state-funded spots in certain fields of study that are high in demand.

Several problems remain, though. While Hoffmann has publicly backtracked from the leaked plan's intention to close BCE, the question is why in such an approach one of Hungary's most successful universities in terms of student placement was ever considered a candidate for the chopping board. Though the allegation of political intentions is confusing - BCE was not known as a left-wing den - if indeed political considerations will weigh heavier than professional criteria, then that bodes ill for the entire plan.

#### What about those left out?

Another, more pressing, question is what Fidesz plans to do with the growing number of youth who lack a place in its approach to education. While - counter to the European trend - it plans to reduce the number of youth studying in higher education, it also wants to decrease the mandatory minimum age of education from 18 to 16 (up from the original 15). The result will be a growing number of teens and twentysomethings without secondary or tertiary degrees.

In an economy where such people have little hope of acquiring middle-class status, this is an odd policy for a government that purports to be devoted to the middle-class above all. Of course, it would be possible to counterbalance these measures with a growing focus on and massive improvements in vocational training, so as to produce more skilled manual labour that the economy could actually use. Even while we are sceptical whether such a measure could actually provide a real option to most of the youth in question, the fact is also that there has been no major push to boost vocational training, which would seem a requisite step to realise such a vision. Thus far, Rózsa Hoffmann's and Fidesz' plans raise a lot more questions than they answer.