Social Problems and Economic Performance: Social Innovations in the Hungarian Child Protection System

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SUMMARY
14.5% of the Hungarian population suffers from severe material deprivation. The link between social problems and economic performance is known as well as the rate of return of early childhood development projects, which ranges between 2.38-12.9. That is why the domestic adaptation of the English Sure Start Programme is of extreme importance. Due to the small capacity of the Hungarian educational system for disadvantage compensation, the functioning of study halls is also necessary. They ensure opportunities for valuable free-time activities for and development of disadvantaged children. The spread of both social innovations was supported by EU funds, but the introduction of a stable, local funding of the programmes has begun and both initiatives have become part of the Hungarian law on child protection.
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INTRODUCTION
There is a mutual link between economic and human development. In the first section of this paper I will describe the vicious circle of social and economic problems and then present the Hungarian situation with statistics. The educational system could have a role in handicap compensation, but I explain in the second section why the Hungarian system is not able to fulfill this mission and I discuss the labour market consequences of educational poverty. For these reasons the two social innovations described in the third and fourth sections are of paramount importance. I will show how they appeared in Hungary, how they developed, what we know about their efficiency, how this efficiency can and cannot be measured, and what the main dilemmas are during their implementation. The fifth section analyses the Sure Start Children’s Houses (SSCH) and Study Halls (SH) as social innovations and the sixth section presents my conclusions.

During my professional career I have visited several SSCHs and SHs, spoken with their employees and clients, participated in professional training and workshops, I have established one Study Hall myself and am the professional leader of another, and I also participate in the work of a Sure Start Children’s House. That is why my research methodology was participatory observation combined with analysing relevant statistical data and the related literature. I will present the results of these latter two activities when the topic requires and not in a separate section reviewing the literature.

THE MUTUAL LINK BETWEEN ECONOMIC & SOCIAL PROGRESS AND UNDERDEVELOPMENT

How and whether growth drives human development is a popular research question. The link between the two spheres operates through two channels. On the macro level growth increases a country’s tax base and therefore makes it possible for the government to spend more on the key public services of health and education. On the micro level growth raises the incomes of poor people and thereby increases their ability to pay for activities and goods that improve their health and education. Strong growth and employment opportunities also improve incentives for families to invest in education by sending their children to school, which may lead to the emergence of a strong and growing group of entrepreneurs, which will generate pressure for improved governance. (DFID 2008)
But there is the other side of the coin, namely how poor human development contributes to economic decline, leading to further deterioration in human development. A low level of education, bad prospects in the labour market, poverty, and poor health conditions are linked in a vicious circle. Moreover, the poor, undereducated parents who left school early cannot provide a suitable environment for their children to obtain the social and cognitive skills that are necessary for a successful school career. They bring up their children while passing down to them their own disadvantages.

A high number of children is characteristic of people living in deep poverty, and thus the number and proportion of poor people in a given territory can grow rapidly. This process is usually accelerated by the emigration of the better educated and more motivated inhabitants.

Regions lagging behind, especially when they are suffer from ghettoization— in the Hungarian context, gypsification – do not attract external capital and do not have internal resources, neither financial nor cultural. As a result of these processes local schools become segregated in these territories, which entails a decline in the quality of education, which in turn strengthens the negative tendencies. Under these hopeless conditions alcoholism, drug addiction, violence, and crime appear easily.

The above mentioned phenomena cause extra expenses and lost gains in many ways for the society. People living in deep poverty have limited purchasing power and they are a burden for the social care system. The care system consumes tax revenues that could be spent on more profitable purposes. Different forms of deviant behaviour cause direct damage to the victims and the society itself. While the services provided and workplaces created in the social care or judicial systems contribute to the GDP, these are not productive sectors of the economy and neither do they contribute to higher productivity in their present forms. In theory, they could be productive or at least enhance productivity, but this requires social innovations. The talented children in the ghetto schools without a supportive parental background and motivation will be probably lost talents and thus they are an alternative cost for society.

And yet, there are some examples of unfolding talents of disadvantaged children or at least of their joining the middle class. In their stories the child protection system, certain actors of the educational system, the innovative initiatives of the civil sphere, and the churches all have an important role.

In this paper I shall present two social innovations that have become institutionalized within the child protection system. They support mostly the development of school performance of disadvantaged children, their progression in the educational system and attainment of a higher level of education. First, however, I shall examine the extent of the problems outlined above.

**DISADVANTAGED PEOPLE IN HUNGARIAN SOCIETY, ITS EDUCATIONAL SYSTEM AND LABOR MARKET**

**Poverty in Hungary**

According to Eurostat, 31.9% of the Hungarian people (almost 3 million) suffered from material and social deprivation in 2017, which was the fourth worst result in the European Union. (Eurostat 2019) KSH (the Central Hungarian Statistical Office) uses a different methodology and thus its results are more favorable: in 2016 a quarter of the population lived at risk of poverty and 14.5% in severe material deprivation. Regarding children these numbers were higher, especially for Gypsy children. 19.2% of children in general (400,000) were living in severe material deprivation and this figure was 55.5% in case of the Gypsies. A third of the non-Gypsies and three quarters of the Gypsies lived at risk of poverty and social exclusion. (KSH 2019)

Being a Gypsy person does not equal living in deep poverty. Havas (2008) estimated that less than half but more than a third of the Hungarian Gypsies live in deep poverty and the same is true for the rate of Gypsies among the extremely poor people. Nevertheless, being Gypsy is a special issue due to the still existing discrimination and some special cultural features of this minority. By 2050—according to the calculations of Hablicsek (2000) – two million Gypsies will be living in Hungary, which at that time may constitute a quarter of the whole population. Now the number of the Gypsies is 876,000 according to a research of the University of Debrecen (Pénzes et al 2018) and the fertility rate of Gypsy women is higher than the average in Hungary. (Husz, 2011) So the challenge of the Gypsies’ integration is not a secondary question. I have to emphasize that the Gypsy population is far from being uniform, there are many different ways that we can and do differentiate them and that they differentiate themselves. Since the problems and prospects of the Gypsy and non-Gypsy people living in deep poverty are similar I will speak about both the disadvantaged and Gypsy people in the following parts of the paper.

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1 In the text I use the expression “Gypsy” as this is the way people of Gypsy/Roma origin call themselves in East and North Hungary. Here this expression does not have any pejorative meaning.
Disadvantaged and Gypsy Children in the Hungarian Educational System: Growing Educational Segregation, the Problems of Low School Performance and Early School Leaving

Education can be a key instrument to prevent and overcome social exclusion but it can also serve to reinforce inequalities. In Hungary there are significant differences in school achievement between disadvantaged and non-disadvantaged students and differences in school achievement between schools with significant proportions of disadvantaged children and schools without such students. Hungarian educational segregation has a long past. In 1962 the ministry ordered the foundation of segregated Gypsy classes, where the requirements were lower, conditions worse, the knowledge of teachers lesser. Another form of segregation was sending Gypsy students to special education institutions for retarded or mentally disabled children and creating “ancillary” classes.

This policy changed in 1985 with the abolition of Gypsy classes and setting more restrictive conditions for sending children to special education institutions. Yet educational segregation continues to be an existing problem in Hungary. In rural territories it is connected to residential segregation and so it is a natural process, but in towns and cities it is created intentionally. There are different techniques resulting in segregation, like creating bilingual classes and “normal” classes in a school and then not accepting Gypsy children in the bilingual classes. As a matter of fact, the majority of them do not even think of applying. Another possible way of creating schools free of Gypsy students is when a church takes over the running of schools, as these schools do not have the obligation of accepting all the children living in the neighborhood. (In some cases churches take over segregated schools within their Gypsy pastoral activity.)

To illustrate the extent of educational segregation in Hungary I cite Papp who analysed the so-called “background questionnaires” of the national competency measurement administered in 2009. These questionnaires were filled in by the headmasters of the schools who – among other things – were asked to estimate the proportion of Gypsy students in their school. The proportion of Gypsy children was 13% in the country on average but there were big territorial differences; in Borsod-Abáuj-Zemplén (BAZ) County (in northeastern Hungary) for example it averaged 31%. In 15% of schools the percentage of Gypsy children was over 40%, and in 10% of schools it was more than 50%. There were 52 schools where 90% of the students were Gypsy and in 34 schools it was 95%. The competency results showed that when the proportion of Gypsy students rose above 10% the average school performance began to decrease: test results for comprehension linearly, and results for logic tests less regularly (Papp 2011). The situation has worsened in the last ten years. According to a recent study of the Hungarian Academy of Sciences, which analyzed the segregation of disadvantaged and multiply-handicapped children and not that of Gypsy specifically, between 2008 and 2016 the index of segregation grew from 27.7 to 38.6 in the case of socially disadvantaged children and from 26.6 to 36.4 among multiply disadvantaged ones (Varga 2018). The worst possible value of the segregation index is 100, when segregation is total.

During the last decade there have been some lawsuits regarding school segregation (in Miskolc, Nyíregyháza, Kaposvár and Budapest) and in 2016 the European Commission launched an infringement procedure against Hungary over the segregation of Gypsy children in schools.

Hajdú et al. (2014) examined the school career of Gypsy children in 2014. They found that:

- 6.97% of them do not finish primary school
- 4.39% do not enroll in secondary or Vocational Education Training school
- 42.35% drop out of secondary or VET schools
- 24.69% obtain vocational school qualifications
- 21.59% pass leaving exams and complete secondary school
- 4.21% start higher education.

Children’s performance at school, the education level they obtain and inequalities in having an access to quality education all contribute to social marginalization and have a negative effect on their future perspectives on the labor market. In the next part of the paper I will describe the situation of Hungarian Gypsies and of poor people on the labour market.

Disadvantaged People in the Hungarian Labor Market

After the change of regime in 1989 certain economic branches were hit by a crisis, specifically those where in the time of full employment Gypsies found work. On a national average 30 percent of the workplaces were lost by 1993 while 55 percent of the Gypsies’ jobs had disappeared (Kertesi 2000). Not only the number of unemployed people grew during that period but the activity rate also fell. The labour market bottomed out in 1996 with the employment rate of 52%.3

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3 End of communism in Hungary and the beginning of the transition process.
4 https://www.ksh.hu
Kertesi (2006) diagnosed in 2005 that the country had problems in employing under-educated people: there were too many of them in comparison with the EU average and they were less employable. At that time the country level unemployment rate was 7.2% while 13.7% of the people with a primary-level education were unemployed.

The low level of education of certain groups of people was not a problem in itself but it was combined with spatial segregation and discrimination as well. A study in 2000 which focused specifically on the Gypsies’ labour market situation in BAZ County found that 88 percent of them were unemployed at a time when the percentage of overall unemployment was only 11.7 (Babusik 2002).

Now the unemployment rate is lower: it is 4.2% on average and 10.6% for people with only a primary-level education. This situation is partly a result of the widespread public work schemes: the highest number of people in public work schemes (223,470) was employed in 2016. (Ignits et al. 2017) There is shortage of workers in many sectors (manufacturing, commerce, finance, health care, construction, IT, education, etc.) which has seemingly lowered the level of discrimination against Gypsies in the Hungarian labor market.

With a higher educational level not only the chance of finding a job is higher but also the available income, as is illustrated in Figure 1.

Not only the education level but also the possessed competencies have a role in success both in the labor market and in life in general. Allmendinger & Leibfried (2003) refer to the low level of competencies as a form of educational poverty. In the following section I will describe the situation of the Hungarian society in this regard.

**Competencies in Hungary**

The Programme for International Student Assessment (PISA) is a worldwide study conducted by the OECD every three years, starting in 2000. Its aim is the evaluation of educational systems by measuring 15-year-old pupils’ scholastic performance in mathematics, science and reading.

The average results of the Hungarian students in 2006 and 2009 were not significantly different from the OECD average, while they are below that now. In 2015 the average scores in science, reading and mathematics were between 493-490 while in Hungary they were between 477-470.

Table 1. gives a picture on the issue of educational equity in the OECD countries. I have chosen the results of science literacy to examine. The table contains the worst and best performances of the countries in three indices which measure equal chances and the capacity of the school system for disadvantage compensation. (The ‘best results’ in the table mean the countries in which the variation in performance is explained least by socio-economic status as in this places the equity and/or disadvantage compensation of the school system is the highest.) Along with the indices themselves I also put the name of the given countries and their ranking in science results. The OECD average and the results of Hungary are also shown in the table.

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**Figure 1. Average gross monthly income (in HUF) in Hungary by highest educational level, 2016**

GCS: General Certificate of Secondary Education

Source: own construction based on: NFSZ (2016)

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4 8 years of schooling in Hungary

5 http://www.ksh.hu

6 https://www.oecd.org/pisa/pisa-2015-results-in-focus.pdf
Table 1

| Equity in Education: PISA results, 2015 |
|----------------------------------------|
| Percentage of variation in science performance explained by students’ socio-economic status | Score-point difference in science associated with a one-unit increase on the ESCS index | Percentage of resilient students |
| Best results (name of country and its ranking in science) | 1 (Algeria, 69) | 8 (Algeria, 69) | 75.5 (Vietnam, 8) |
| | 2 (Macao, 6) | 12 (Macao, 6) | 64.6 (Macao, 6) |
| | 5 (Kosovo, 68) | 17 (Tunisia, 66) | 61.8 (Hong Kong, 9) |
| | 5 (Montenegro (59) | 19 (Mexico, 58) | 48.8 (Singapore, 2) |
| | 5 (Iceland, 39) | 19 (Hong Kong, 9) | 48.8 (Japan, 2) |
| | 5 (Hong Kong, 9) | 20 (Turkey, 52) | 48.3 (Estonia, 3) |
| Average result | 12.9 | 38 | 29.2 |
| Hungary | 21 | 47 | 19.3 |
| Worst results (name of country and its ranking in science) | 19 (Belgium, 26) | 52 (Czech Republic, 29) | 2.5 (Kosovo, 68) |
| | 20 (France, 27) | 57 (France, 27) | 0.4 (Dominican Republic, 70) |
| | 21 (Hungary, 35) | 49 (New Zealand, 20) | 3.2 (Peru, 64) |
| | 21 (Luxembourg, 33) | 48 (Belgium, 26) | 4.1 (FYROM**, 67) |
| | 22 (Peru, 64) | 47 (Hungary, 35) | 5.7 (Quatar, 56) |
| | 26 (CABA*, 38) | 47 (Malta, 41) | 6.1 (Lebanon, 65) |

*Buenos Aires, Argentina
**now North Macedonia
Source: own construction based on: OECD 2018

In the performance gap between advantaged and disadvantaged students the result of Hungary is among the worst (see Table 1, Column 1). PISA also assesses to what extent differences in education outcomes are associated with the social status of parents (see Table 1, Column 2). We can find Hungary again among the worst performers, since a one-point decrease in the ESCS (economic, social and cultural background) index of a student generates a 47-point difference in science.

Another index of the capacity of education system for disadvantage compensation is the share of resilient students, meaning those who perform well, despite coming from disadvantaged backgrounds. This number has been declining in Hungary since 2006 (OECD 2019), and 19.3% is well below the OECD average in 2015.

We can see in Table 1 that the overall performance of compulsory education is connected to the questions of equity in many ways. Algeria is an example for educational equity due to the overall low performance of the whole educational system. In contrast, Macao and Hong Kong are places where both the equity and the overall performance are high. We can find very different countries together in every cell of the table. They are different culturally, geographically and also in their performance in science. One thing we can notice, however, is that there are no countries in the category of best results in science among the countries with the lowest indicators of equity. And we can also notice that Hungary’s performance in all the indicators is below the OECD average and in two cases it is among the worst performers.

As long as there are such shortcomings in the educational system of a country, the importance of social innovations that support the school career of disadvantaged pupils is extremely high. We will turn our attention now to these innovations.

**SURE START** CHILDREN’S HOUSES

As I mentioned before the children of people living in deep poverty start their school years with a handicap and are more likely to drop out from the system with a low level of education. Due to the labor market consequences of this process these children will raise their own children in poverty and pass their disadvantages down to them. The purpose of Sure Start Children’s Houses (SSCH) is to break this circle at the first step by developing the cognitive and social capacities of children under the age of 3 and also by teaching the parents how to develop these skills at home.

The idea and methodology were developed and tested in the UK. There the story started with a UK government review in 1998 which concluded that disadvantage among young children was increasing and early intervention could alleviate poor outcomes. The report recommended a change in service design and delivery, to be area-based, with all children under five and their families as clients. All of the programmes that started provided:

- outreach and home visiting;
- support for families and parents;
- support for good quality play, learning and childcare experiences for children;
- primary and community health care and advice about child health and development and family health;
- support for people with special needs, but without specific guidance as to how (Melhuish et al. 2010).
The Hungarian adaptation of the programme began in 2003 as an initiative of the Hungarian Ministry of Health, Social Care and Families (Egészségügyi, Szociális és Családiügyi Minisztérium). The pilot programme was launched in several types of regions and settlements (Balás et al. 2016).

The experience of the pilot projects was incorporated in the extension of the programme, which was started in 2009 involving EU funds. Sure Start Children’s Houses were funded by several grants, one of which is still open for application. At present 265 Sure Start Children’s Houses are operating, partly in the local, Hungarian financing system and partly in the framework of EU funded projects. The “old” Sure Start Children’s Houses can continue their operation in a normative financing system after the grant period is over. Meanwhile the Sure Start Children’s Houses have become listed in the child protection act (Act XXXI of 1997 on child protection and custody administration) among basic services for child welfare.

The detailed rules of operation were laid down in a decree (15/1998. (IV. 30.) NM rendelet), but in its current status there is not a word mentioned on this institution.7

There are certain elements in common with the original English programme but the Hungarian adaptation also has some special characteristics. The main difference lies in the basic situation that in the UK the state does not have much of a role in early childhood care, so there the main task was the foundation of services. Hungary already had a well established system of health visitors and also crèches, although this latter is not attended by many disadvantaged children. Here the main purpose was creating better and more widely available services for the target group, which differs from the English aim. In the UK immigrants and unemployed city dwellers and their children under the age of 4 were and are the main recipients of the services, while in Hungary the recipients were those who were affected by chronic poverty, including Gypsies. Here the age limit is 3 years for children because since 2011 attending kindergarten has been obligatory from that age. One reason behind this regulation is that kindergartens can act as an arena of disadvantage compensation, but earlier, Gypsy children living in deep poverty either did not go at all or did not attend regularly.

The common features of the English project (Glass 1999) that are shared by the Hungarian project are:

- the involvement of parents and treating the two generations together,
- the complexity of programmes: several experts are present in the Sure Start Children’s Houses and thus they aim at the improvement of more than one area,
- the possibility of responding to the local needs in service delivery.

In both places the participation is territorially based, that is to say that all people living in a given disadvantaged territory are entitled to joining the programme. In Hungary according to the present legal requirements to meet this criterion half of the children must be entitled to regular child protection allowance and half of this group must be disadvantaged or multiply disadvantaged. Before this regulation it occurred in some places that the SSCH became a meeting point for middle/class mothers.

A study on SSCHs found that if the SSCH was located too close to the slums then the better situated families would avoid it, while the SSCH situated in the city centre was not attended by poor families. Overall only a fifth of the SSCHs are characterized by the mixed social background of their attendees (Balás et al. 2016). The mixed social composition of SSCH has the advantage that it helps the integration process of disadvantaged children and mothers as well.

It was found that usually disadvantaged families could be integrated into the SSCH, but not families classified as multiply disadvantaged (Balás et al. 2016). Ironically, disadvantaged people do not like to mingle with multiply disadvantaged ones; there is hostility and envy among them in many cases.

The basic and obligatory tasks of the SSCHs are:

- to provide children with meals and skill development activities on a daily basis and survey their conditions regularly,
- providing parents with the possibility of participation in activities together with their children, special personality and capacity development and other preventive programmes,
- community events.

Several other services can be provided in the SSCHs. In the EU funded projects typically speech therapists, psychologists, physiotherapists, special education teachers and lawyers visited them. Unfortunately, the decreasing participation of these experts is typical after the transition to normative financing. Domestic resources do not ensure much besides the salaries of two people working in the SSCH. There is no money for replacing the worn-out tangible assets (toys) and not enough money even for the overheads, which have to be covered by the group running the institutions, which is typically a civil society organization or a micro-regional association.

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7 See: https://net.jogtar.hu/jogszabaly?docid=99800015.NM.-only in Hungarian language
The legislation prescribed, among other things,

- the opening hours of the SSCHs (an average of six hours a day every month and obligatory opening hours between 8-12 pm on weekdays),
- the minimum number of the children who use the services regularly (depending on the size of the settlement, but minimum 5 in the case of small settlements),
- the definition of regular usage (those who participate in at least 40% of the weekdays).

Sometimes those who just drop in for a few minutes on a daily basis are also considered regular users. I regard this phenomenon as problematic, though it is true that with time these people could become real clients of the institution. I also have the feeling that if 5 children and their mothers visit the SSCHs eight times a month, this is a waste of resources, as the SSCH is not sufficiently exploited.

In the UK the Sure Start Programmes were initiated in the late 1990s and they have evolved in various ways as Sure Start Centres and Early Childhood Care Centres. Methodologically sophisticated evaluation has shown that these interventions have been partially successful in various ways. Both the number of burglaries and households dependent on benefits decreased, and child health improved, with fewer emergency hospitalisations, severe injuries and respiratory infections. Aspects of school functioning improved for elder children. The identification of children with special educational needs or disability increased, suggesting improved health screening (Melhuish et al. 2010).

SSLP children showed better social development, exhibiting more positive social behavior and greater independence/self-regulation. These results can be attributable partially to the changing behavior of the parents, who manifested less negative parenting and offered a less chaotic and more cognitively stimulating home learning environment for their children (Melhuish et al. 2010).

The programmes were most successful when early interventions were linked to health programmes and to teacher-led initiatives. The weakness of the programmes was that they failed to reach some 5 percent of those identified as most in need, for whom profound and chronic poverty was the cause of parental problems and dysfunctional parent-child interactions. In addition, the Sure Start programmes were underfunded and subject to political change and interference (Melhuish et al. 2010).

In Hungary there was a monitoring and evaluating programme of SSCHs in 2015 (conducted by T-Tudok) and then in 2016 a comprehensive evaluation of the Hungarian programmes was carried out (by HÉTFA). The T-Tudok (2015) study called the attention to the fact that evaluations of early childhood programmes that are longitudinal and do not concentrate only on the cognitive development of the clients are able to show real results. Such studies follow clients over several decades and thus they can evaluate the programme from the perspective of success on the labor market. The evaluation programme of T-Tudok was a cross-sectional one. It identified development in social and emotional areas in the children. From the children’s point of view the role of SSCHs was crucial in the development of their motor skills, standalone game activity and successful integration into kindergarten. Regarding the parents, the main results of the projects were the strengthening of positive, loving, accepting parenting attitudes and the ability to create a daily routine in the lives of their children (T-Tudok, 2015).

The HÉTFA study – in accordance with the English experience – found that at least 6 years are necessary for the first results of the Sure Start programs to be displayed (Balás et al. 2016), so SSCH has a long embedding period. It found that, besides the above-mentioned effects, the educational competencies of the parents have developed, they learned how to play with their children, and their parental behavior aimed at get used to orderliness and self sufficiency strengthened. The programs widened the social relations of the involved mothers, decreased their isolation and increased their ability to cooperate, especially with the institutions, members of helping professions and with other parents as well. Their adaptive and problem-solving abilities also improved.

The SSCH also helped – as in the UK – in gaining access to subsidies, supports and services of the social care and health system. The development lag of some children was diagnosed in health screenings and thus their special treatment could begin in time (Balás et al., 2016).

The study contained a thorough cost-benefit analysis on the Hungarian Sure Start Program. One SSCH has an average annual budget of HUF 7,443,400 and is attended by 14.58 children on average. So the annual cost per child on the average is HUF 510,521. The entering age is generally 20.68 months; that is to say till the age of three the children attend this programme for 16 months. Thus, an average community investment of HUF 680,695 is spent on one child (16 ÷ 12 × 510,521) (Balás et al. 2016).

Early childhood development programmes have their real results in the long run. According to international projects investigating the effects of early childhood development programmes, the return of these programmes is between 2.38 and 12.9. The sources of the profit are higher educational level, better situation in the labor market and less delinquency. Based on this the calculated HUF 680,695 cost per child will result in a social benefit of HUF 1.62–8.78 million to society in a period of 20-30 years. Considering 1,700 regular users, the gross economic gain can be between HUF 2.75 and 14.93 billion.

With a very cautious estimation we can state that the mere fact that the programme increases the chance of getting a secondary-level qualification means that each forint spent on the programme from the budget will produce a 1.5-3-fold return in the long run (Balás et al. 2016).

The question arises if there is any point in developing SSCHs if there is a huge development in crèches. The answer is that the two institutions have different aims and
target groups. Crèches are attended by children (whose mothers typically work), while the SSCHs are targeted at mothers together with their children. (These mothers are unemployed or on maternity leaves). In SSCHs the development of parental abilities is as important as the development of the babies’ skills.

**STUDY HALLS (LOCALLY KNOWN AS “TANODA”)**

The first study hall was opened in a disadvantaged district of Budapest (Józsefvárosi Tanoda) in 1995. It was funded by civil resources and its main aim was to give disadvantaged students access to possibilities which are natural for the children of middle-class families, like foreign language classes, cultural activities, etc. Later study halls were founded independently in several other places, trying to enhance the educational experience of disadvantaged and Roma students by providing learning support, rich extra-curricular programs and extra support in other areas if needed.

After Hungary’s EU accession in 2004 study halls were established with the support of EU funds in several waves. By 2009 66 Study Halls were functioning across the country and there were 274 in 2018.

The application procedure for EU funds tended to be bureaucratic, resulting in delays in the allocation of funds. Besides this the funding of this measure was short-term, so it was not possible to guarantee the continuity of the study halls. At the end of a funded period some study halls switched to a reduced mode of functioning while others suspended or terminated their operation between two financed periods. This had harmful effects on the children, who felt abandoned. The teachers who worked in the study halls had to leave and move on to alternative employment. This sometimes resulted in the loss of expertise when funded activity recommenced.

The grant application procedure set requirements and minimum conditions to be met, as well as common standards. The professional guideline, the so-called “Study hall standard” (Tanoda sztenderd) was created in 2008 and later was revised and made more flexible.

The government, aware of the success and popularity of study halls, decided to grant the financial background for their stable functioning. Study halls have become incorporated into the child protection act and the means of domestic financing is being formulated just now.

**Pros and cons of EU grants and limited domestic funding**

EU grant opportunities created a new situation in financing civil society organizations in Hungary. Financial resources of this sector grew significantly, but many associations and foundations were established for the mere purpose of having access to European funds. Many study halls were launched simply for the sake of getting money and were not driven by the wish to help disadvantaged children. This did not mean automatically that later these Study Halls would do bad work, and some became really good ones, but there were and there continue to be some bad examples, too. The “enterprises masked as civil society organisations” took resources away from others. These “enterprises” are very good at documentation, meeting the indicators on paper, but not in their work with the children.

Switching to domestic financing had the consequence of scarcer resources. From that point on 75% of the money coming from the state would go for salaries and the rest is meant to cover overhead costs, meals, excursions, etc. The new regulation and way of financing makes the situation of the Study Halls a little harder, and means that creating new ones is almost impossible. Study Halls had to be built up in the past, in the period of more abundant finance. This situation has benefits, however. It has a market-cleaning effect and will screen out those looking to make a profit.

I have not spoken about the independent Study Halls, who did not ask for or did not get funds from the state or the EU, yet are able to function and typically in a very effective way. Some of them are run by churches, others by civil society organisations. The reason for not participating in the EU grants was usually the unwillingness to fulfill some of the expectations and/or the wish to avoid the heavy documentation obligations.

**Relationship with and effect on the educational system**

First of all, I would like to emphasize that there would be no need for study halls if the quality and capacity of handicap compensation of the Hungarian education system were good. But as the situation is the opposite and it is deteriorating, then it is a positive development that an initiative of the civil society that has proved to be successful or at least promising in educating multiply disadvantaged children has won the support of the state. Study halls cannot and should not substitute for schools, and maybe in the future when the performance of the mainstream institutions is higher, study halls no longer be needed. Until then study halls have their roles and place in Hungary.

In this part of the article I would like to pick up certain topics which are the most important in the life of Study Halls in their connection to the schools and the education system. One of them is the question of the opening hours. Students spend 3-5 afternoons weekly in the study halls after their normal school days. Since 2011 it has become obligatory for children to be in the primary schools from 8 am to 4 pm. Parents can ask for exemption for their children from this rule and middle- and upper-class parents do so, but not the disadvantaged ones. Consequently “classes” in study halls usually start after 4 pm, when the children are very tired. Sometimes study halls open earlier, but in that case an agreement is necessary between the study hall and the schools in order to let the children leave earlier. Reaching this agreement is not always easy and even if it has been accomplished, the task of doing the homework takes time away from skills development and alternative teaching methods in the study halls.
The reasons behind the regulation that children have to stay at schools until 4 pm and behind the support of the study halls are the same: providing useful free-time activities and services for disadvantaged children in the afternoons, but the two measures contradict each other and thus conflicts can arise between institutions.

Another topic is formulated around the question of who teaches children in study halls, and what preparation is needed by educators in order for these institutions to function well.

The first “Study hall standard” prohibited the employment of local teachers in the study halls. The reason for this was the supposition that a teacher who cannot teach successfully in the morning in schools will not be better in Study Halls in the afternoon. Later this restriction was cancelled, partly because there was simply not enough supply for study hall workers, especially in remote villages. But there are other arguments which support the possibility of employing local teachers in study halls.

In the study hall teachers find themselves among totally different conditions than in the schools and with different expectations. Here the children come voluntarily, the teacher can deal with just one or a few children at a time, he/she can choose freely the content and the method of their learning activity. The educator in this new situation can formulate a different type of relationship with the students, even with the most problematic ones. Both of them will experience success and this new feeling can be brought back to the school. These types of experiences can help to prevent or cure burn-out, which is one of the main problems of teachers working in segregated schools.

Teachers that are not well educated naturally will not be able to achieve positive results in study halls. Teachers working in segregated schools are not less prepared than those of elite schools, simply their work is more difficult. On the other hand we cannot deny that there are problems in the educational system, not only in Hungary but worldwide. Many scholars urge the reform or rather revolution of the system. Discussing these questions would go far beyond the scope of this article, but what is important from the point of view of study halls is that they can function as an experimental terrain and support the renewal of the mainstream methodology of education.

Study halls and schools have similar purposes, but there are key differences between studying in mainstream schools and studying at study halls. The emphasis of the teaching and learning process is more on skills development than on knowledge transmission in study halls and students receive help in a personalised and individualised way where group work and innovative teaching methods, like drama, tale, or board-game pedagogy can be used more easily. It is expected that study halls will use innovative and modern teaching methods, and there are more and more places where they are really used. For the teachers of other study halls however, it is hard to leave behind their usual techniques and attitudes. The teachers who try out new methods in a smaller group without outer expectations can build their experience later into their school activities.

**Monitoring and assessing**

Self-assessment (on the basis of student achievement) is a requirement for all study halls. Instead of an evaluation of the outcome, process evaluation has been more common in study halls due to the heterogeneity of the students. Central input and output competency measurement through the internet was introduced only in the last period of study hall projects. The results of these measurements have not been evaluated yet. Earlier, during 2012 and 2013 there was a study in which the work of 19 study halls was followed up and measured. Not only the students of study halls were involved in this research; their classmates who did not go to the study halls were involved as a control group. This research found contradictory results. Study halls focused on the most disadvantaged children, which was shown by the fact that the initial results of the control group were better in every territory (motivational level, social attitudes, logical-mathematical competencies, etc.). During even this short period there was development in all fields of competency of the children, but they were still unable to prescind or to apply knowledge in solving complex problems. The performance of children changed more than their motivations. It was baffling that while among the students in the control group there was a positive correlation between motivation level and test results, this was not always the case in the treatment group. What is more, the gap in performance of the students attending study halls did not decrease in comparison with their classmates. A definitely negative result of the assessment was that the children in study halls showed regression in communicating with their peers (Lannert et al. 2013).

While this sounds rather discouraging, I would like to point out the problems of competency measurements in study halls. In my opinion competency tests help the work of study hall educators but are not suitable for deciding on the success of study halls. That the gap in performance did not decrease is not proof of the lack of success of study halls – not if the students of study halls had lower level of skills at the beginning or if they have worse family conditions. In such cases we can consider it a positive result if the gap in performance of the treatment and control group has not widened. On the other hand, an improvement in the test results of study hall students is not proof of the efficiency of Study Halls as we cannot distinguish the effects of the school. I have to add that competency development requires a long time, changes in performance require longer monitoring, and the rate of development of each child is different.

There are also positive externalities of study halls that cannot be captured in competency tests. For example, study halls offer useful freetime activities and they have potential for community development, thanks to which there could be fewer (or no) drug addicts among the youth. I have already mentioned the potential role of study halls
in the methodological renewal of mainstream education and in the improvement of the atmosphere and efficiency of local schools.

Using competency tests for the evaluation of study halls would make sense if we could investigate the long-term effects and compared the test results of similar segregated schools operating in settlements with and without study halls. In this type of investigations the problem remains that some Study halls “function only on paper”, though hopefully these will stop functioning, partly due to stricter, less abundant financial resources.

How can we reliably measure and evaluate the function of a Study Hall or the system of Study Halls? Mostly with qualitative methods and in the long run with research that concentrates on the labor market participation of former study hall students. Presently we have one promising sign: the first study hall students have begun to appear in universities.

**“SURE START” CHILDREN’S HOUSES AND STUDY HALLS AS SOCIAL INNOVATIONS**

In what way are study halls and Sure Start Children’s Houses social innovations? According to Mulgan et al. (2006) social innovations are ideas that work in meeting social goals.

In the case of SSCHs this goal is the prevention of intergenerational transmission of poverty through developing the parental skills of disadvantaged people and decreasing the disadvantage their children experience in the educational system to support students in reaching a higher education level.

The key objectives of the study halls regarding disadvantaged children are:

- providing a learning space for disadvantaged pupils;
- identifying and supporting gifted children;
- reducing early school leaving, grade repetition and unemployment;
- providing extra-curricular activities for disadvantaged young people;
- improving cultural life;
- developing social skills for employment;
- offering guidance.

With regard to disadvantaged parents, the aims are strengthening the links between schools and community and integrating Gypsy parents into the community. As far as educational system is concerned, the main objectives are improving teacher-student relationships; providing training for future teachers; providing an experimental territory for the renewal of methodology.

In social innovation processes the first step is always the identification of needs, which in our cases have been known for a long time. Then the needs have to be tied to new possibilities. Regarding SSCH-s the possibility came from new knowledge: understanding the importance of early childhood development in shaping future life chances. The case of study halls is different. Here the possibility came from the institutional changes of the country, the emerging civil society, and the existence of philanthropic actors who had ideas and opportunities to test them in practice.

Innovators often try things out, then adjust them in the light of experience. Trial and error, hunches and experiments are vital for innovations (Mulgan 2006). Both study halls and SSCHs have been through this stage, their main methods have crystallized, they have been growing, replicated and adapted. The SSCH was first developed in the UK, than after Hungarian piloting projects was adapted in Hungary as well. The study halls are home-made inventions of the Hungarian civil society the development of its methodology went hand in hand with research.

As Mulgan put it, the innovative and creative ‘bees’, social entrepreneurs or inventors need to find supportive “trees”, big organizations that make things happen on a big scale (Mulgan et al. 2006). In our cases the trees were national governments and the EU, which allowed the initial spread of these new methods. As a matter of fact, governments play often the critical role of scaling up social innovations. The Hungarian government did the same here, by passing laws, allocating public expenditure and letting the spread of the programs happen; both programs are now in the stage of institutionalization.

**SUMMARY AND CONCLUSIONS**

Equity in education seeks strategies to diminish the correlation between educational outcomes and the socioeconomic background of learners. This equity has not yet been realized in the Hungarian system of education. The costs of school failure are extremely high not only at the private and social level (e.g. lower lifetime earnings, lower social cohesion) but at the fiscal level as well (e.g. lower tax revenues, higher welfare payments). Deficiencies in the education system contribute to massive social problems, to exclusion from the normal labor market or to finding only low-paid and low-respect jobs. Educational attainment and labor market outcomes thus are strongly connected.

In theory, educational policy is preventive while social policy is compensatory (Allmendinger & Leibfried 2003). In practice, however, and especially in case of the two social innovations presented here, the characteristics and functions are mixed and connected in a virtuous circle. These two new institutions of social policy contribute to decreasing educational poverty and through this, material poverty. Educational poverty is reflected in years of schooling, in the qualification attained, and also in competences, which are interconnected.

If the educational system of Hungary worked well, if it had the ability for disadvantage compensation, there would be no need for Study Halls and less need for SSCHs. But this is not the case. Of the 400,000 children living in severe
material deprivation in Hungary, 6,000 of them take advantage of study halls and 2,000 attend SSCHs. So the number of study halls and SSCHs is definitely not enough. A further issue is that spending money is not enough; it has to be spent well. Therefore, good education and the good intentions of those working in study halls and SSCHs are essential, as well as good methods for assessment and control of these institutions. These are challenges of the near future.

Early childhood development programs have their results in the long run. According to international projects investigating the effects of early childhood development programs, the return on investment of these programmes is between 2.38 and 12.9. The sources of the profit are a higher educational level, a better situation in the labor market and less delinquency (Balás et al. 2016).

The most recent budget of Hungary (2019) earmarked HUF 2.5 billion for supporting Study Halls and another 1.5 billion for SSCHs. That is not much in comparison with, for example, the hundreds of billions spent on building stadiums and supporting sports events, but the social sphere does not have a great ability to advocacy. We have to understand at last that investment in disadvantaged children is a useful investment for the whole society. A service and knowledge society will depend on the qualifications of the average citizens and not just on those of the elite. And I would like to emphasise that the money spent on social purposes has to be spent well, avoiding corruption, waste and paperwork.

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