Access to the higher education for the disadvantaged
Lessons of the “Bridge to Higher Education” program

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January 29, 2015
PISA-report

- in the Hungarian school system it is practically impossible for poor students to perform well
- they are completely excluded from higher education, especially from those degrees that lead to high personal returns in later life
- ranking countries according to the ability of the school system to smooth out social differences, Hungary and Peru are by far the lowest ones down on this list.

This is a shame for the country, as well as a huge waste of human resources.
Growing inequality in the developed world

- Piketty (2014) has drawn the attention to the trends of increasing wealth inequalities and decreasing social mobility in the developed world.
- In the long run capital returns tend to be higher than income growth rates.
  \[ \Rightarrow \] social cohesion is in serious danger.
- He advocates supranational intervention.
- In the EU, some social groups, like immigrants, refugees, untrained people, long term unemployed, ethnic/language minorities including the Roma, rural dwellers and single parent families with large number of children are in a particularly difficult situation.

Their financial and social inclusion must be a high priority policy objective in all member states.
Access to higher education

- OECD (2013) Education at a glance
  the tertiary education where private benefits are the most significant
  in terms of income, employment, health, life expectancy and overall
  life satisfaction.

  → the safest road to liberation from poverty leads through higher
  education.

- Barr (2004) and (2012)
  if a well-designed student loan system exists than access to higher
  education is essentially determined by the high school achievements.

  → to ensure equal opportunities for the poor, we have to go back to
  high school, or to the elementary school or even to the nursery school to
  improve the system.
Personal meeting

Dr Ámbédkár school Sajókaza
“Bridge to higher education”

*a successful Hungarian pilot project*

1 Participants:
   - E. Berlinger, K. Megyeri, R. Freud
   - students at Corvinus University
   - CEU

2 Students: those who want to apply to university this year, and lived in a very poor family.

3 Principles:
   - demystifying the university,
   - improving their school attainments especially in Mathematics and English
   - university business program
Results

What nobody believed to be possible, finally two out of four students have been admitted to university in a fairly good business and management program.
Financing

1. High school students:
   - 400 euro/year/student (travel, book, food, application fees)
   - Földfém, private founds

2. University students:
   - 1600 euro/year (tuition)
     - families are simply unable to support them.
     - we convinced them to take up student loan (Diákhitel1, Diákhitel2).
     - supportive parents are a key success factor.
New year, new students
"The Way Out"

another successful Hungarian pilot project

In 2010-11 the European Commission supported a special microfinance project named “Kiút program” (“The Way Out”) in Hungary. This was a charitable project to foster job creation and entrepreneurship for the Roma population living in distressed areas.

The main lessons:

1. Lending is not sufficient in itself; need to be mentored

2. Microcredit is costly, and cannot operate in a self-sustaining way in financial terms. However, it proved to be much more efficient than other tools of social policy.

3. The appropriate target group is not the most disadvantaged people, but rather those who have a minimum level of entrepreneurial skills.
A new, innovative approach – a joint model

The idea is to combine a scheme to help:

1. poor students to gain access to higher education, and
2. their parents to earn money as small entrepreneurs (microfinance).
   → conditional on their children attending school

The purpose of the microfinance is

- to raise family income
- to raise the school attainment of their children.
- both the younger and the older generations find motivation to succeed by helping each other.
- good motivation to pay back the loan, because the strongest motivation for the parents to help their children out from poverty.
2. Barr, N. (2012) The higher education white paper: The Good, the Bad, the Unspeakable – and the next white paper, Social Policy and Administration, 46/5, pp. 483-508
Thank you for your attention!