

COMPENDIUM

CULTURAL POLICIES AND TRENDS IN EUROPE

COUNTRY PROFILE

HUNGARY

Last profile update: July 2016

This profile was prepared and updated by
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It is based on official and non-official sources addressing current cultural policy issues.

The opinions expressed in this profile are those of the author and are not official statements of the government or of the Compendium editors.

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Standard Reference: Council of Europe/ERICarts: "Compendium of Cultural Policies and Trends in Europe", 17th edition 2016. Available from World Wide Web: <http://www.culturalpolicies.net>.
ISSN: 2222-7334.

HUNGARY¹

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¹ This profile was prepared and updated by Péter Inkei, assisted by Veronka Vaspál, Regional Observatory on Culture in East-Central Europe – the Budapest Observatory.
Last profile update: July 2016.

1. Historical perspective: cultural policies and instruments

The Kingdom of Hungary was established in 1000. Following Ottoman expansion (1526 to 1686) and subsequent Austrian domination, it was doubtful whether the Hungarians would be able to retain their identity and autonomy. The 19th century, however, brought about a successful national revival, in which culture played a significant role. A considerable part of Hungary's current cultural institutions and traditions is rooted in the nineteenth century.

Hungary's typical East European social structure was also inherited from that period. A highly developed upper class strata of society, with high cultural standards comparable to most developed countries, was opposed by a majority that was captured in backwardness. While a stable middle class formed the basis of democracy, economic and cultural development in Western Europe, more than half of the Hungarian society was constituted by peasantry up until the middle of the twentieth century. Compared to the West, the size of the working class and the intelligentsia remained small and the bourgeoisie was weak. At the same time, being a Central European country, Hungary constituted a "western" kind of entity as opposed to the Balkans and the East.

After World War I, cultural policy played a strategic role in helping the country overcome its national trauma, with just a fragment of its former territory left. After World War II, cultural policy was focused on physical and political reconstruction. At the same time, the bourgeois, conservative, national and civic traditions were increasingly liquidated. By the late 1940s, the progressive element was eliminated from a Bolshevik kind of cultural policy. Up until the revolution of 1956, a crude, schematic course, slavishly imitating the Soviets, dominated the scene.

After the suppression of the revolution, cultural dogmatism began to melt away in the early 1960s. Up until 1989, similar to other areas of life, a rather protracted process of revision was in progress and the most gradual transition of the entire communist bloc had taken place. As a consequence of the weakening of the communist system, public resources were gradually depleted and, parallel to the withdrawal of political control, the state pulled out resources to subsidise culture. In the 1980s, the commercialisation of culture moved ahead, and the Soros Foundation in Hungary obtained an important role in the emerging vacuum of finances.

As a result of state subsidies, culture was accessible at low cost in the decades of communism, and cultural consumption was growing (reading of books, attendance at the theatre, cinema, concerts, libraries, museums and exhibitions). Under dictatorship, art acquired a specific political significance; its end also contributes to the view of many that culture has been one of the losers in the transition.

After the political turn of 1989-1990, the shaping of cultural policy was based on two main sources: the national traditions from before communism and modern western examples. The establishment of the agency for financing cultural projects called the National Cultural Fund (1993), based on the arm's length principle, was an important sign of change.

Since 1990, when the first free elections took place, the pendulum of cultural policy priorities swung to the right and to the left at four year intervals; this regularity was broken in 2006 when, for the first time, the same "side" was re-elected. Some of the principles correspond to the clichés associated with the political notions of "right" and "left": conservative administrations put greater emphasis on national heritage and pride and on the cultural links with Hungarians living in the neighbouring countries. A marked re-centralisation process occurred between 1998 and 2002, during the first Orbán government. It was during this period that culture enjoyed the highest relative ranking among overall priorities of the government in the past 30-40 years. The schism between

the two "sides" reached its peak at the 2002 Parliamentary elections, flared up again in the autumn of 2006, and have remained a sad feature of Hungarian society; the efforts to shelter culture from political and ideological influences have not yielded lasting and overall success.

During the first few years, transition from communism took place amidst great economic difficulties. By the time the change of system had been completed and the new setup was consolidated, nevertheless by 2004, the year of Hungarian accession to the EU, per capita GDP had grown to slightly above 60% of the EU-25 average (purchasing power parities, PPP).

The 2006-2010 period was characterised by increasing economic and social crisis in Hungary – aggravated but not really caused by the world crisis. A huge deficit accumulated in the state budget (as well as in the balance of trade and payments). Those years did not favour concerted action for culture. The elections of 2010 brought about a landslide victory for the centre right Fidesz, with over two-third of seats in the Parliament, which started a fundamental overhaul of the legal and administrative structure of the country. The depth of changes was underlined by the release of a Declaration of National Cooperation which heralds a new era and which each public institution was obliged to display in the form of a framed poster. Work on a new constitution started and was accomplished within a year (with five amendments implemented during the following two years). As part of the changes, the highest level cultural administration became a state secretariat in the Ministry of Human Resources. The 2014 elections consolidated the current political setup, including its objectives and achievements in culture.

2. General objectives and principles of cultural policy

2.1 Main features of the current cultural policy model

It would be difficult to place Hungarian cultural policy into any one of the existing "models". If anything, the Hungarian cultural policy can be described as eclectic. Similar to other countries in the region, Hungarian cultural policy has inherited two complementary features, which can be labelled as plebeian and aristocratic. Historically, culture has had the social function, or rather mission, of empowering the lower classes. This, for example, is reflected by the significant share of socio-cultural programmes and institutions in the various cultural budgets, especially at the local levels. At the same time, determined efforts serve the achievement of cultural excellence, often in the spirit of adding to the pride of the nation.

After the regime change, (1989/90) decentralisation and the arm's length principle were important slogans. The objective conditions for the former have been set by creating nearly 3 200 local – especially municipal – self-governments in 1990, and the weight of local governments in public financing of culture soon surpassed that of the central government; however, both in the eyes and expectations of the public, and in actual practice, national cultural policy is fairly centralised. The member of the cabinet in charge of culture, currently the Minister of Human Resources, is supposed to bear primary responsibility for Hungarian culture. The running of major cultural institutions is considered to be a state obligation. Although the National Cultural Fund (NKA) was established in 1993 as an arm's length agency and has been acting in this capacity since then, its strategic role is usually underestimated – and currently challenged by the Hungarian Academy of Arts (MMA).

Furthermore, Hungarian cultural policy is characterised by pragmatism, in which there is an absence of basic official documents. The orientation of cultural policies and practices are rarely guided by high level statements, legal acts, strategic plans or theoretical documents. During the 2000s efforts were made to change this characteristic by composing two draft middle-term strategies, but both were shelved after a change of minister. The place of overarching strategies has been taken by legislation in certain cultural domains: film and the performing arts. In 2012 medium term strategies have been disclosed by all nine sub-boards of the National Cultural Fund following that of the main Board – without much effect on actual practices.

A latest evidence of pragmatism in the sense of the lack of need for theoretical foundations is the decision to downgrade (practically dissolve) the National Institute for Culture by ordering it under the charge of the Lakitelek Folk High School, a conservative non-governmental foundation in the countryside; the research section of the Institute used to be a leading workshop for cultural studies. As a counter move, MMA received a villa and billions of forint to build up its own research section.

A few areas had found their way both into the 2007-2013 and 2014-2020 National Strategic Reference Frameworks for the EU Structural Funds, addressing the rationalisation and modernisation of libraries, museums and houses of culture (socio-cultural activities), as well as of the place of culture (especially built heritage) in urban development.

The main underlining aspect of the processes that have taken place after the landslide victory of Fidesz has been the concentration of decision-making: important single cultural issues are decided ad hoc by high level functionaries. Some early examples were the appointment of a governmental commissioner for the National Opera by the prime minister (overwriting the result of the call administered by the culture ministry); an extraordinary

subsidy to a once brilliant veteran dancer's group by the prime minister; the personal choice of a little known private gallery to run a large scale art exhibition in Beijing by the (former) state secretary; and the discretion of the mayor of Budapest to appoint theatre directors, which led to the controversial case of *Új Színház* (New Theatre), now led in the spirit of the radical right. Disputes have occurred over a number of other positions, the most notable case being the director of the National Theatre in Budapest. Lately, the accumulation of resources in the Hungarian Academy of Arts (MMA), and the large scale overhaul of the big cultural institutions are in focus.

2.2 National definition of culture

There is no formal definition of culture enshrined in law. For Hungarians, the word "culture" naturally involves the arts: thus the compound of "arts and culture" is not used. Although terms like "cultural industries", "creative sector" etc. have made their way into the general parlance, they have not been enacted in any high level document.

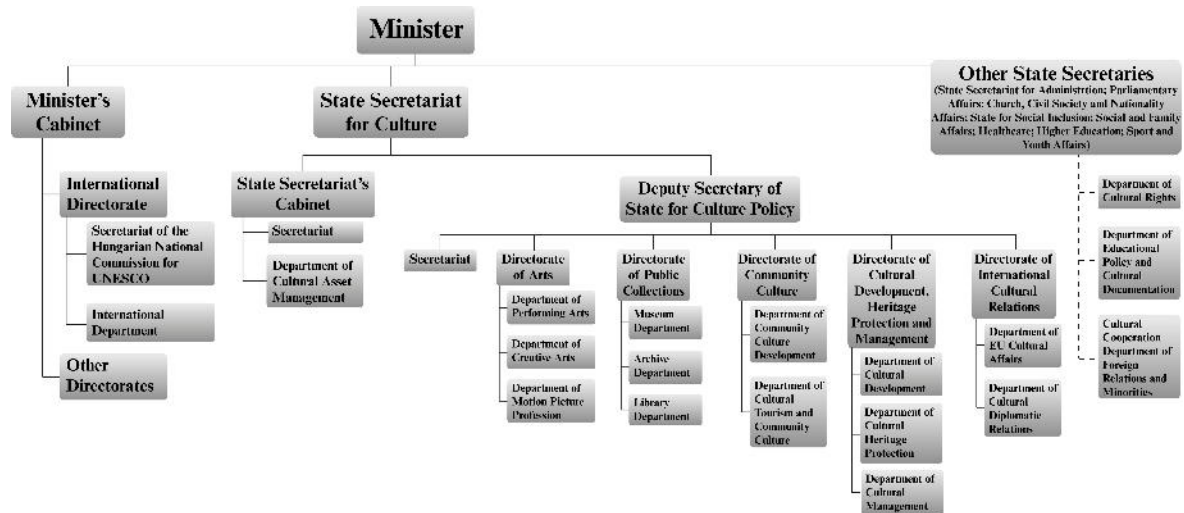
2.3 Cultural policy objectives

The advent of the System of National Cooperation in the result of the 2010 parliamentary elections brought about fundamental changes also in cultural policies. On a longer scale, changes in culture are subject to more general processes in the system of taxation, local governments etc. In the short term, the primordial efforts of the government to reduce the accumulated public debts cast a shadow on almost every aspect of cultural policies. The diffuse nature of cultural finances in the country does not allow us to present how the various domains were affected by austerity.

3. Competence, decision-making and administration

3.1 Organisational structure (organigram)

Ministry of Human Resources



3.2 Overall description of the system

The single-chamber Parliament is in charge of legislation. In addition to its role in preparing laws, the Committee for Culture and Press also fulfils supervisory functions by occasionally putting various issues related to culture on its agenda. On the whole, however, the Parliament and its Committees have limited autonomy, in most cases reflecting the will of the government or the dominant parties. This has become especially apparent after spring 2010 when Fidesz gained 2/3 of parliamentary seats – a feat that was repeated in spring 2014 – ushering the regime called the System of National Cooperation (*Nemzeti Együttműködés Rendszere*). The radical right-wing populist party Jobbik secured 20.5% of the votes during the Parliamentary elections the same year. Submitting important draft laws by individual MPs, thus shunning the cumbersome procedure of adjusting through governmental offices, committees and organisations, has lately been a frequent practice, also in the case of culture related laws (like the *Media Act*). Since 2010 a state secretary for culture within the larger Ministry of Human Resources has been in charge of culture. Nevertheless, important domains have been moved to other bodies of the government. After intermediate changes during the past five years, cultural institutions abroad are now supervised by the Minister for Foreign Economic Affairs, the greater part of the financing of the film industry by the Minister of Economic Development, and protection and regulation of built heritage and archaeology shared between the Prime Minister's Office and the regional (county level) Government Offices. In the Prime Minister's Office there is also a deputy state secretary for major cultural investments. In addition, the realm of the state secretary for culture within the Ministry of Human Resources is further limited by the gradual shifting of competences towards the Hungarian Academy of Arts.

The National Cultural Fund is a semi-autonomous institution and remains in charge of financing projects. Other quangos, quasi non-governmental organisations which used to play important roles in the administration and financing of various cultural domains (film, visual arts, book publishing and translation) were dismantled and their functions were re-channelled to new structures.

The instance of reorganisation of greatest weight was connected to the new constitution (The Fundamental Law of Hungary), which entered effect on 1 January 2012. Besides the Hungarian Academy of Sciences (established in 1827) the constitution recognises the

Hungarian Academy of Arts (*Magyar Művészeti Akadémia* – MMA). A non-governmental association with this name had been in existence since 1992 and it became upgraded to the rank of a public foundation by *Act CLIX* in 2011. Altogether five parliamentary acts and several government decrees were passed about the MMA between 2011 and 2016 assuring its position in all major decision making procedures in culture.

3.3 Inter-ministerial or intergovernmental co-operation

Since the responsibility for culture is distributed between several high level authorities, inter-ministerial or intergovernmental co-operation in cultural matters is mandatory.

Besides EFOP, the Human Resources Development Operational Programme of Hungary 2020, two or three further OPs may contain culture related projects under the EU 2014-2020 Cohesion Policy. Co-ordination is carried out by the Prime Minister's Office.

As regards vertical co-operation between the central government and lower levels of administration, the ministry in charge of culture has no general institutional representation at the levels or regions or counties. Regional and (or) county subsidiaries exist in some areas, e.g. the public library system, museums and archaeology, cultural heritage.

3.4 International cultural co-operation

3.4.1 Overview of main structures and trends

International cultural co-operation is administered by the Balassi Institute (*Balassi Intézet*, named after a 16th century poet); a public institution managed directly by the Minister for Foreign Economic Affairs as of 2016. "The Balassi Institute's main objective is to project a quality-oriented image of our nation, thereby increasing Hungary's prestige in the international sphere, while strengthening and preserving all facets of Hungarian culture both within and outside of Hungary's borders."

Bilateral cultural agreements, usually in conjunction with educational and scientific co-operation are managed by the cultural state secretariat of the Ministry of Human Resources. The exchange of experts is still of importance in the agreements, especially in the heritage field. In the arts, most co-operation projects are realised through other channels.

3.4.2 Public actors and cultural diplomacy

Today the Balassi Institute operates 23 institutions in 21 countries. The oldest one was established in Vienna in 1924, the latest additions were Istanbul and Beijing in 2013, Zagreb and Belgrade in 2014, and Ljubljana in 2016. There are considerable differences between the institutes, with some having facilities for providing scholars with fellowships, while others are just offices for cultural co-operation. In 2016 the Hungarian institute in Brussels set up the first Art Saloon of its kind in order to help Hungarian artists living in Belgium to cooperate with each other and with Hungarian cultural policy actors.

Bilateral agreements are recorded with over 100 countries, about 50 of which are active. In 2013-14 the government decided on the renewal of such agreements with six countries: Azerbaijan, Vietnam, Turkmenistan, Slovenia, Georgia and Uzbekistan, and in 2015 with Turkey and Russia.

After Germany, China and the USA in 2007-2009, the following concentrated large scale events or cultural seasons in selected foreign countries have been planned:

- Hungarian cultural days in Russia in 2015 was supported by the Ministry of Foreign Affairs with 200 million HUF.
- A Hungarian cultural year from May 2016 in Poland on the 60th anniversary of the 1956 uprisings in the two countries. Among others Hungary will be special guest of the Warsaw International Book Fair, Wroclaw2016 will include Hungarian productions, and Cracow will host the international Catholic World Youth Day with a significant number of Hungarian participants.

Another outstanding feature that requires great efforts of international cultural co-operation has been the organisation of large scale exhibitions. The National Gallery arranged a Picasso exhibition in 2016. The Museum of Fine Arts displayed works of Rembrandt and the Dutch Golden Age in 2014. *Magyar Filmunió* is the International Division of the Hungarian National Film Fund, promoting Hungarian cinematography throughout the world. Among others, it organises the participation of Hungarian films (feature films, shorts, documentaries and animation) at international film festivals and retrospective screenings, and also acts as a sales agent.

The Hungarian Translation Fund has in the past few years operated in the national Petőfi Literary Museum. Allies in this endeavour are the Hungarian Translators House Foundation, as well as a civic website entitled Hungarian Literature Online <http://www.hlo.hu>. The country traditionally runs a national stand at the Frankfurt Book Fair, managed by the publishers' and booksellers' association, similar to the annual Budapest Book Festival, which is an international event. In the last five years, the Frankfurt Book Fair's Hungarian literature programme has been organised by the Balassi Institute's Publishing Hungary programme.

Műcsarnok, the national art exhibition centre is in charge of curating the country's exhibits at the Venice Biennale, where Hungary has had a pavilion of its own since as early as 1909. The First Roma Pavilion at the Venice Contemporary Art Biennale was curated by the Hungarian art historian Tímea Junghaus in 2007. With regard to art fairs, Hungarian galleries have enjoyed a limited presence at the leading world events. (The higher than average Hungarian presence at the 13th Documenta 2012 was an exception.)

3.4.3 European / international actors and programmes

During the period of the Hungarian Presidency of the Council of the European Union (January-June 2011) the Hungarian cultural administration was actively involved in managing topical EU matters in culture, such as the preparation of a European Heritage Label, and organised a conference on the place of culture in Europe 2020, the long term strategy of the Union.

Hungary has been a member of UNESCO since 1948 and in 2011-2013, a Hungarian woman (Katalin Bogyay) was the President of the General Conference. A staff of three operates the Secretariat of the Hungarian National Commission for UNESCO within the Ministry of Human Resources. In the cultural domain, among others, eight Hungarian sites were added to the World Heritage List between 1987 and 2002. The special Act and the comprehensive state regulation of world heritage issues make Hungary unique in this respect. In 2015 the World Heritage Committee requested further details on current projects in the centre of Budapest – the report was submitted in January 2015, in which the government ensures the Committee about "the prominent attention the government is paying to individual emblematic parts of the Budapest World Heritage site. This attention is also shown through the reworking of the management plans for the World Heritage sites and the state support that has been provided and will be provided to the World Heritage site management organisations." Before buildings are designed, detailed documentation is required about the Museum Park / Liget Project (see 4.1) Budapest, too.

Hungary ratified the UNESCO Convention for the Safeguarding of the Intangible Cultural Heritage in 2006 and the Convention on the Protection and Promotion of the Diversity of Cultural Expressions in 2008.

The Hungarian National Committee for Intangible Cultural Heritage and the Hungarian National Inventory of the Intangible Cultural Heritage were established in 2008. Since April 2009, the body responsible for the implementation of the Convention in Hungary is the Intangible Cultural Heritage Department of the Hungarian Open Air Museum in Szentendre; a national inventory was also set up (see chapter 4.2.2). In 2014 Hungary became a member of the Intergovernmental Committee for the Safeguarding of Intangible Cultural Heritage for the 2014-2018 period. Currently four items are inscribed on the UNESCO world list of Intangible Cultural Heritage. The latest two were adopted in 2012: the folk art of the *matyó*, involving a few villages in the north-east of the country, as well as the tradition of falconry, jointly with 11 other countries. The national inventory of intangible cultural heritage contains 24 items <http://szellemikulturalisorokseg.hu/>.

Hungary is also party to the Memory of the World Register. In 2015, the 7th Hungarian item was added to the Memory of the World Register – three documents related to the discoveries of the 19th century physicist Roland Eötvös.

The European Folklore Institute is a regional centre for the safeguarding, revitalisation and diffusion of traditional culture and folklore in Europe: it was founded in 1996 by Hungarian government and UNESCO.

The European Youth Centre Budapest has been a residential educational establishment of the Council of Europe since 1996. Within the Council of Europe, the EYCB is part of the Directorate of Youth and Sport and is, like the European Youth Centre Strasbourg and the European Youth Foundation, an important instrument of the Council's youth policy. The EYCB enjoys diplomatic status under an agreement between the Council of Europe and the Hungarian state, the owner of its building.

In the seven years of Culture 2000 (2000-2006) there were nine project leaders, 193 co-organisers and associated organisations from Hungary. In the 2007-2013 Culture Programme there were 17 Hungarian beneficiaries, 115 co-organisers and 45 publishers among the grant winners. Since 2000 there have been 342 winning projects with Hungarian cooperation. As for Literary Translations (Strand 1.2.2), Hungary was the second strongest country by number of supported projects. As part of the first calls of the Creative Europe programme, Hungary as an applicant country won three projects within the "Networks of Towns" (Strand 2.2), and there were a significant number of successful applicants for "Town Twinning" (Strand 2.1). So far, in the newest Creative Europe (2014-2015) programmes Hungary has been a less popular partner than before: while it used to be the second most chosen country among the new member states, nowadays it is struggling for the fifth place. Upon the initiative of the Hungarian Cultural Contact Point, Hungarian winners of the Culture Programme have received practically automatic grants as matching funding from the National Cultural Fund (NKA), except for 2013 and 2014, when the NKA board in charge refused to co-fund several of the winners of EU grants.

The Budapest Observatory is an independent non-profit initiative, whose remit is to monitor the cultural policies and conditions of culture in the ex-communist countries in east and central Europe.

Hungary also takes part in the cultural co-operation programme of the Visegrad Fund, as well as of the Central European Initiative. However, neither the dimensions, nor the intensity, of these initiatives match regional co-operation in, for example, the Nordic and Baltic area. The EU strategy for the Danube Region is taking shape rather slowly:

Hungary, nevertheless, plays an active role as the Collegium Hungaricum in Vienna is the co-ordinator of the Danube Cultural Cluster.

Beyond these formal and official frameworks, increasingly vibrant co-operation and networking takes place in the civic sector and at municipal level. EU programmes tend to dominate co-operation between regions.

3.4.4 Direct professional co-operation

Hungarian cultural operators are well integrated into their respective international communities and they are active in a number of European networks. At the same time, criticism about provincialism is often voiced: e.g. few Hungarians are active in European cultural policy forums and projects, lacking an adequate academic and educational background in cultural matters.

Most of the mainstream institutions (museums, galleries, theatres, symphonic orchestras, and especially large festivals) have rich programmes of international exchange. Outstanding venues attracting international artists and works of art are the Opera House, Müpa (formerly called the Palace of Arts, a concert hall which also houses the Ludwig Museum), the Modern in Debrecen, and the latest, the Kodály Centre with concert and conference facilities at Pécs, opened in 2010, when that city was European Capital of Culture. Cultural and artistic activities of many operations are international by definition. *Trafó*, the *A38* ship, the *Bakelit* multi art centre and the *MU* theatre are popular and well-functioning spaces especially for innovative and experimental productions, both from Hungary and abroad, which regularly participate in EU projects and are financed by a variety of sources.

Among festivals, the Budapest Spring Festival and its twin CAFE (the contemporary art festival of Budapest in the autumn) have the largest number of international cultural links, not to speak of *Sziget*. The National Theatre launched its own international festival in 2014: MITEM, Madách International Theatre Meeting (*Madách Nemzetközi Színházi Találkozó*), celebrating its third edition in 2016.

3.4.5 Cross-border intercultural dialogue and co-operation

In the major part of the cross-border programmes, the international element merely serves to broaden and diversify the content of the projects. However, especially on the alternative scene, the number of international and intercultural interactive projects is on the increase. Some genres, especially, lend themselves to such fusions, e.g. jazz and world music, in which Roma musicians play an eminent role. The government (and the National Fund) subsidise these projects without placing special emphasis on interculturalism.

Among the few Hungarian projects that go beyond the logic of bilateral exchanges, <http://www.babelmatrix.org> stands out, presenting specimens from literary works in 13 languages.

The Interreg V-A Hungary-Croatia Co-operation Programme 2014-2020 belongs to the European Territorial Cooperation network, "in the focus of which stands the sustainable and value-added exploitation of the region's rich natural and cultural resources and the permanent enrichment of economic, institutional and individual relationships across the border."

A special feature of cross-border co-operation is the lively interaction that takes place with the Hungarian artistic communities and public living across the border in the neighbouring countries – which, by definition, is not "intercultural".

3.4.6 Other relevant issues

In the area of international co-operation, the European Capitals of Culture programme in Pécs in 2010 had special significance. For more, see chapter 4.1 and chapter 4.3.

4. Current issues in cultural policy development and debate

4.1 Main cultural policy issues and priorities

Structural and personal changes have characterised the years since Fidesz gained 2/3 of parliamentary seats in spring 2010, ushering in the regime called the System of National Cooperation (*Nemzeti Együttműködés Rendszere*). The parliamentary elections in spring 2014 confirmed the absolute majority of Fidesz. Zoltán Balog remained Minister of Human Resources and Péter Hoppál became State Secretary in charge of culture. His predecessor László L. Simon administers matters of cultural heritage and major cultural investments as State Secretary in the Prime Minister's Office.

MMA, the Hungarian Academy of Arts, collects increasing resources and competences. Several buildings were transferred from state property into the possession of MMA, including the *Műcsarnok*, a representative *Kunsthalle* built in 1896. In addition, in 2014 the government announced the acquisition of a stately building on the elegant Andrásy út to house the offices of MMA. 244 regular and 49 "corresponding" members receive monthly allowances, from January 2016 HUF 260 000 and 190 000 respectively (about EUR 840 and EUR 610, which does not affect other earnings or pensions – the average Hungarian income is about EUR 790). New members are enrolled by co-opting. With a recommendation letter from a Hungarian or foreigner artist or art expert, anybody, including non-academic candidates, may apply for membership. In addition, MMA selects the Artists of the Nation from individuals over 65 who hold the Kossuth Prize, the highest official decoration. Artists of the Nation – 70 persons at any time – receive a monthly allowance that equals 23 times the official minimum retirement pension, in 2016 HUF 655 500 (about EUR 2 200).

"In order to strengthen national cohesion" and consider the history of the past 150 years to (re)build *national* historic identity, a new public research institute (*Veritas Research Institute* – <http://www.veritasintezet.hu/en/>) was set up in 2013 by the government – a challenge to the existing historiographic workshops at universities and the Academy of Science.

Although public financial cultural investments continue to be dominated by payments from the European Structural and Investment Funds, the issue of culture's role in the 2014-2020 planning period (in the *Széchenyi 2020* programme, as the plan is called in Hungary) is almost absent from public discourse. The Partnership Agreement signed with the European Commission in August 2014 nevertheless foresees further investment into cultural heritage in the context of regional development, and socio-cultural services are referred to in connection to human resources development. Most of these are supposed to be financed through EFOP, the human resources development operational programme which represents over 11% of all EU financial support for Hungary in 2014-2020, in a 2:1 share from the European Social Fund (ESF) and the European Regional Development Fund (ERDF) respectively.

Currently, the main cultural priority of the government is the regeneration of two areas in Budapest: the Castle District in Buda and the City Park. The royal castle complex has been housing cultural institutions since the 1960s, some of which—most specifically the National Gallery—will be removed to allow space for state representation and administration. A new building is to be erected in the middle of the City Park (*Városliget*, or *Liget* in short), alongside with some other new museums and an overdue overhaul of the Museum of Fine Arts. For more about these plans go to 7.1.

Manda (see chapter 4.2.11) has created the concept of the National Filmhistory Park to be built in Ózd, thus reconstructing the abandoned industry zone of the town, hoping to attract tourists and provide locals with employment possibilities. The project is of high priority and its budget is nearly 1 billion HUF. The interactive exhibition will cover Hungarian and Eastern-European film history.

4.2 Specific policy issues and recent debates

4.2.1 Conceptual issues of policies for the arts

Events and debates in the arts field mirror the sharp political division in Hungarian society. Critics accuse the government for aggressive takeover of decisive positions (director of National Theatre, boards at NKA – National Cultural Fund, in the film sector and the performing arts), and for the privileges bestowed on MMA – Hungarian Academy of Art, coupled with large funds. The independent sector feels neglected and in some cases treated with animosity (cf. the accusations about the use of the Norwegian Fund in 2014-2015).

On the other hand the government declares measures relating to the MMA as evidence of respect and generosity towards the arts (see chapter 4.1).

4.2.2 Heritage issues and policies

The Partnership Agreement between Hungary and the European Union on 2014-2020 highlights "the eight world heritage sites, ten national parks, and sixteen qualified spas of Hungary as unique development resources that shall be protected in a sustainable and economically fruitful manner". The document emphasises that 70% of the Hungarian municipalities have cultural heritage sites, which shall be protected and benefited from while municipal developments.

Preventive archaeological explorations before investment projects offered unprecedented opportunities for excavations and subsequent activities especially at the time of a massive programme of motorway construction. Such exercises also produced additional revenues for museums. In 2011, however, conditions took a u-turn, benefiting investors in terms of financial burden and deadlines, which in 2012 were crowned by switching primary responsibility for the entire scope of built heritage, including archaeology, from the minister of culture to the that of the interior, and then in 2014, to the Prime Minister's Office. The National Office of Cultural Heritage was dissolved and the majority of the staff, including its officials in the counties, was transferred to the regional government authorities for general administration. Some units remained in the remit of the cultural administration and fused with the National Trust for Monuments (*Műemlékek Nemzeti Gondnoksága*), which had been managing a selection of revitalised monuments. The *Lechner Lajos Kutatóközpont* (research institute, background institution of the ministry) also merged into a new institution, named *Forster Gyula Nemzeti Örökséggazdálkodási és Szolgáltatási Központ*, National Centre for Heritage Management and Services, carrying the name of a 20th century specialist. As of 2015 the National Museum's archaeology-related tasks, including coordination of great investments, also belong to the new heritage management institution. At the same time, the Prime Minister's Office has taken charge of a "new, comprehensive modification" of the heritage protection regulations.

The person of the director of the Forster Centre often changes. Current priorities of the Centre are: 1) continuing the "National Hauszmann Plan" for the renewal of the Buda Castle world heritage area, under the control of János Lázár, a Minister of the Prime Minister's Office; 2, National Palace Programme empowering palaces and mansions with "cultural content, modern functions that would transform the sites self-sustainable on the

long-term"; 3, implementing the National Castle Programme, with the main focus on hilltop fortresses.

The Pan European Picnic Memorial Park is among those sixteen sites that were awarded the European Heritage Label in 2015 due to its role in European history. The built heritage of Hungarians living beyond the border has been the focus of *Teleki László Foundation's* activity. A private non-profit organisation, with roots in the 1980s, gets regular support from the National Cooperation Fund (*Nemzeti Együttműködés Alap*) of the government.

Next to the Prime Minister's Office a National Heritage Institute (*Nemzeti Örökség Intézet*) was set up in 2013 to take care of national memory sites and graves. It has identified 14 national sites and 46 historical sites, approved by government decree. 15 of them are in the capital. Awareness raising is the primary aim of the programmes related to those sites.

Also in 2013 the Committee of National Remembrance was established to scrutinise the legacy of the country's communist legacy mainly by academic activity.

In 2015 the Bureau of National Anniversary Years (*Nemzeti Emlékévek Irodája*) was set up within the Forster Centre although the website of the Balassi Institute still features a Bureau of National Anniversaries (*Nemzeti Évfordulók Irodája*). EU funds have facilitated the reconstruction of the Hungarian Museum of Natural History (*Természettudományi Múzeum*). The announcement therefore that the National University of Public Service would be moved to the building caused surprise and concern. The first phase of the adaptation to the new function was completed by spring 2014 – based on additional EU financial support – and now the new university and the museum share the building.

Entrance to the permanent exhibitions of the 24 museums run by the state was free of charge between 2004 and 2007. A considerable part of the museum profession argued that the loss of box office revenue was not sufficiently compensated by the government, and the change in number and composition of increased visitor numbers did not match the expectations. Therefore entry fees were re-introduced from 2008.

The museum community has benefited from the EU Structural Funds through various regional development projects, in addition to the national project that finances the training of museum staff and funds the upgrading of pedagogical facilities in museums.

4.2.3 Cultural / creative industries: policies and programmes

The Design Terminal is the national centre for creative industries in Budapest, Hungary. With the stimulation of digital economy, industrial design and urban planning, it aims to support value-added local enterprises reaching the global marketplace. It offers incubation services among them business consultation and mentoring, local and international trade show presence as well as early stage investment mediation.

The Hungarian Intellectual Property Office has been regularly publishing the analysis of the economic contribution of copyright-based industries in Hungary. After 2002, 2006 and 2011, the fourth volume was published in 2014 based on national statistical data of 2011 (*A szerzői jogi ágazatok gazdasági súlya Magyarországon 4*), following the international methodology developed by WIPO. The surveys interpret the copyright industry in the broadest sense; they take into consideration all the activities relating to the creation, distribution, communication to the public, etc. of works protected under *Copyright Law*, or which constitute the technical background necessary for the "consumption" of copyrighted creations, as well as which serve them in any other manner. According to the findings of the survey, the gross added value of the broadly defined copyright-based industries represented 7.4% of the national economy's gross added value in 2011, about one per cent above the 2002 value; furthermore over 7% of the total employment rate was from this

sector in both years. The contribution of core copyright industries was 4.2% of national GDP, representing the same share of total employment in Hungary.

Another team has carried out the mapping of the "creative class" as defined in the best cited relevant international literature, using the standard classification of occupations in Hungary (FEOR): Ságvári-Lengyel: *Kreatív atlasz 2008*. A study explored the geographical aspects of creative economy in Hungary 2011 (Kovács, Egedy, Szabó in *Tér és Társadalom / Space and Society*), and an article discussed the international context of the topic on the basis of the Compendium country profiles (Emese Pupek in *Creatio*, 2014).

Table 1: Sales in the cultural industries, 2003-2013

	Million units	Domestic share	Classical share	Billion HUF	Domestic share	Classical share
2003						
Audio	5.91	45.1%	11.7%	13.93	38.1%	11.4%
Video	6.04	44.7%	11.6%	14.67	37.2%	11.2%
Digital	..	..	..	..	..	..
Books	32.63	..	..	56.87	..	..
2008						
Audio	3.37	32.7%	7.7%	6.25	40.4%	10.97%
Video	0.14	41.51%	87.0%	0.51	36.6%	11.69%
Digital	41.59	..	..	0.20	..	..
Books	42.51	..	..	67.61	..	..
2012						
Audio	2.04	64.9%	7.3%	3.35	49.5%	10.2%
Video	0.06	51.7%	13.3%	0.18	46.2%	18.6%
Digital	354.67	..	..	0.32	..	..
Books	29.70	..	..	58.03	94.1%	..
2014						
Audio	1.38	59.9%	10.1%	2.37	48.9%	12.2%
Video	0.05	44.8%	21.9%	0.16	29.8%	35.7%
Digital	..	..	..	0.50	..	..
Books	17.95*	..	..	44.39*	92.3%	..

Sources: <http://www.mahasz.hu/>, <http://www.mkke.hu/>.

Notes: Both audio and video include all forms: DVD, CD, cassettes etc. Domestic means not imported. Digital units refer to audio and video downloads and music streaming.

*From 2014 school textbooks are not included.

In the field of **book publishing**, after the reduction of VAT from 12% to 5% in 2004, the 1% cultural levy was also removed from January 2010. The average print-run has been decreasing, from about 10 000 at the time of the regime change in the early 1990s, to 1 737 in 2014. The share of foreign owned publishing houses in sales stood at 7.3% in 2015 (against 30.9% in 2009). Interest in children and youth books has further increased, which became the most dynamic branch of the book industry.

Table 2: Number of published titles, 1990-2014

	Number of titles	From this textbooks	Million copies	From this textbooks
1990	8 322	1 230	125.7	22 219
2000	9 592	1 595	36.9	11 090
2010	12 997	2 135	34.4	11 834
2012	12 080	2 007	30.6	9 605
2014	11998	1910	28.3	10333

Source: Central Statistical Office.

Independent presses are fairly represented: the 39 largest publishers produce 81% of the sales, which shows a smaller degree of concentration than in most of the European markets. There is a greater concentration in bookselling, where the Alexandra chain was becoming more dominant year by year until it reported insolvency in 2015, while another major publisher and bookseller, Ulpius got bankrupt.

In the book sector, a scheme of reduced interest rates on loans has been functioning for over two decades now (50% of the interest is covered by the ministry), which is jointly managed by the ministry and a private bank selected through a tendering process.

By the amendment of the *Law on the Textbook Market (Act XXXVII/2001)* a state owned Ltd. Company (Könyvtárellátó) became a monopoly supplier of the entire public education system. With this act, the government reduced the Hungarian book market by over 25%. New school text books are produced by a pedagogical institute and distributed by Könyvtárellátó.

After several years' preparation, in 2011 the National Cultural Fund launched the *Márai Programme*, bearing the name of a 20th century Hungarian novelist. The programme supports selected libraries and educational institutions and allows them to choose and order books from a list. Publishing houses support the action by offering titles for the programme. By 2015, the 5th year of the programme, altogether 2700 titles (50% of which were non-fiction) have been selected. At least 100 copies of each title were offered to libraries by the Fund free of charge. From 2016, however, the programme continues without the Márai label at a lower scale.

The shrinking sales revenues in recorded **music** reflect the global crisis in this sector . – see Table 1. The latest report of Mahasz, the Association of Music Publishers establishes that by 2016 digital sales have surpassed physical ones also in Hungary. The turnover of streaming practically doubled in 2015, reaching half a billion forint.

The *Law on Motion Pictures*, commonly called the *Film Law, Act II/2004*, altered the environment of **film making** by introducing tax credits (see chapter 5.1.5) and establishing complex regulation of state supports. The Law introduced the registration of organisations involved in film-making. This role, together with delivering certificates for tax credits as well as rating films suitable for children is done by the *National Film Office*. As a result, money invested in shooting films grew significantly – especially in foreign co-productions, but a considerable amount went to fully or partially Hungarian productions. As of 2016 French and Israeli co-productions have been prioritised; these bilateral inter-governmental agreements (see chapter 3.4.1) are based on the 2005 UNESCO Convention (see chapter 3.4.3) and on the Hungarian-Israeli cultural-scientific agreement of 1990 respectively.

The system of state subsidies was partly based on post-financing and the *Hungarian Motion Picture Public Foundation* had accumulated promises of several billion HUF by 2010. In 2011 this quango was dissolved and most of the subsidies and grants to the entire scope of the sector, from script writing to distribution, were re-channelled to a new state owned limited company, the *National Film Fund* (<http://www.filmalap.hu>). In 2011

Andrew G. Vajna, a former Hollywood producer, was appointed as government commissioner "responsible for renewing the film industry".

The promotion agency *Magyar Filmunió* is also affiliated to this new entity: among others, it is instrumental in securing financial contributions from the Eurimage and Media Plus programmes, which has come close to 1 billion HUF (about 3.8 million EUR) over the period since Hungary has been involved. From 2012, 80% of the revenue from one game of the National Lottery ("6 from 45") shall be the main source of the Film Fund, about 4 billion HUF in 2012 (ca 14 million EUR). The National Film Office was transferred from the cultural sector to the National Media and Infocommunication Authority. The Film Office controls film production and audit jointly with the Film Fund, providing one shop services for producers. The Film Fund distributes abroad all those films that are stored in MaNDA (see chapter 4.2.11).

The fundamental overhaul of the system resulted in a sharp decline in actual film-making. Setting up the new assessment system of applications took considerable time and the evaluation process became more substantial, too. By 2016, however, more than forty films received over 100 million HUF (ca. 330 000 EUR). *Son of Saul (Saul fia)*, directed by László Nemes, was supported with 321 million HUF by the Film Fund and in 2016 won Oscar as the best foreign-language film.. *The Notebook (A nagy füzet)*, directed by János Szász, won the Grand Prix in 2013, and *The Wednesday Child (Szerdai gyerek)*, directed by Lili Horváth, won the East of West award in 2015, both at the Karlovy Vary Film Festival. In 2014, at the same festival, Hungarian film makers György Pálfi (director) and Ferenc Pusztai (producer) won the award for Best Director, Best Actress, and the Europa Cinema Label with their film *Free Fall (Szabadesés)*.

Festivals represent an increasingly important sector of the cultural industries. The 319 registered festivals (see chapter 4.3) had an accumulated annual turnover of about 22.7 billion HUF (ca. EUR 75 million), serving 1.42 million paying members of the public in 2011 (<http://www.fesztivalregisztracio.hu>). These figures do not include the two outstanding events in the country: the Budapest Spring Festival and *Sziget* (Island). This latter is a rock festival on an island in the Danube, in Budapest, established in 1993, held during one week in August each year. Besides being a profit-making undertaking, the programme offers diversity, with a large number of non-profit causes represented with tents and desks; also there are stages for contemporary music and dance productions etc. *Sziget* Festival was voted best major European festival by Festival Awards Europe in 2011. The last couple of years have been hit in terms of number of visitors: in 2015 there were 441 000 visitors. Both *Sziget* and *VOLT*, another large Hungarian pop music festival, received European Festival Awards in 2016 in Groningen. Moreover, 25 Hungarian festivals received the European festival label from the European Festivals Association in the frame of the two-year-long EU project EFFE – Europe for Festivals, Festivals for Europe.

No data is available on the turnover of other cultural industries like art trade, applied arts, folk art, postcards etc.

4.2.4 Cultural diversity and inclusion policies

While Hungary is very much concerned about the fate of the 2-3 million ethnic Hungarians living in neighbouring countries, significant efforts are made to stop or slow down assimilation within its own borders.

An *Act on National and Ethnic Minorities* was passed in 1993 (*Act LXXVII*), declaring minorities to be constituent elements of the state; defining their collective and personal rights. National and ethnic minorities – or, since an amendment in 2011, "nationalities" – are defined as ethnic groups that have been living in Hungary for at least one hundred

years and differ from the majority by language and culture. There are 13 recognised nationalities, including the Roma or Romanies: in spite of considered as politically incorrect, the old name of Gypsy (cigány) is still widely used, both in their community and in official documents.

The proportion of all nationalities is estimated to be as high as 6-8%. In Hungary, however, ethnicity is considered a private matter: systematically collecting data according to ethnic background is not allowed under the *Personal Data Protection Law*. National censuses and elections of minority governments are all based on voluntary self-identification. In the 2011 census, 6.5% of the population declared that they belong to one of the minority groups. This however is not the exact rate of minorities as 14.1% did not answer this question while on the other hand multiple identities could be declared which many people did, resulting in a 107.4% total. In 1995, Hungary was among the first to sign and ratify the framework agreement of the Council of Europe on the protection of national minorities. Hungary also takes part in discussions which raise the issue of minorities within the political principles and priorities of the European Union. The Roma constitute the largest minority group and, at the same time, pose a major challenge to social policy, with important cultural implications. During the 2011 census, 315 000 Roma were recorded, i.e. about 3.2% of the population; However, according to the 2015 estimation of the European Roma Rights Centre approximately 750 000 Roma live in Hungary today. That is 7.49 % of the population. All Hungarian Roma speak Hungarian and only 17% of them speak Hungarian as a second language. Due to the very high correlation between those with a Roma background and crucial social problems (unemployment, poverty, exclusion etc), the fate of this minority group is among the greatest challenges to Hungarian society and government. On the other hand, the greatest number of Roma with full higher education in the whole of Europe is in Hungary, both in absolute and relative terms. Among the first 24 Hungarian members of the European Parliament, two were Roma – one of whom kept her seat in the 2009 elections, and was the rapporteur for the EU strategy on Roma inclusion. Hungarian Roma artists are especially famed in music, both individually and in ensembles. On the other hand, because of the indifference of the majority society and its authorities, and partly also due to the lack of necessary coherence inside the Roma community, plans such as the establishment of a representative national Roma cultural centre have constantly been postponed for decades; many times the plans failed due to planning objections by local inhabitants.

National federations of minorities have consultative status, and often veto rights in relevant legislative matters. Their elected local government representatives in the villages and towns, and on the national level, have significant rights and growing resources – which, by nature, are to a great extent spent on culture. In spite of these endeavours – behind which sometimes manipulations connected to so-called ethno-business are suspected – assimilation is occurring and it is feared to continue. As part of the local elections in the autumn of 2014, 241 000 people, 3.1% of the total electorate, registered to vote for one of the 13 nationality lists. The Roma represented the majority with 160 000, followed by Germans, Croats and Slovaks with 41 000, 12 000, and 11 000 respectively. With the exception of the Roma, the number of votes in each minority decreased since the previous elections in 2010. The existing sociological and ethnographic traits of minorities could melt into nostalgic relics of culture.

The cultural rights and situation of the new minorities (immigrants) is a marginal issue in spite of those tens of thousands of immigrants who passed through Hungary towards Western-Europe in 2015. On the state level, there is no culture-based or culture-related project on the state level for the integration of migrants. As for inclusion policies or strategies, it is the civil sphere's activity which worth attention here. The oldest and best known NGO for intercultural dialogue is Artemisszió Foundation, currently focusing on

the migration crisis. In 2015, a new grass root activist organisation of volunteers was formed: MigSzol. Their language courses, regular gatherings include intercultural exchanges.

Immigration figures have been still very low compared to the typical destination countries of migration. Only 1.4 % of the entire population is of foreign origin. The immigration authorities recorded 140 000 foreigners living legally in Hungary in 2015, 206 000 in 2011, 171 000 in 2008. Since the overwhelming majority (70%) of the immigrants living in Hungary is ethnic Hungarians from a neighbouring state (Romania, Ukraine, Serbia, Slovakia), they do not constitute a cultural minority. Asians are the most dynamically growing minority groups, the Chinese being the largest new minority community, with a population of 13-15 thousand by 2015.

As stated previously, in the Hungarian context, policies for minorities always include concern regarding Hungarians living abroad. The enforcement of the Schengen border requirements, in effect from 2008, hampers cultural co-operation between Hungarians on the two sides of the border with Ukraine and Serbia, which remain third countries for the EU, and to a smaller extent with Romania and Croatia.

4.2.5 Language issues and policies

The ethnic cleansing during and immediately after World War II, the century-old deficit in mother tongue teaching of minorities, followed by the callousness of the communist decades, the disappearance of closed communities and the growing uniformity caused by mass communication have all contributed to the process of linguistic assimilation.

In 1995 the government ratified the European Charter for Regional or Minority Languages in respect to Croatian, German, Greek, Romanian, Serbian, Slovak, and Slovene, but not to Romani (as opposed to Romania or Serbia for instance in this last respect). In fact only a minority of Roma people speak a Gypsy dialect.

In an effort to counterbalance these factors, the national public television broadcasts 4 regular weekly programmes in 7 minority languages and combined programmes for 6 more cultures - these all carry Hungarian subtitles. The average length of all these is 16 hours per month. As a unique media service, the Hungarian Radio's 4th channel (MR4) broadcasts 12 hours (from 8 a.m. to 8 p.m.) in the same 13 minority languages each day: two hours in Croatian, German, Romanian, Serbian and Slovak, and half an hour for the rest. There is a special programme for Roma of 57 minutes every week day.

Hungary has not had an official language policy; in 2014 however the new Hungarian Language Strategy Institute was set up under the Prime Minister's Office; the institution is to follow modern European language policies such as the Finnish, Polish, Icelandic and Estonian models.

The practice of bilingual street-signs is increasing in villages of mixed ethnicity.

The structure of public support for minority cultural activities has changed several times lately. Since mid 2012 this support is handled by the Human Resource Support Management (EMET).

4.2.6 Media pluralism and content diversity

After the 2010 elections, fundamental restructuring took place in the media. In 2013, the Prime Minister appointed the president of the National Media and Info-communication Authority for nine years. The other four members of the *Media Council* were also appointed for nine years in 2010 – all five members delegated by the ruling parliamentary party. The Authority combines the functions of the former National Communications

Authority, the Media Council, the Duna Television Board, and the National Radio and Television Commission.

The mission and structure of public television were stipulated in the *Act on Media Services and Mass Media (CLXXXV/2010)*. Public TV broadcasts on four channels. Public media, including the National Radio, the National Television, the Duna Television, and the Hungarian Press Agency, are governed by a body called the Public Service Public Foundation (*Közszolgálati Közalapítvány*).

The long term licences of the two national commercial channels were awarded by way of public tenders: the proposals included certain promises of a cultural character. Due to the relative decrease in advertising budgets, the cultural content of these media has fallen considerably. However, the new *Media Law* increased the share of Hungarian (minimum 33.3%) and European (minimum 50%) films; in public media they are 50% and 60%.

In 2015, according to international audience measurement methods http://www.agbnielsen.com/Uploads/Hungary/res_snapshot_2016Q1_eng.pdf, average daily television viewing was 310 minutes in Hungary. In spring 2016 the four channels of the national television (this includes a sport channel) and the two channels of state owned Duna Television attracted a combined 17% share of viewers against 23% of the two large commercial channels, the rest being divided among thematic, movie and entertainment channels. The market is led by the multinationally owned RTL Klub commercial channel.

Changes on the media market are heavily influenced by the political and ideological division in the country. On the one hand, with the rupture of a rich former ally from Fidesz his media outlets (radio, television, press, web portal) turned critical about the government; yet on the other, the major event in 2015 was the buyout of the nationwide commercial channel TV2 from its German owners by a pro-government entrepreneur with credits of a state owned bank.

From July 2014 all media entrepreneurs, including publishers and beneficiaries of open air billboards and internet adverts had to pay sharply progressive tax after their income from advertisements above 500 million HUF a year. RTL Klub made a complaint to the European Commission: while their share of the Hungarian ad market is 12-13%, they are required to pay more than 50% of the entire tax. The tenor of RTL Klub News has turned more critical about the government. As a consequence of the complaint, progressive tax was abolished and as of 2016 above 100 million HUF income 5.3% tax is to be paid.

The public media and the info-communication authority's budget for 2015 has been set at 114.3 billion HUF. Direct support of public media increased to 80.5 billion HUF, a 3.2% growth from 2014 (77.9 billion HUF), although with an allocation amounting to 0.5% of GDP, Hungary spent one of the highest amounts on public broadcasting already in 2012 (Eurostat).

4.2.7 Intercultural dialogue: actors, strategies, programmes

As opposed to Western-European countries, in Hungary there have been no significant migrant communities; the number of migrants and their rate within the entire population has been very low: about 2% of the entire population is of foreign origin. Hungary has not been a popular or attractive destination of migrants.

Thus the only intercultural relationship that has been an issue in today's Hungary is the one between the Roma and the majority society. Due to the large number and the geographic spread of this minority group, occasions for interaction, opportunities for exclusion, inclusion and assimilation are numerous; however, it is difficult to quote proven good practices of conscientious intercultural dialogue on the state level.

Segregation within primary and secondary school is widespread: Roma children are mostly placed special needs classes regardless of their skills. In Hejőkeresztúr, however, a successful integration project of Romani and disadvantaged children has been implemented through various innovative programmes such as group work, board games and talent care. The methodology of teaching adopted by this school is recognised as a best practice for integration in Hungary.

As in most places, in Hungary the essential players have primarily been those smaller initiatives, cultural associations or international projects that try to reflect Roma experiences, problems, cultural richness and that fight against stereotypes. Since 1990, the Romaversitas Foundation has supported Roma young people with scholarships and grants; each year 50 students are awarded grants to study at different faculties all around the country and are supported until the end of their university years – to quote one example. Quite a few projects aimed at after-school education of youngsters, or supporting women to get into the labour market, have been carried out in the framework of the "Decade of Roma Inclusion 2005-2015" (<http://www.romadecade.org>). The Decade Secretariat, established in 2006 in Budapest, serves as the main facilitation body of the Decade. The Roma Education Fund was created in the framework of the Decade. The DARE-Net project, financially supported by Lifelong Learning Programme – European Commission, succeeded in creating a trans-national network of Roma and non-Roma civil society and academic organisations to analyse practices and initiatives relating to Roma education and school desegregation of Roma children in Romania, Croatia, Greece, Hungary, the Czech Republic and Bulgaria.

Between July 2008 and August 2009, six Romani people, among them a 5 year-old child, were killed, and 55 others injured, in a string of racist attacks in rural Hungarian villages. The tragic events inspired important works of art. Just the Wind (*Csak a szél*) by Bence Fliegauf won the Jury Grand Prix at the Berlin Film Festival in 2012, and Eszter Hajdú's documentary Judgement in Hungary (*Ítélet Magyarországon*) won three prizes at the Sarajevo Film Festival in 2014.

An increasing number of Roma have lately made progress towards public visibility, recognition and celebrity: television announcers, survival show participants, winners of amateur singing competitions etc. Half a century's efforts by east-central European Roma intellectuals have succeeded in integrating Roma artists into the contemporary art scene. The 2004 exhibition *Hidden Holocaust* was the first to open the gates of the Budapest Műcsarnok (Kunsthalle) for Roma artists.

The public commemoration of the Roma Holocaust proved to be key in making the Roma an integral part of Hungarian history and the political nation. In 2014 on the international day of the Roma Holocaust in Csepel (Budapest), a new Roma Historical-Cultural-Educational Centre was opened: established and funded by the Roma Civil Union without public support. Historical exhibition has been on display as well as art works of Hungarian Roma artists.

The 26 minute weekly programme "Roma Magazine" on public television M1 has been broadcast since 1992. Radio-C (C standing for *cigány*/gipsy), especially its music programme, used to have large non-gypsy audiences while it was on the air until 2010. (For other minority language programmes on public broadcasting see chapter 4.2.4)

There is another relationship that is heavily laden with historic legacy and remains a latent source of tension: that of Jews who are estimated to represent around 1% of the population. In spite of recent phenomena of displaying or reconstructing Jewish art (there are Jewish festivals, cultural centres etc.), one cannot speak of a separate Jewish culture inside the Hungarian society, with which to pursue intercultural dialogue.

4.2.8 Social cohesion and cultural policies

Social cohesion has traditionally been a strategic goal of Hungarian cultural policy. Strategies to involve culture in the struggle for increased social cohesion are traditionally centred on "közművelődés": socio-cultural activities and institutions – see chapter 8.4.2.

In the absence of a significant number of immigrants, social cohesion is conceived in terms of poverty, unemployment, a low level of education, as well as territorial inequalities. This latter is manifested in burning issues like uneven regional development, the accumulation of employment opportunities in the capital, and income distribution inequality. Statistically, theatre, cinema and classical music attendance figures show a particular divide between the capital and the countryside. Exceptions are when habitants in the countryside benefit just as much or even more from cultural advantages, libraries and cultural community houses. Data from the Central Statistical Bureau about household expenditure clearly indicate that inhabitants of Budapest spend more on recreation and culture than inhabitants in other regions. These facts were uppermost in the decision of the government to choose a provincial city, Pécs, to be the first European Capital of Culture in Hungary for the year 2010.

The National Social Inclusion Strategy – Extreme Poverty, Child Poverty, the Roma – (2011-2020) identifies the following key elements for improvement in the life of Roma: education, employment, health, and housing. "Culture, development of cultural and sport services" makes a smaller part of the strategy. "In conjunction with education, cultural institutions, museums and libraries operate a number of programmes relevant to social inclusion which serve to reduce cultural disadvantages and school drop-out rates." The Strategy focuses more on internet and digital access than actual interpersonal cultural events and gatherings organised for Roma and non-Roma. "They (i.e. disadvantaged children and young people) should acquire and develop their digital literacy in a sophisticated IT environment in libraries and should acquaint themselves with the use of electronic databases in an informal learning environment." Furthermore, "On a micro-regional level, the objective is to create community centres, social workshops and training centres which help the Roma enter the realm of learning and work." (http://ec.europa.eu/justice/discrimination/files/roma_hungary_strategy_en.pdf)

Civil organisations apply for regular funding from the National Cooperation Fund (NEA). Several large organisations, mainly connected to human rights and freedom and connected internationally, receive their basic funding from EEA Norwegian NGO Fund (<https://norvegcivilalap.hu/en>) for Hungary. From spring 2014 the government exerted pressure on this scheme, starting with a spectacular police raid on one of the offices. Activities of a few civil organisations operating in the socio-cultural sector have been unstable since. Some of them fight for social cohesion via cultural projects.

In 2014 the new Cultural State Secretary initiated the Round Table of "Cultural Basic Provision" (*Kulturális Ellátás Kerekasztala*) so that quality culture reaches the broadest possible audiences all around the country with special attention for small villages in the countryside. The Round Table entails representatives of twenty expert organisations.

The 2014-2020 EU-Hungary Partnership Agreement foresees the involvement of civil cultural organisations in rural development projects in the most underprivileged areas. The Strategy aims to improve access to good quality public services, including cultural services that help combat social inclusion.

4.2.9 Employment policies for the cultural sector

Table 3: Cultural employment, 2008-2013

	Employed in arts, entertainment, leisure, thousand
2009	57.7
2011	59.9
2013	56.1
2015	80.1

Source: <http://www.ksh.hu>

Temporary public employment is at the centre of the government's employment policies, and the cultural sector is included. The amount of unemployed persons employed in cultural institutions across the country, usually for six-month terms is reflected in Table 3. Their majority are employed in local cultural centres or houses as "community coordinators" or "community workers" for a salary that is close to the minimum monthly wage. The campaign is coordinated by the National Institute for Culture (*Nemzeti Művelődési Intézet*).

Among students and graduates in the creative sector, the "Start Up Guide" developed by MOME Moholy-Nagy University of Art and Design is broadly used for job searching and enterprise opportunities.

4.2.10 Gender equality and cultural policies

For a long time there were no programmes to promote women in culture in Hungary. This did not seem to be an issue in our society until it was disclosed that Hungary figures at the bottom of lists of representation of women in Parliament. The subsequent awareness and disputes may have an impact on cultural policies as well other areas.

4.2.11 New technologies and digitalisation in the arts and culture

As of 2013, analogue broadcasting of M1 public television was discontinued by a decision of the National Media and Info-communication Authority; at the same time state support is given for those "users in need" (i.e. beneficiaries of social support) who are now switching to digital broadcast by necessity.

In 2010 the former national film archive was upgraded to the Hungarian National Digital Archive and Film Institute – MaNDA, to act as the main base of the programme under the same acronym. Besides the original functions relating to cinema, MaNDA undertakes the co-ordination of the digitisation of all means of cultural expression, from printed material to museum objects (<http://www.kulturkinocs.hu> = cultural treasure).

Plans for the MaNDA programme include the establishment of a logistical centre in the city of Ózd in former industrial premises, where most of the actual digitising is supposed to be executed in the *kultúrgyár* (culture factory). The costs, estimated at about HUF 9 billion (ca. EUR 30 million), come mainly from the EU Structural Funds. Source: http://www.ozd.hu/content.php?cid=cont_501807bde873c4.82657862. The first 1 billion HUF was put to tender for the establishment of a "film history entertainment park".

The Petőfi Literature Museum is in charge of the Digital Literary Academy, which keeps digitised oeuvres of contemporary writers who make their works available on the Internet by contract. Created in 1998, this unique endeavour had the works of 83 authors in 2015; 33 of members are alive, who each receive a monthly allowance four times the value of the official minimum wage.

MEK, the Hungarian Electronic Library, launched in 1994 on a private initiative, contains nearly fifteen thousand items (2016). Embedded into the National Széchényi Library, the project has maintained its community features (see also chapter 9.2).

The National Audiovisual Archive (NAVA) was established in 2004. NAVA acts as the legal deposit archive for the public and commercial television and radio channels that broadcast all over the country. NAVA plays the same role for electronic programmes as the National Széchényi Library does for printed publications or as MaNDA does for Hungarian films. The NAVA collection can be freely reached on-line from several hundred "NAVA points", terminals in libraries, schools, etc. registered within the framework regulated by law (<http://www.nava.hu/english/nava/index.php>). Since 2011 NAVA is operated by an agency of the public media.

The on-going telematic development of the public library system was an important focus of attention and received significant additional resources from the EU Structural Funds during the 2007-2013 seven-year period.

4.3 Other relevant issues and debates

The decision taken in 2005 to nominate Pécs for the European Capital of Culture in 2010 very soon became the subject of widespread debates in the press. Key personalities of the project stepped down from their office one by one, and the main investments suffered serious delays and were modified consequently. The malaise was largely due to the disproportional role of capital investment (and the gaining of European Union resources) in the communication and in the actual planning, which has characterised preparations for Pécs 2010 almost till the end, at the expense of cultural programming. In the end, in the absence of most of the planned new infrastructure, and with an accent on the variety of offer, and the increased number of visitors to Pécs, the season is considered a relative success and satisfaction to the city (two-thirds of inhabitants of Pécs found the event successful). Studies about the assessment of the various dimensions of the impact of investments connected to 2014 Pécs European Capital of Culture were published in 2014².

Monitoring of culture had reasonable developments in the last few years, especially in a specific field. Five professional associations established a joint project for the registration of festivals, in conjunction with the ministries in charge of culture and tourism. In the course of the past four years over 400 – art, heritage, folklore, gastronomy etc. festivals – entered detailed information into the online database. Besides providing information and gaining visibility, the intention is to offer guidance for public and private sponsors. The next phase was to work out a complex rating scheme of Hungarian festivals, based on visits realised by monitors. In the past four years over 150 festivals received detailed assessment and qualification. (A report on the rating system of Hungarian festivals is available at http://www.budobs.org/pdf/Festrating_HU.pdf.) The Hungarian system was one of the models for the current pilot project of the European Festival Association (EFFE – Europe for Festivals, Festivals for Europe).

² Tuka-Glied (eds): Pécs a többszintű kormányzás csapdájában (Pécs in the pitfall of multilevel governance)

5. Main legal provisions in the cultural field

5.1 General legislation

5.1.1 Constitution

The two-thirds majority in the Parliament, which is required to effect changes in the text of the constitution, and which the Fidesz-KDNP party gained at the 2010 elections, was used to fully re-write and adopt the basic law by spring 2011. The preamble of this new *Fundamental Law of Hungary*, the National Avowal of Faith, contains references to culture:

We commit to promoting and safeguarding our heritage, our unique language, Hungarian culture, the languages and cultures of nationalities living in Hungary, along with all man-made and natural assets of the Carpathian Basin... We believe that our national culture is a rich contribution to the diversity of European unity... We respect the freedom and culture of other nations...

Specific references to culture:

Article P

All ... cultural assets shall form part of the nation's common heritage, and the State and every person shall be obliged to protect, sustain and preserve them for future generations.

Article X.

(1) Hungary shall ensure the freedom of scientific research and artistic creation...

(3) Hungary shall defend the scientific and artistic freedom of the Hungarian Academy of Sciences and the Hungarian Academy of Arts.

It is deplorable, however, that the most often cited part of the old Constitution with regard to culture has kept its ambiguous original wording:

XI. cikk

(1) Minden magyar állampolgárnak joga van a művelődéshez.

(2) Magyarország ezt a jogot a közművelődés kiterjesztésével és általánossá tételével ... biztosítja

The word *művelődés* is commonly understood to be broader than education proper (for which there are also more specific terms), and includes the activities of participating in or "consuming" culture. Unfortunately the term is usually translated into foreign languages as education, including the official translation on the website of the government:

Article XI

(1) Every Hungarian citizen shall have the right to education.

(2) Hungary shall ensure this right by extending and generalising public education...

This state of affairs creates the false understanding that the Hungarian constitution does not specify cultural rights as stipulated in *Article 1 of the International Covenant on Civil and Political Rights* of the United Nations. Nevertheless these passages have little direct impact on actual cultural phenomena in the country.

The hundreds of resolutions of the Constitutional Court have almost never touched upon this part of the constitution, and never in relation to culture.

Similarly, the records of the activities of the parliamentary Ombudsman of civic rights contain negligible instances that only relate to cultural rights.

5.1.2 Division of jurisdiction

The reorganisation of regional administration has been an open unsolved issue ever since the regime changes. The county system was established by the founding king St Stephen in the 11th century – which makes it hard to exert major changes. In 2012 most of the cultural functions, especially maintaining institutions like county museums and libraries, were given to cities.

The 19 historical counties have elected local governments, differently from the seven so called statistical or planning regions. Although the seven regions were not given effective administrative power, they are the basic units with regard to EU regional development programmes.

The same logic of medium term planning enhanced the formation of 174 so-called small or micro-regions: these are not full partners of the central government, however they have an important position in applying for EU funds, including for cultural matters. There are attempts to reinstate the historical unit of the *járás* next to or instead of the micro-regions.

Besides the central government, the only level that really matters is that of the nearly 3 200 local (municipal) governments. This number includes 328 towns as well as 23 districts of Budapest.

5.1.3 Allocation of public funds

The cultural budget of the government, however, traditionally lacks transparency, which renders international comparisons impossible without additional research. In fact, due to the dispersed nature of competences for culture presented in Chapter 3, one cannot talk about one "cultural budget". The budget section under the charge of the state secretary for culture contains furthermore aggregations like "public collections" (i.e. libraries, museums, archives directly supervised by the ministry) to which considerable amounts are earmarked without specification or listing. As another area of opacity, a quarter of the budget of the National Cultural Fund is at the discretion of the minister: these grants, about 7-8 million EUR a year, are subsequently disclosed on the website of the Fund.

A traditional feature of the Hungarian system of cultural finances is the contribution from the central budget to the "cultural tasks" of the local governments. This does not appear in the chapter of the Ministry for Culture but in that of the Ministry of the Interior; in 2014, 29.2 billion HUF was earmarked; in 2015 it was increased by 1.2 billion. In 2015 the minimum amount of the cultural normative support for towns was introduced. This means that a village or town – regardless to its population – would receive a minimum of 1.2 million HUF (ca. 4000 EUR) contribution for culture. Nevertheless the majority of municipalities spend several times more on culture than the "per capita" central redistribution.

5.1.4 Social security frameworks

Hungary has moved away from the socialist (communist) era when nearly all cultural actors were either civil employees or members of the monolithic artistic associations enjoying benefits comparable to salaried persons. The most difficult task has been to transform the system of health care and pension plans of the so-called "Art Fund", inherited from the communist period, to a new insurance system. The state guarantees the payment of old age support (de facto pension) to those artists and writers who had been paying members of the Art Fund before it was transformed into the Hungarian Public Foundation for Creative Art (*Magyar Alkotóművészeti Közalapítvány, MAK*) in 1992. The

budget for 2014 of the Ministry in charge of culture contained a subsidy of HUF 1,5 billion for these pensions.

It is estimated that over 75% of actors, dancers, musicians, arts organisers, technicians, designers and other cultural operators working for a variety of clients are self employed. Many self-employed people remained on the margins of the social security frameworks because they had been coerced into the position of quasi entrepreneurs instead of the more secure employee status, so that the employer (often a public institution like a theatre or a museum) could save on the social insurance fees; another reason was that self-employed people tended to pay social insurance after the minimum monthly wage only upon their own choice. To counteract this problem, a few years ago the government started a campaign of re-integration of these "false entrepreneurs" into employment, and passed measures to make paying social insurance fees more attractive. This issue was behind the introduction of EKHO in 2005, a regime of simplified contributions to common charges (literally "public burden"). The scheme has so far survived the many changes in the taxation system.

In the framework of EKHO, more favourable conditions and simplified procedures were offered to a list of professions, typically in the cultural sector. A condition of this status is that the annual income of the person remains below HUF 25 million (about EUR 100 000). The *EKHO Law (Act CXX/2005)* states that the minimum mandatory tax base for social security contribution payments is the minimum wage, while the rest of the citizen's income should be taxed according to the rules of EKHO. This simplified way of paying social security fees is open to employees and self-employed people as well, including pensioners.

Independents are not able to claim unemployment benefit. Sickness benefit may be covered by paying into a private insurance policy. Most independents in the cultural sector pay into a private pension fund to top up the state pension.

5.1.5 Tax laws

There were two income tax rates for individuals until 2011: 18% and 36%, the latter operating from about 6 500 EUR per year. This was replaced with a 16% single rate, reduced to 15% from 2016. Family taxation was also introduced to provide extra incentives to families having at least one child. Families with three children living on the average salary are exempt from personal income tax.

Social security payments are usually calculated at 27 % above the gross salary and the 15% personal income tax is due to be paid on the super gross salary including social security costs. By nature of single rate taxation, those with higher legal income benefit most.

State prizes, awards and fellowships are tax exempt; artists may claim material expenses on their income tax. Also, the tax base of authors and other creative artists may be reduced by 50% of the income generated by copyright or other royalty payments. From 2011, company income tax is 10% for profitable companies below the 500 million HUF tax base (over 500 million the tax is 16%), with an additional 10% tax on the dividend. The so-called *Non-Profit Act (CLVI/1997)* defines the operational conditions of third sector organisations and foundations. It includes tax incentives to facilitate the involvement of private support in supporting public goals.

Associations, foundations as well as nonprofit enterprises can—by adhering to specific conditions—qualify as public benefit organisations. Businesses – companies and individual entrepreneurs – can deduct 20% of the value of donations given to such organisations from their tax base, and in the case of multi-annual pledges, this rate is 40%.

In spite of these regulations, philanthropic support to cultural organisations is not particularly widespread, and the little that takes place is barely acknowledged: the

prevailing mood in the cultural sector is that of dissatisfaction. Certainly, most of these tax benefits affect other sectors (social and health care, education etc.), and the bureaucratic regulations attached render donation complicated both for the donator and receiver. Greater attention and expectations are linked to sponsorship, where tax exemption is difficult to conceive: the entire amount can be deduced from the tax base as marketing expenses anyway.

Tax legislation has greater significance with investments. In this respect, the *Law on Motion Pictures (Act II/2004 or Film Law)* stands out, offering a 20% tax break on film making. The tax credit attracted the shooting of international productions and also provided incentives to some local projects. It has also created a favourable environment for investment in studios, the largest of which is the Alexander Korda Studios at Etyek. After negotiation with the European Commission several of the criteria for public support were defined more strictly (with the cultural principle reinforced), and the limits of state subsidies are regularly re-negotiated. On the whole, the main principles of the *Film Law* were found to be compatible with EU regulations.

With the *Performing Arts Act* a similar tax credit arrangement was introduced for theatres and orchestras to the amount of 80% of the box office income each year. This became an important source of revenue for performing arts organisations. (Source: <http://www.eloadomuveszetiroda.hu>). The fact that the regime was extended to donations to sports as of 2012 created concerns: how much would be left for culture at a time when profits of corporations are dwindling anyway? Nevertheless the amount grew to 11.6 billion HUF, divided between 150 organisations. (For comparison: the grants of the National Cultural Fund amounted to 9.8 billion HUF.) In 2013 the total sum of such support to theatres, orchestras and dance groups soared at 16.9 billion HUF.

In 2003, a significant innovation in the fiscal system radically simplified the administration and taxation of small enterprises (called EVA: simplified enterprise tax), which is beneficial for many self-employed artists and cultural operators.

Under EVA, small businesses are taxed at a flat rate of 37% from 2012. This eliminates any other income tax or levy. No record is required on business expenditure which negates the need for the collection, storing and book-keeping of bills and accounts. On the other hand, EVA subjects must add VAT to their invoices which they cannot reclaim. Partly, the large success of EVA led to a next step, the introduction of EKHO, a regime of simplified contributions to common charges (literally "public burden") - see chapter 5.1.4.

There is one more speciality in the Hungarian tax system – *Act CXXXVI/1996* on "1%" has evoked great attention outside the country as well. When taxpayers submit their annual tax returns, they can allocate 1% of their income tax to a non-governmental organisation of their choice by indicating its tax identification number (also another 1% to a registered church, if they so wish). According to the data disclosed by the tax authorities, 49% of taxpayers channelled 13.1 billion HUF from the tax on their 2012 income to 31 101 organisations. The full list of recipients is available on the website of the tax authority. It is next to impossible, however, to identify the share of culture from the spreadsheet of 31 thousand lines. Names of the organisations do not always provide clues about their profile. Here is an exception from the first page of the list, for sake of illustration: the Bartók Chamber Choir Foundation in the city of Szolnok received HUF 159 000 (about EUR 530) from 39 anonymous donors.

The general value added tax (VAT, in Hungarian *áfa*) rate of 25% was raised to 27% with effect from 2012, which affects music recordings, performing arts (including theatre tickets), film making, video lending, cinema, etc.; whereas a rate of 5% operates for books, including textbooks, periodicals including newspapers, as well as licensed handicraft products. VAT registration is obligatory for undertakings, unless an individual tax

exemption is granted, for those with an annual turnover under five million HUF (about EUR 16 700).

As one in the row of economic branch specific taxes, the tax on advertisements introduced in 2014 affects culture in an indirect way – see chapter 4.2.6.

5.1.6 Labour laws

Artists and other cultural actors can work in five forms: as civil employees, general employees, individual entrepreneurs (sole traders), corporate entrepreneurs, as well as freelance workers. The minimum monthly wage from January 2016 is HUF 111 000 (about EUR 360), and 129 000 for qualified positions. Gross average earning is about 2.1 times this amount.

Social partnership functions relatively effectively on the national level and on a large scale, e.g. between the government and civil employees - whereby they come to an agreement on improvements in working arrangements including productivity and salary increases. It is less so, or even non-existent, in respective cultural sub-sectors.

Labour conditions of civil servants and civil employees are regulated by the acts on civil service and on public finances. They contain the detailed schedules and criteria of salaries and wages – with many direct references to cultural and artistic jobs. These are updated each year, in which the trade unions of the respective cultural sectors take an active part. As was described in chapter 5.1.5, until recently a considerable number of cultural workers acted in the framework of a "*betéti társaság*" (Bt), the simplest form of business companies or partnerships, usually with family members as quasi business partners. A "Bt" is also used by employees receiving a regular wage who do occasional freelance work. In a number of public cultural institutions a two-tier salary system operates with some artists on full time contracts, while others are self-employed.

The provisions in the pensions system permit performers to retire early, e.g. dancers and some other performing artists under certain circumstances.

There are no specific provisions concerning the involvement of volunteers that are relevant to culture. *Act LXXXVIII/2005* provides the necessary legal environment and protection for public voluntary work.

5.1.7 Copyright provisions

Hungary follows the continental, *droit d'auteur* tradition. The *Act on Authors' Rights LXXVI/1999* closely observes requirements of the *acquis* of the European Union. This Law, among others, specifies the rights attached to transmitting and downloading via Internet.

The Law stipulates reprography as well as blank cassette rights. The respective levies are collected by the Hungarian Alliance of Reprographic Rights (*Magyar Reprográfiai Szövetség* – RSZ). Schools and public libraries are exempt from paying this fee. Fees are paid by the importers and manufacturers of copy machines and related equipment. The various categories of fees are annually determined by the culture minister.

The same system has been in effective use with regard to fees connected to public performances of literature and music. Fees are contained in a complex Table with over 400 grids by various criteria. Examples of daily fees in 2013: HUF 1 779 (ca. 6.0 EUR) must be paid by first class restaurants in Budapest; at the other end, HUF 108 (ca. 0.3 EUR) is due from bakeries or ice cream parlours in small villages. These amounts are 50% higher in the case of live music, 20% only if at least two musicians are lawfully employed, and in the case of four – just 5%. Operating multiple-choice slot-machines meant another 20% to the fee, but these were banned in Hungary in 2012 (except for a few casinos).

In 2013 the total revenue of Artisjus, the Hungarian collecting society, was 16.1 billion HUF, of which net copyright revenue was 12.7 billion HUF (about 41 million EUR). Source: <http://www.artisjus.hu>.

Artisjus distributes levies to copyright holders collected from blank cassettes, discs, pendrives and similar devices. From 2014, 25% of this source is channelled to the National Cultural Fund, where it finances a programme for young pop-rock talents (named after Tamás Cseh, a cult bard who died in 2009).

5.1.8 Data protection laws

Hungarian data protection laws and their implementation are rather strict. Until 2011 there was a special Ombudsman for data protection, whose functions have been taken over by the National Authority for Data Protection and Freedom of Information.

5.1.9 Language laws

Act 2001/XCVI was passed aiming to limit the use of foreign expressions especially in commercial advertisements. The proposal was followed by a lively, but short, debate in the press, and very little information is available since as to the implementation of the law.

5.1.10 Other areas of general legislation

Information is currently not available.

5.2 Legislation on culture

In Hungary, there is no comprehensive law on culture or art. *Act CXL/1997* is often referred to as the *Law on Culture*, but in fact it regulates three sub-sectors only: libraries, museums and local socio-cultural activities. The annually renewed Acts on the budget, on taxation and on regulating the competency of local governments have a pivotal role to play. The *Acts on Public Finance and Public Servants* pertain to the operation (creation and winding up) of publicly owned cultural institutions.

Similarly, public foundations are also a recent formation, the operation of which is basically regulated by the *Civil Code*.

Act XXIII/1993 created the National Cultural Fund that operates under the supervision of the minister in charge of culture. The Fund does project funding, but it does not give support to investments and operations: from project grants a mere 5% can be spent on operational overheads. Natural and legal entities as well as business organisations without incorporation may apply. The original Law stipulated a cultural contribution of usually 1% to be paid on certain cultural goods and services (of which advertisements were the most important source). Since 2010, 90% of the revenues from the most popular weekly lottery game replaced the levy. Each year, between HUF 7-8 000 million are collected. A quarter is reserved for the discretion of the minister, the rest is spent according to the guidelines of the main board. In 2016, seventeen area boards administered the grants, ranging from theatre to heritage protection.

Between 1993 and 2012 the Minister appointed the Chairman of the National Cultural Fund Committee. With the modification of the Law in the summer of 2012, the Minister kept the title of Chairman for himself and the position of Vice-Chairman was created for the de facto chief executive of the Fund.

The eleven member Committee is appointed for a term of four years. The members in the nine area boards are also appointed for four years, half of them upon the recommendations of professional organisations, the other half selected by the Minister. As of 2016 the

president of MMA gains significant power in the finalisation of the annual work strategy, the financial decisions, the (re)organisation and constitution of the area boards of NCF, which results in an intense cooperation of the two major institutions. The Directorate of the National Cultural Fund helps in the administrative work of the Fund with a staff of 110 persons.

In 2013, 11 283 applications were processed and HUF 11.7 billion was distributed between 7 276 grantees, averaging HUF 1.04 million (ca. 3 400 EUR). Applicants without Hungarian citizenship need an assistant executive, which is a legal entity registered in Hungary.

List of the existing cultural legislation

Title of the Act	Year of adoption
<i>Act on Archives</i>	Act LXVI / 1995
<i>Act on Libraries, Museums, Archaeology and Local Culture ("cultural law")</i>	Act CXL / 1997
<i>Act on the Hungarian Academy of Arts</i>	Act CIX / 2011
<i>Act on Hungarian World Heritage</i>	Act LXXVII / 2011
<i>Act on the Special Protection of Borrowed Cultural Goods</i>	Act XCV / 2012

List of laws with relevance to culture

Title of the Act	Year of adoption
<i>Acts on Public Finance and Public Servants</i>	Act XXXIII / 1992 and Act CXCIX / 2011
<i>Act on National and Ethnic Minorities</i>	Act CLXXIX / 2011
<i>Act on the Use of a Specified Amount of Personal Income Tax in Accordance with the Taxpayer's Instruction ("1% law")</i>	Act CXXVI / 1996
<i>Act on Authors' Rights</i>	Act LXXVI / 1999
<i>Act on the Hungarian Language</i>	Act XCVI / 2001
<i>Act on Volunteering</i>	Act LXXXVIII / 2005
<i>Act on Simplified Contribution to Public Charges (EKHO)</i>	Act CXX / 2005
<i>Act on Media Services and Mass Communication</i>	Act CLXXXV / 2010
<i>Act on Civic Society</i>	Act CLXXV / 2011

5.3 Sector specific legislation

5.3.1 Visual and applied arts

The *Act on Authors' rights* stipulates fees after the first sale of art works, and levies after the sales of works in the public domain. The rate is 4%, in the first case going down to 0.25% on a regressive scale.

5.3.2 Performing arts and music

Act XCIX/2008 on Performing Arts in December 2008 was considered a major achievement in cultural policy of the previous government – prepared in close co-operation with professional organisations. It aimed at stabilising the status of artists employed in theatres and orchestras, in line with related UNESCO recommendations. It also regulated the conditions of access to state subsidies. Theatres were registered in six categories, orchestras in two categories, the number of performances being the main criterion. A special aspect was the guarantee of at least 10% of public grants for independent, alternative or experimental theatre groups (category VI). A Performing Arts Office

(*Előadó-művészeti Iroda*) was created to register organisations and handle the administration of subsidies and tax credits. A special section of the Law regulated the selection of directors of public theatres and orchestras, ensuring the involvement of professional delegates in the process. Performing arts organisations welcomed most of the tax credit measures of the Law, discussed in chapter 5.1.5.

In 2011 substantial amendments were made: the theatre part was practically fully rewritten. The six categories were reduced to three: national, preferential and other performing art organisations. Several of the automatic decisions in the former Act were removed, giving thereby more room for quality judgement. A 24-strong National Performing Arts Council for Reconciliation of Interests was established. Upon their recommendation – with minor adjustments – the Minister selected 24 national and 54 preferential performing arts organisations. The list is updated each year: in 2014 there were 21 national and 51 preferential organisations, ranging from the National Theatre to the Mendelssohn Chamber Orchestra in Veszprém.

The guaranteed share of the third group – the independent scene – from the subsidies was not kept. These organisations apply for subsidies in the frame of an annual public call.

5.3.3 Cultural heritage

The *Act on Archives* was passed in 1995. In 2001, an *Act* was passed on the *Protection of Cultural Heritage*, covering the areas of archaeology, built heritage and protection of movable objects. These Acts define the specific ownership requirements of state, local government and private (including Church) enterprises, and stipulate the rules for the protection and utilisation of heritage. In 2010 and 2011 the issue of preventive archaeological explorations before infrastructure investments was modified twice. Firstly, county museums received back the rights and task of such explorations (and the national authority was terminated); secondly, conditions for archaeological activities were restricted to 30 workdays and 1% of the investment budget or 200 million HUF.

Act LXXVII/2011 on Hungarian World Heritage aims to put on solid legal and institutional basis the efficient implementation of the World Heritage Convention in Hungary and to ensure the efficient management of the Hungarian sites on the World Heritage list.

The modification of the *Cultural Heritage Law (Act LXIV/2001)* in 2011 established the new concepts of historic memory sites and national memory sites, with 36 items belonging to the first, and nine to the second list.

Due to the towering insurance costs connected to the Cézanne exhibition of the *Szépművészeti Múzeum*, a law was passed with urgency, which stipulates a state guarantee to borrowings of such a scale: *Act XCV/2102 on the Special Protection of Borrowed Cultural Goods*.

5.3.4 Literature and libraries

Hungary has no separate Law to support literature and writers.

The cause of libraries is regulated in detail by *Acts CXL/1997 and XX/1991*, the latter stipulating that local governments are obliged to assure library supply, with special regard to youth and cultural minorities. In settlements with a few hundred inhabitants only, the local governments fulfil this obligation by reaching joint agreements with neighbouring towns or villages. The scheme of public lending right payments has not yet been introduced.

Re-drawing the canon of national culture is taking place. Literature is one sphere, where conservative and / or nationalist authors of the interwar period are being promoted by the authorities, including in school curricula. In October 2012, the state publisher of the

official gazettes launched a book series called the "National Library" in this spirit, heavily subsidised by the government and widely distributed free of charge (which provoked protest by the publishers' association).

5.3.5 Architecture and spatial planning

Information is currently not available.

5.3.6 Film, video and photography

A significant achievement was made with the passing of the *Film Law* in 2004, fundamentally amended in 2010 and 2011, see chapter 4.2.6.

5.3.7 Mass media

The entire media regulation was reconsidered after 2010. The most important prevailing regulations concerning radio and television broadcasters are the following:

- content quotas for Hungarian programmes produced in Hungary by private and public radio stations are 35%, of which 25% must be produced in the last 5 years respectively;
- content quotas for Hungarian programmes produced in Hungary by private and public television stations are 33.3% and 50% respectively;
- quotas for programmes of European origin are 60% in the case of public television and 50 % in case of private television;
- a minimum of 25% of films broadcast by the public television should have Hungarian participation;
- quotas for independent producers' films are 10% European; 8% Hungarian for all private TV stations and the films must have been made in the last 5 years; and
- for public channels, quotas for independent producers' films are 33.3% in general and 25% Hungarian.

There exist no special press quotas in Hungary.

5.3.8 Other areas of culture specific legislation

Despite maintaining a preferential VAT rate of 5% for books, and the *Film Law*, no concentrated policy prevails in the area of cultural industries.

There are no special laws on the arts or artists. The specific exemptions and conditions referred to in chapter 5.1.4, chapter 5.1.5 and chapter 5.1.6 are included in the general legislation on social insurance, taxes and labour.

6. Financing of culture

6.1 Short overview

As in other former communist countries, the process of transition has caused a crisis in the system of financing for culture. In addition to the decreasing GDP and reduced state budget, the population showed less interest in culture and the arts during these years of reorientation. The main channels of financing had, however, become more stable and in some fields there was a certain increase of resources. The first decade of the new millennium, however, brought about stagnation, including in cultural funding. This was exacerbated by the global economic crisis. Penury of public funds is not counterbalanced by the sizable influx from the European Structural Funds, which can be used for running costs only if justified as development, e.g. human capacity building, regional (urban, rural) development etc.

Important features of the cultural finances of the actual administration (after 2010) have been

- centralisation: functions taken over by the state from local governments;
- concentration of resources in MMA (Hungarian Academy of Arts);
- strict financial planning in the field versus large scale central investment projects; and
- frequent ad hoc interventions of scales that significantly alter final balances from initial annual budgets

6.2 Public cultural expenditure

6.2.1 Aggregated indicators

In 2009, the population of Hungary was 10 030 975. Total public cultural expenditure was 150 917 million HUF, about 0.57% of the country's GDP. According to Eurostat, in 2014, among EU countries, Hungary and Estonia registered the largest ratio to GDP of government expenditure in the 'recreation, culture and religion' function, both 2.0 % of GDP.

Public cultural expenditure per capita was 15 045 HUF, about 56 EUR. The share of cultural expenditure of the total public expenditure in 2009 was 1.69%.

No further detailed information is available on expenditure after 2009. Access to financial data has become even more difficult than before; in 2013 the website of the state secretariat for culture is limited to news, announcements and to the presentation of the structure and main responsibilities.

Table 4: Public cultural expenditure by level of government in billion HUF, 2010-2014

Categories by UN classification (COFOG)	2010			2012			2014		
	Central	Local	Total	Central	Local	Total	Central	Local	Total
Cultural services	114	126	240	120	98	218	163	128	291
Broadcasting and publishing services	84	4	88	164	4	168	100	6	106
Religious and other community services	62	14	76	74	13	87	93	15	108
Other	2	1	2,5	2	0	2,2	26	7	33

Source: Eurostat COFOG (Other = Recreation, culture and religion n.e.c.)

Public cultural expenditure decreased both centrally and at local level in the years after the crisis. On the other hand the government has been spending significantly more on communication (especially on public television), as well as on subsidising churches.

In 2015 the major part of the state cultural contribution went to the music scene. For programme organisation the Liszt Ferenc Music Academy received 800 million HUF state support; the World Music Expo – WOMEX was supported by 387 million HUF; Europa Cantat choir festival received 110 million HUF. The state support for the Hungarian State Opera House has never been as high as it was in 2015: in one single year it was increased by 1.8 billion HUF. The support of Budapest Operetta-theatre has been a priority as well. Two important institutions from the heritage field, the Hungarian National Museum and the Hungarian Heritage House have been supported by 100 million and 150 million respectively.

6.2.2 Public cultural expenditure broken down by level of government

The years after the millennium showed a continued marked trend of decentralisation. The cultural spending of local governments grew by about 78% between 2002 and 2007, when the cumulated inflation was less than 30%. For example, cities spent over 95% more on museums than five years earlier; over 50% more on libraries, local television, music and other arts respectively. This trend took a sharp turn after 2010 and by 2012 the central government became a stronger single public funder than the regional and local sources cumulatively. A part of the explanation is the restructuring in the museum sector, whereby the state took charge of a number of institutions.

Table 5: Public cultural expenditure: by level of government, in HUF, in EUR, in %, 2014

Level of government	Total expenditure in billion HUF	Total expenditure in million EUR	% share of total	% share of GDP
State	162.9	525.4	56%	0.5%
Regional (19 counties) and local	127.7	412.1	44%	0.4%
TOTAL	290.6	937.5	100%	0.9%

Source: Eurostat COFOG (cultural services)

Maintaining central cultural institutions (including cultural institutes abroad as well as the administration of the ministry) takes up a considerable share of the state expenditure. Individual cultural projects were mainly subsidised from the National Cultural Fund. In 2012, the total amount allocated by the Fund was 10.3 billion HUF. Since 2010 the main source of the budget of the Fund is the National Lottery.

6.2.3 Sector breakdown

Since a considerable part of the data on public expenditure are presented in aggregations that do not reveal division by sub-sector (e.g. performing arts, visual arts etc.), information for sector breakdown is not currently available.

6.3 Trends and indicators for private cultural financing

An exemplary case of private and public cultural investment in conjunction is BMC, the Budapest Music Centre. BMC is an independent initiative, legally a limited company, financed from a number of public and private sources. A regular exhibitor at the MIDEM in Cannes, BMC has mainly focused on contemporary music and jazz. The government contributed both to the construction and the operation of the institution. The new BMC building in the centre of Budapest houses a concert hall, a smaller stage for jazz events combined with a restaurant, residence area and offices.

7. Public institutions in cultural infrastructure

7.1 Cultural infrastructure: tendencies and strategies

The reconstruction and reopening of the Erkel Theatre is a prime example of the government's concentration of cultural finances. The largest performing arts venue of the country, with 1 800 seats, had been closed since 2007. The refurbishment cost 1.7 billion HUF. The building, originally erected in 1911, mainly serves popular opera, with the most expensive tickets at HUF 3 600 (about EUR 12).

Other features of the fundamental overhaul of parts of the cultural infrastructure are discussed in chapter 4.1. Here, a summary is given about the most important recent intervention in the Hungarian cultural infrastructure, the use of European funds in the cultural field:

The national framework programme for 2007-2013, called originally the *New Hungary Development Plan*, renamed later the *New Széchenyi Plan*, contained no separate culture chapter or dedicated cultural targets, in conformity with the European Union's policy. Nevertheless, under the umbrellas of education, tourism or urban development, a significant amount of cultural investment is being financed from these funds, to an extent that has not been possible in the past 20-30 years from Human Resources. (The figures in the next several paragraphs are in million EUR, the exact value depending on the actual EUR / HUF exchange rates. They show the amount of EU assistance, to which in most cases a 5-15% contribution is added from central or local government budgets. The Source of the figures is <http://www.nfu.hu>, the website of the National Development Agency.)

The biggest single investment of about 35 million EUR, the reconstruction of the Franz Liszt University of Music, was finished in 2013; the Art Nouveau main building houses one of the most beautiful European concert halls.

The largest amount nevertheless went to Pécs, European Capital of Culture in 2010. Over 32 million EUR transformed the Zsolnay ceramics factory site into a cultural quarter. Building a new conference and concert centre absorbed nearly 20 million EUR, and a new regional library received 17 million EUR. Nearly 25 million EUR were spent on the revival of public spaces and parks in Pécs, and the reconstruction of exhibition infrastructure cost 5.5 million EUR.

In the framework of a nation-wide project, nearly 60 million EUR funded the construction of complex community cultural centres (so called Agoras) in nine cities. Another 33 million EUR was allocated for five or six Polus Agoras, to be built in conjunction with universities, aimed at creating spaces of interaction between research, development, teaching and the general public, especially youth.

Decisions were made on nine more individual development projects receiving over 1 million EUR each, on the reconstruction or extension to cultural objects. (The smallest was for the youth cultural centre A38 Ship on the Danube in Budapest, to extend it with a second vessel).

In addition to these initiatives supported from the European Regional Development Fund, the resources of the European Social Fund were also used for cultural projects on a scale that stands out among EU members. ESF money has served the integrated development of cultural sub-sectors, which is another Hungarian feature: a number of calls resulted in supports to hundreds of minor investment or training projects in the fields of local community culture (altogether about 32 million EUR), libraries (30 million EUR) and museums (9.7 million EUR for museum education). Cultural projects of smaller

settlements have been supported from a third major channel of the European Union: from the European Agricultural Fund for Rural Development (EAFRD).

Important cultural investments have lately been accomplished, in considerable part from ERDF sources. These include the restoration the Pesti Vigadó, the Erkel Theatre and the Castle Garden Bazaar, as well as the completion of the Budapest Music Center. The reconstruction of the Franz Liszt Academy of Music received the European Union Prize for Cultural Heritage / Europa Nostra Award in 2015.

Lately, in the focus of attention has been *Liget Budapest*, the capital's large scale museum quarter project (<http://www.ligetbudapest.org/eng/>), which aims to reshape the urban landscape of the capital at the same time reorganising the entire (contemporary) art scene. The project aspires to create a unique cultural and family park through the complex development and renewal of Budapest's City Park. By 2019 important reconstruction and modernisation is foreseen in the Museum of Fine Arts, the Museum of Science, Technology and Transport and the Budapest Zoo; buildings for the New National Gallery, the House of Hungarian Music, the Museum of Ethnography will be created. Exponents of the plan anticipate an additional 1 million visitor nights annually, and a return on investment within the next 10-12 years.

The project has nevertheless been under criticism for the secretive nature of decision-making and also of esthetical and historical points of view. Opponents are concerned about the historical, institutional and natural qualities of the 200-year-old City Park. The plan is connected to the removal of the National Gallery from the Castle Hill; the National Dance Theatre has also had to leave the castle area and currently plays in five different venues across the town.

The issue of the House of Fates – European Educational Centre (*Sorsok Háza*) is controversial, too: owing to the academic and civil sector's harsh critique, the new holocaust museum planned to be built at an abandoned railway station in Budapest has not been inaugurated.

7.2 Basic data about selected public institutions in the cultural sector

Table 7: Cultural institutions financed by public authorities, by domain

Domain	Cultural institutions (subdomains)	Number (Year)	Trend (++ to --)
Cultural heritage	Cultural heritage sites (recognised)	8 (tentative 11 in 2012)	+
	Museums (organisations)	612 (2012)	-
	Archives (of public authorities)	83 (2010) 84 (2011)	+
Visual arts	Public art galleries / exhibition halls	1 099 (2013)*	+
	Art academies (or universities)	6 (2009)**	0
Performing arts	Symphonic orchestras	11 (2012)	+
	Music schools	737 (2009)***	+
	Music / theatre academies (or universities)	5 (2009)**	0
	Dramatic theatre	169 (2012)****	+
	Music theatres, opera houses	3 opera 1 operetta and 1 music house (2012)	0

	Dance and ballet companies	39 (2012)	0
Books and Libraries	Libraries	7 404 (2012)	+
Audiovisual	Broadcasting organisations		
Interdisciplinary	Socio-cultural centres / cultural houses	2 899	-

Sources: <http://www.ksh.hu> except *: <http://www.artportal.hu>; **: <http://www.felveteli.hu>; and ***: <http://www.mzmsz.hu>.

**** The number of residence companies is 56, all other companies are independent theatres.

7.3 Status and Partnership of public cultural institutions

Below is a summary of the status of some of the major cultural institutions in Hungary, which differs from sector to sector:

- the functions of the National Office for the Protection of Monuments have been transferred to the Forster Gyula National Heritage Management and Service Centre;
- there were efforts to streamline the State Opera (literally Hungarian State Opera House – Magyar Állami Operaház) by – among others – converting it into a public benefit company. This attempt met with the resistance of the staff despite the huge additional budget accompanying the reforms;
- the Palace of Arts is run by a non-profit limited company – Művészetek Palotája Kft; the building houses the Ludwig Museum of Contemporary Arts, a public cultural institution;
- with the building of the new National Theatre a new Limited Company was established; leaving the old "National Theatre" in its old building under a new name "*Magyar Színház*" = "Hungarian Theatre";
- the State Folklore Ensemble was incorporated into a new national institution in 2000, called the House of Traditions; and
- the remaining seven art cinemas in Budapest (half of them operated by the municipality) struggle for survival.

8. Promoting creativity and participation

8.1 Support to artists and other creative workers

8.1.1 Overview of strategies, programmes and direct or indirect forms of support

As indirect support to creative workers, 1% of the total value of investment in public infrastructure in a year must be spent on purchasing contemporary artworks (with the possibility of spreading the expense of the purchase over five consecutive years) as tax relief (as of 2006) based on *Act LXXXVI/1991*.

The heritage sphere benefits from motorway building processes as, before the land work starts, archaeologists must explore the area at the expense of the entrepreneur.

8.1.2 Special artists' funds

In addition to support granted by art institutions or project funding obtained via competition, the main channels of support for artists is via the Public Interest Limited Company for Hungarian Creative Art (*Magyar Alkotóművészeti Közhasznú Nonprofit Kft*) which in 2011 inherited the property and part of the social and artistic functions of the Hungarian Public Foundation for Creative Art. The company offers artists residencies, studios, exhibition facilities etc.

The Hungarian Soros Foundation used to be the most significant of all private foundations supporting culture. However, 2003 was the last year when the Foundation funded cultural activities in Hungary.

Several local governments have set up foundations for supporting local artistic activities and artists living in their area. The number of foundations established by the heirs of artists for supporting young talent is also significant.

8.1.3 Grants, awards, scholarships

The basic structure of Hungarian state cultural awards dates back to the previous regime; in addition to the existing list, each minister adds at least one new award. There are over forty different kinds of awards, most of them bearing the name of a renowned Hungarian artist: e.g. the Liszt Award is given to 8 musicians each year. These awards of the ministry go to nearly 250 persons, or in some cases groups and institutions each year.

Nearly as many state awards are also given to personalities in the cultural life of the country, from the Knight's Cross to the Kossuth Prize. The latter is given to around 20 people each year, with a financial bonus that is equivalent to half a months' average income (as stipulated by the law).

Five artists are awarded the title of Excellent Artist each year, and ten become Worthy Artists, rewarded with half and one third of the amount of the Kossuth Prize (all these awards are tax free).

The top distinction is the Corvin Chain, to be held by twelve persons at any one time, about half of whom are usually from culture. This award was originally founded by Admiral Horthy in 1930, renewed by the first Orbán-government (1998-2002), and again in 2012.

Twelve people can enjoy the benefits of the title the *Actor* (or *Actress*, the Hungarian language does not use gender) *of the Nation* at one time. Upon this model, the amended *Film Law* introduced the title *Film Artist of the Nation* that is given upon the decision of the government to selected artists who had formerly received the Kossuth Prize. Only 15 artists over the age of 65 can have this title at any one time. It is at the discretion of the

government to decide which of those artists that used to receive an annual allowance as holders of the title called Master of Hungarian Moving Pictures established by the Motion Picture Public Foundation, will be entitled to the new award.

These schemes have been crowned by the regimes operated by MMA, presented in chapter 4.1: the allowances that the members of the Academy and the Artists of the Nation receive.

The system of 1-3 year grants has been developing and expanding since the late 1950s, administered at present by the Public Interest Limited Company for Hungarian Creative Art, mentioned in the previous chapter. Scholarships are available for 4 to 10 people, under 35 years, in each of the following fields: fine arts, photography, design, applied arts, art criticism, literature, play writing, composition, musicology, music criticism and musicianship.

Since 2004, 18 young Hungarian writers living in neighbouring countries receive grants each year in four literary categories. In addition to the scholarships of the Ministry, several local governments grant scholarships to artists living in their village / town. There are also scholarships available to artists from the Hungarian Academy in Rome.

Artists and cultural operators can also apply for scholarships and grants in the general schemes operated by the Hungarian Scholarship Board Office (*Magyar Ösztöndíj Bizottság*). Senior experts, artists and researchers may seek opportunities to study and work in various countries all over the world through the Hungarian National Eötvös Scholarship (*Magyar Állami Eötvös Ösztöndíj*). Both of these are administered by the Balassi Institute.

As a surprise move, early in 2016 the government established a nonprofit company with 150 million HUF (about half a million euro) for talent nurturing in the Carpathian Basis. The main axis, and the first projects are focusing on young writers.

8.1.4 Support to professional artists associations or unions

During the well researched period of 2004-2007, 13.5% of the annual grant distributed by the National Civic Fund went to organisations working in the field of culture, although their average amount was below the average.

Fundamental changes took place in the administration of non-profit organisations by the so-called *Act on Civil Society (CLXXV/2011)* on the rights of association, on non-profit status as well as the operation and support of civil society organisations replacing the *Non-Profit Act (CLVI/1997)*, the *National Civil Fund Act (L/2003)* and the *Act on the Rights of Association (II/1989)* among others.

The new law introduces the notion of civil organisation (association, federation and foundation) and reduced the former two-tier classification of outstanding and simple public benefit organisations into one, the Public Benefit Organisation. The new administrative rules prescribe double entry book keeping, introduces bankruptcy, liquidation and winding-up processes, and established the National Cooperation Fund (NEA) which replaces the National Civil Fund in its role of distributing financial support to civic organisations. As it was pointed out in chapter 5.1.5, about 20% of the subsidy received from the 1% of citizens' income tax benefits cultural organisations.

8.2 Cultural consumption and participation

8.2.1 Trends and figures

Households spent 771 146 HUF in 2009 (0.7% decrease compared to 2008), of which 4.1% went to culture which increased by the next years as it is shown on Table 8.

Table 7: Household expenditure for private cultural participation and consumption, by domains, in HUF, per capita, 2010 and 2011

Items (field / domain)	Household expenditure for culture		% share of total household expenditure	
	2010	2011	2010	2011
News, journals	4 053	4 222	0.52%	0.51%
Cultural services (cinemas, theatres, museums, etc.)	15 069	14 243	1.92%	1.74%
Cultural tourism	14 494	14 463	1.85%	1.76%
TOTAL	59 761	58 990	7.62%	7.20%

Source: <http://www.ksh.hu>

Some of the time series data reflect the breaks and turbulences attached to the change of regime in the early 1990s: fall in the numbers of libraries, published books, films exhibited, cinemas, theatres and their audiences, visits to museums etc.

Some of these managed to considerably regain vigour around the millennium and have kept that level (book titles, films exhibited, museums and their visitors), or again fell back somewhat in recent years (cinemas and cinema-goers), others are on the rise (theatre life). Library lending shows a fairly regular trend over more than a decade, showing a slightly downward slope.

Table 8: Library statistics, 1980-2014

Year	Number of public libraries	Units lent in public libraries (million)
1980	4 915	40.7
1990	4 179	35.9
2000	3 132	34.5
2005	3 230	30.8
2010	3 474	26.5
2011	3 501	26.2
2012	3 355	24.6
2013	3 522	24.3
2014	3 874	23.1

Source: Central Statistical Office.

Table 9: Cinema, theatre and concert statistics, 1990-2015

Year	1990	2000	2010	2014	2015
Cinema halls (No.)	1 960	564	411	316	353
Cinema projections (1 000)	416	372	478	420	473
Cinema (No. of visits per 1 000 persons)	3 495	1 426	1 111	1 002	1 268
*Theatre (No.)	43	52	143	168	167
*Theatre (1 000 performances)	12	13	19	26	25
*Theatre (No. of visits per 1 000 persons)	482	393	458	655	658
Concerts (No.)	1 723	1 281	3 654	4 313	4 504
Concert (1 000 visits)	749	426	994	1 562	1 794
Concert (No. of visits per 1 000 persons)	72	42	99	158	182

Source: Central Statistical Office.

Note: * From 2008, statistics include independent / alternative theatres, too. Only classical music is included under concerts; from 2008, statistics cover a fuller range than previously.

Table 10: Museum visitors, 1990-2013

Year	Number of museums	Visits (million)	Visits per thousand inhabitants
1990	754	14.0	1 349
2000	812	9.9	987
2010	647	9.4	946
2011	645	8.4	845
2012	672	8.4	840
2013	699	9.1	923
2014	700	9.6	969
2015	700	9.7	984

Source: Central Statistical Office.

Besides the downsizing of a few museums (categorising them as exhibition places only), an important reason of the decrease in numbers was the absence of large scale central exhibitions in 2011-2012. In 2013, however, both the Museum of Fine Arts (*Szépművészeti*) and the National Gallery (*Nemzeti Galéria*) attracted increasing numbers (e.g. "From Caravaggio to Canaletto"). From 2016 the closing of the Museum of Fine Arts due to reconstruction will probably be reflected in the attendance figures.

8.2.2 Policies and programmes

Events such as the World Days of Music, the Day of Open Heritage, ICOMOS International Day on Monuments and Sites, the Night of Museums, the Month of Libraries etc., are becoming increasingly vigorous and public subsidy accorded to them is also becoming increasingly well planned. Public relations activity for these events is highly professional and their influence over the public is growing.

The Night of Museums, held on Midsummer's Night for the 13th time in 2015, boasts hundreds of thousands of visitors across the country. 2014 was a record year regarding number of visitors outside the capital.

The government declared 2015 the year of the prisoners and forced labourers taken to the Soviet Union in 1945. In the frame of the year, cultural projects and researches of civil organisations, local governments and natural persons will be supported in 2016.

For the 60th anniversary of the 1956 revolution, calls were announced for art projects of different genre, in an amount of 15.7 million HUF. The art tender is coordinated by MMA. Furthermore, a public foundation under the coordination of the director of the House of Terror coordinates six programmes – ongoing open calls until 2017 – through which organisations and individuals may apply for a maximum of five million HUF with art, research, educational projects. In total, 13.5 billion HUF is assigned from the state budget for the 1956-remembrance year.

The Carpathian Basin Hungarian Legendary Programme 2016-2018 is an educational and community building project with strong cultural component, aiming to integrate Hungarians living within and beyond the boarder has received the first instalment of 230 million by government decision.

For the 135th anniversary of the birth of Bartók Béla, 2016 is declared Bartók-year by government decision.

8.3 Arts and cultural education

8.3.1 Institutional overview

The training of artists and musicians in Hungary is available at elementary, secondary and tertiary level schools. There are currently (2012) 739 institutions of basic education in art and music, with 2 553 affiliates. Some eight and a half thousand teachers train about 245 000 pupils (two-thirds of whom are in the field of music). At the secondary level there are about 30 000 enrolled pupils.

Arts education in public schools receives an annual subsidy from the central budget. For the academic year 2011/12, basic arts educational institutions received 21 386 million HUF (ca. EUR 75 million).

Professional arts education and training have a long-standing tradition: the University of Fine Arts was established in 1871, and the Franz Liszt University of Music, one of the most prestigious music universities around the world, was founded in 1875 (with the personal involvement of Liszt). In institutions of higher education, some hundreds of teachers trained about 4 000 students in 2011/12.

8.3.2 Arts in schools (curricula etc.)

The latest curriculum of 2012 defines key competences, development fields and educational objectives. None of the development fields is related directly to art education. One of the nine key competences is aesthetic / artistic awareness and expression (in accordance with EU recommendations).

Table 11: Recommended amount of lessons (in %) per education fields, National Curricula 2012

Education Fields	1-4th grade	5-6th grade	7-8th grade	9-10th grade	11-12th grade
Hungarian Language and Literature	27-40	15-22	10-15	10-15	10
Foreign Languages	2-6	10-18	10-15	12-20	13
Mathematics	13-20	13-18	10-15	10-15	10
Society	4-8	6-10	10-15	8-15	10
Nature	4-8	6-10	15-20	15-20	10
Environmental Studies	-	2-4	4-8	5-8	-
Arts	14-20	10-16	8-15	8-15	6
Informatics	2-5	4-8	4-8	4-8	4
Lifestyle	4-8	4-10	4-10	4-8	-
Sport	20-25	20-25	15-20	14-20	15

A minimum of two weekly "Singing and music" lessons and one "Drawing" lesson are included in the curriculum of primary and secondary schools.

From September 2001 a new obligatory subject called "Drama and Dance" was introduced in primary and secondary schools as part of the new framework curricula. The minimum is 18 classes a year but schools may optionally spend more hours on the subject.

These measures are based on reforms in teacher training. The following certificates are now available:

- drama teacher (*Decree 8/1998, XII. 1 of the Ministry of Education*);

- game and leisure time teacher (*Decree 25/1999., VII.6 of the Ministry of Education*); and
- dance and drama teacher (*Decree 20/1999., IV. 21 of the Ministry of Education*).

Cultural heritage studies are available at three universities or colleges in Hungary. (Roma Cultural Heritage Studies planned for Eger have not been launched yet.) The National Centre for Heritage Management and Services (*Forster Gyula*) has initiated a training programme and an online forum for high school teachers aiming to integrate cultural heritage (i.e. world heritage sites), including intangible heritage (world list of intangible heritage), in the curricula.

8.3.3 Intercultural education

Intercultural education is part of the general framework curricula however no specific subject is dedicated to this issue. The main goals of intercultural education programmes are common national values and identity, world cultures, religions and traditions in general, and more specifically the Roma integration. Yet Roma culture and history are not an integrated part of the national curricula (i.e. history lessons); instead, Roma are mentioned as an "issue", a problem in separate chapters; this caused recent debates about the curricula, which has remained on the civil level (for state level text book policy see chapter 4.2.3). The Institute for Educational Research and Development (*Oktatáskutató és Fejlesztő Intézet*) has recently published a volume on the representation of World War I and the subsequent peace system in the History textbooks of the new independent countries of Central Europe.

8.3.4 Higher arts education and professional training

At BA level, students can choose from 22 higher educational programmes, while at MA level, 36 are available in seven different fields (architecture, film and video art, crafts / applied arts, visual arts, multimedia, dance and music). Apart from the programmes within the Bologna system, ten educational programmes stayed in their old one-tier system which is the only higher educational form providing theatre arts. Students may choose from a variety of universities and colleges around the country, counting six art-specified universities and six universities providing arts education, producing nevertheless ten-twentyfold over-application.

Three more – rather specific – higher educational institutions can be found in Hungary. These licensed foreign institutions are a French design academy, a French fashion design school and a branch of the Vienna Konservatorium.

In the field of cultural management, four more (drama, motion picture, visual and music culture) educational fields are available at BA level providing eight different programmes.

8.3.5 Basic out-of-school arts and cultural education (music schools, heritage etc.)

Information is currently not available

8.4 Amateur arts, cultural associations and civil initiatives

8.4.1 Amateur arts and folk culture

The strength of Hungarian amateur cultural activities lies in the good infrastructure and the network of "*művelődési házak*", houses of culture (see also chapter 8.4.2). Cultivating folk culture is traditionally a basic function of these institutions. This evolved into the mainly grass root phenomenon of "dance houses" from the 1970s but is still popular today, where traditional peasant dances are being learned and enjoyed.

PanKKK is an acronym for the programme, started in 2005, to benefit (mainly non-professional) pop and rock groups of the younger generation. Grants were given in various forms, their size ranging from as little as EUR 200 to EUR 14 000. Yearly, some 1 500 concerts, 20-first albums, 4-5 international tours, 40-50 music clubs and 40-50 groups got funds for an exchange of concerts with a selected foreign group. PanKKK was closed in July 2010.

The Hungarian Heritage House (HHH) is a national institution founded in 2001 and maintained by the Ministry of Human Resources. It serves as a platform for associations and groups preserving folk culture and citizens to meet through numerous performances and interactive, educative programmes. HHH also provides further education for cultural managers in the field of folk arts.

8.4.2 Cultural houses and community cultural clubs

Although political control of the communist system over the "houses of culture" caused them harm after the fall of that regime, the network of multi-purpose cultural institutions all over the country has re-gained its position. These institutions give homes to the cultural associations and amateur groups in all sectors of culture. Although they run programmes that may be labelled as adult education, social policy or youth policy, and many of them act as public Internet centres etc., in Hungary "művelődési házak" (local community centres or socio-cultural institutions) have always been considered part of the cultural sector. In a number of smaller towns and villages local cultural policy is almost synonymous with maintaining the house of culture, absorbing the greater part of the cultural budget.

Table 12: Local community culture, 2000-2014

Year	Number of community cultural institutions ("művelődési házak")
2000	3 265
2005	3 778
2010	2 924
2011	2 878
2012	2 824
2013	3 105
2014	5 331

Source: Central Statistical Office.

We found no explanation for the sudden growth in the number of culture houses.

To illustrate the content, here are the types of activities that were reported in the 2 824 cultural houses in 2012:

Table 14: Content of local community cultural institutions, 2012

Type of activity	Frequency
Lectures	25 200
Other information events	5 200
Creative community activities	13 200
Workshops	9 300
Training	2 400
Exhibitions	14 400
Arts events	35 500
Folklore events	3 300
Entertainment	21 300
Community events	43 000

Source: Central Statistical Office.

The most important recent development in this area is the considerable share this sector receives from the European Structural Funds in the framework of the New Hungary Development Plan 2007-2013, as presented at chapter 4.1. In addition to the existing network, a new type of institution, the Integrated Community Service Spaces was established in the frame of the rural development programme of the EU. The hundreds of such IKSZT-s created in settlements with less than 5 000 inhabitants have cultural services too, among their functions.

A latest change is the 2016 spring decision by which the National Institute for Culture, the methodological centre of the network of community houses of culture is ordered under the charge of the Lakitelek Folk High School, a conservative non-governmental foundation in the countryside.

8.4.3 Associations of citizens, advocacy groups, NGOs, and advisory panels

There are numerous art and cultural associations in Hungary among which one can find the following advocacy groups addressing cultural rights management:

Name	Name in English	Stakeholders	Web address
ARTISJUS Magyar Szerzői Jogvédő Iroda Egyesület	Society ARTISJUS Hungarian Bureau for the Protection of Authors' Rights	Composers, lyricists, literary authors, audiovisual artists, film writers, film producers, visual and applied artists, performing artists, phonogram producers	www.artisjus.hu
Művészeti Szakszervezetek Szövetsége Előadóművészi Jogvédő Iroda	Bureau for the Protection of Performers' Rights	Performing artists	www.eji.hu
FILMJUS Filmszerzők és Előállítók Szerzői Jogvédő Egyesület	FilmJUS Hungarian Society For The Protection Of Audio- Visual Authors' And Producers' Rights	Cinematic creators (director, cameraman), film writers, film producers	www.filmjus.hu
HUNGART Vizuális művészek Közös Jogkezelő Társasága Egyesület	HUNGART Collecting Society of Hungarian Visual Artists	Visual and applied artists, photographers, architects, industrial designers, creators of creative technical facilities	www.hungart.org
Magyar Hanglemezkiadók Szövetsége	Hungarian Recording Industry Association	Phonogram producers	www.mahasz.hu
Magyar Szak- és Szépirodalmi Szerzők és Kiadók Reprográfiai Egyesülete	Society for the Reprographic Rights Of Professional Non- Fiction, Fiction Authors And Publishers	Literary authors, scientific literature authors, book publishers and magazine publishers	www.maszre.hu
Repropress Magyar Lapkiadók Reprográfiai Egyesülete	Repropress Association for the Reprographic Rights of Publishers	Publishers of periodicals	www.pressjus.hu

Focusing on their specific target groups, the aforementioned organisations address copyright and cultural rights protection as legal bodies.

9. Sources and links

9.1 Key documents on cultural policy

No major printed publication on Hungarian cultural policy is available in English.

Culture and the Structural Funds in Hungary, EENC Paper, 2012,
<http://ec.europa.eu/culture/our-policy-development/documents/report-structural-funds-hungary.pdf>

WIPO: *National Studies on Assessing the Economic Contribution of the Copyright-Based Industries*. Geneva: WIPO, 2006, ISBN 9280515535 (contains a chapter on Hungary, see also chapter 4.2.6).

For further information, please consult the recommended web sites provided for in chapter 9.2.

9.2 Key organisations and portals

Cultural policy making bodies

Ministry of Human Resources
<http://www.nefmi.gov.hu/english/culture>

Hungarian Academy of Arts
<http://www.mma.hu>

Grant-giving bodies

National Cultural Fund
<http://www.nka.hu>

National Film Fund
<http://www.filmalap.hu>

Culture / arts portals

Cultural Portal of the Ministry of Human Resources
<http://www.culture.hu>

Cultural statistics and research

Central Statistical Office
http://portal.ksh.hu/portal/page?_pageid=38,119919&_dad=portal&_schema=PORTAL

Hungarian Institute for Culture and Art
<http://www.mmikl.hu>

Budapest Observatory (Regional Observatory on Culture in East-Central Europe)
<http://www.budobs.org>