

OPEN SOCIETY  
IN HUNGARY

**HIGHLIGHTS  
FROM OVER  
30 YEARS OF THE  
OPEN SOCIETY  
FOUNDATIONS  
IN HUNGARY**

OPEN SOCIETY  
FOUNDATIONS

Today, the Open Society Foundations fund hundreds of groups all around the world who share our vision of a more just world where everyone has equal opportunities and protections, and where everyone can have a say in how they are governed. This work, which now extends to more than 100 countries, began in 1984 in Hungary, when George Soros, the hugely successful Budapest-born investor, set up his first philanthropic foundation in what was then a Communist country. Over the coming years, the development of what was called the Hungarian Soros Foundation reflected the dramatic political events that unfolded in Hungary, and helped set the priorities that guide the Open Society Foundations today.

### **HOW DID THE OPEN SOCIETY FOUNDATION START IN HUNGARY?**

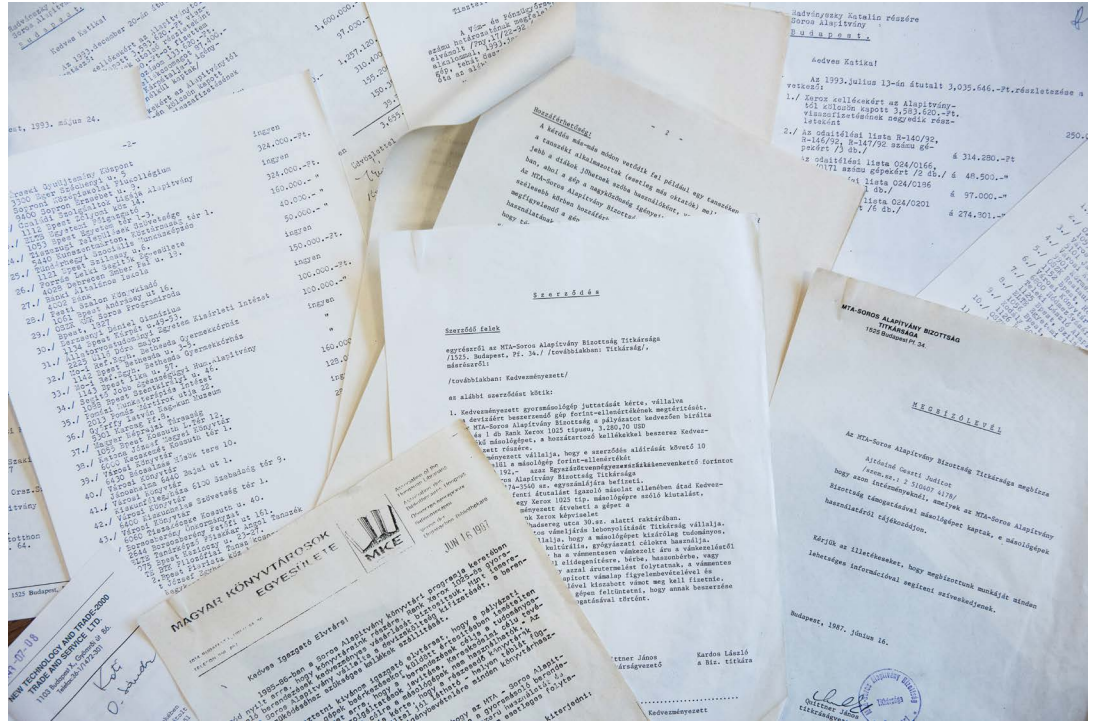
In 1984, Hungary was still a one-party state, controlled by a Communist Party that was flirting with free market reforms. Soros believed that the Communist system was doomed to fail, and sought to help Hungary prepare for a democratic future. In its earliest days, the new foundation, known as the Soros Foundation until 2007, set out to identify and fund reform-minded organizations that were organized along participatory lines, outside direct party control, such as self-governing forums of university students.



George Soros signing papers establishing the foundation in Hungary, 1984

## WHAT WERE THE FOUNDATION'S EARLIEST EFFORTS IN HUNGARY?

During the 1980s, in the pre-internet era, Hungary's Communist authorities strictly controlled photocopiers as a way of controlling the dissemination of information. One of the foundation's main tasks in this period became distributing photocopiers to universities, libraries, and civil society groups, breaking the Communist party's monopoly on printed information.



Xerox Project audit documents, 1987

By 1989, it had become clear that the transition to democracy was inevitable. As the old order collapsed, the Soros Foundation opened a \$1 million fund to support newly developing democratic organizations. This did not include political parties, although some of the organizations funded turned into political parties when free elections were eventually held—most notably the Alliance of Young Democrats, a student reform group founded in 1988, that turned into the then centrist Fidesz Party.

Hungary's current prime minister, Viktor Orbán, was the recipient of one of the many Soros scholarships for study outside Hungary given out during this period, spending time at Oxford University in 1989, as part of an effort to expose Hungary's rising political class to the workings of multi-party democracy.

## HOW DID THE FOUNDATION RESPOND TO THE END OF COMMUNISM IN 1989?

With the collapse of the Communist system after the fall of the Berlin Wall in November 1989, the foundation expanded its work dramatically, with two principle objectives. On the one hand, the foundation continued to support Hungary's fledgling independent groups that are an important part of a modern democratic state. On the other, it sought to sustain ordinary Hungarians as they faced economic and social upheavals associated with the end of Communism.

Soros, who had suffered through the deprivation of the war years as a teenager, was well aware that the transition was a difficult time. So, in 1991, his foundation helped develop and began providing funding to a new, highly successful school milk program, which ensured that school children in schools in Budapest were given a glass of milk and a pastry every day for breakfast.



Children participating in the school milk program, 1991

In another response to the challenges of the transition, the foundation provided support for both magazine and book publishers, many of whom had been stripped of state funding, and similarly stepped in to help save the collections of numerous museums and libraries across the country.

## **WHAT DID THE FOUNDATION DO TO BOLSTER CRITICAL THINKING IN NEWLY INDEPENDENT HUNGARY?**

In 1991, Soros continued his efforts to cultivate intellectual life in Hungary and the region, using his personal funds to establish Central European University (CEU) in Budapest. Envisioned as a center for free intellectual debate that would shake off the stultifying effect of decades of totalitarian suppression, the university has now hosted more than 13,000 students from over 130 countries around the world, introducing a lively stream of internationalism into Budapest's cultural life.

As Hungary's national education system responded to the political changes underway, the foundation supported a modernization program that involved kindergartens, secondary schools, and universities. In some years, the foundation's education spending rivaled the total state education budget.

Ensuring access for everyone to quality education remains a central part of the work of the Open Society Foundations.

## **WHY DID THE FOUNDATION SUPPORT HEALTH CARE REFORM IN HUNGARY?**

Amid the economic disruption of the 1990s, Hungary was confronted by the spread of infectious tuberculosis that was three to four times more prevalent in Hungary than it is today, with much higher rates of infection among poorer Hungarians. In the homeless population, the rate was 10 times the average. To combat TB, the Open Society Foundations launched a large-scale screening program in conjunction with the Hungarian Charity Service of the Order of Malta, hospitals, and pulmonary clinics. A mobile TB screening bus with a staff of specialists toured the country, and social workers were also involved in the treatment process alongside medical staff. The Hungarian Ministry of Health started supporting the program, and beginning in 1999, the National Health Fund adopted it.

At the same time, the Open Society Foundations engaged in wider efforts to improve the health care system. Its first large-scale programs donated equipment, set up training courses, and improved services for the economically disadvantaged. At today's prices, the Open Society Foundations have spent nearly 17 billion HUF on foreign training for doctors, on new equipment, and on modernizing health care. State hospitals were provided

the medicines and surgical equipment they lacked. The Hungarian foundation launched a large-scale ultrasound procurement program, at a time when these machines were not available in hospitals, and organized diagnostics training courses for the operators. The Open Society Foundations also initiated the production of patient information leaflets that are routinely made available to patients.

In addition, the Open Society Foundations supported a new, modern hospice movement, which supports patients in the final stage of life. Today, home care is available throughout the country and some 70 organizations perform hospice-oriented end-of-life care for cancer patients.

Alongside this work, with its focus on ensuring the provision of health care and education for everyone, regardless of how much money they have, the Open Society Foundations have become a leading advocate for Hungary's Roma people. Here again, education has also been a priority, with the Foundations' scholarships helping thousands of young people complete their studies, while other work sought to improve living conditions and employment prospects for Roma.

## **WHAT DO THE OPEN SOCIETY FOUNDATIONS DO IN HUNGARY TODAY?**

In 2004, Hungary joined the European Union; in 2007 the Hungarian Soros Foundation ceased operations and the Open Society Institute–Budapest, which was formed in 1993, became the main arm of the global network of the Open Society Foundations in Hungary, hosting programs and initiatives working on issues around the world.

Hungary continues to have an important significance for George Soros and the Open Society Foundations. As the global financial meltdown of 2007–8 ravaged Hungary's economy, a special Emergency Fund was set up to help those most affected. The Open Society Foundations also contributed \$1 million in immediate assistance in the aftermath of the 2010 Ajka “red sludge” industrial disaster, in which the collapse of a dam at an aluminum plant released a flood of toxic sludge that resulted in 10 deaths and caused extensive contamination of waterways, including the Danube.

Clean up efforts after the “red sludge” industrial accident, 2010



The Open Society Foundations still continue to fund groups in Hungary, providing around \$1 million a year to over 30 Hungarian NGOs who work on issues such as promoting independent journalism, tackling corruption, and combating discrimination.

Community organizing is another pillar of this work. In cooperation with the Civil College Foundation, the Open Society Foundations support 15 NGOs around Hungary to tackle local issues at a local level and mobilize people to improve their communities. Another contemporary project supports the Tilos Cultural Foundation which operates Tilos Radio, Hungary’s oldest community radio station.

This work reflects the human values that have shaped the Open Society Foundations’ work from our beginnings in Budapest more than three decades ago. It will continue to do so as we face the challenges of the future.