



Homecoming Forum™
March 8, 2003
Embassy of Hungary

Conference Summary

The *Homecoming Forum* took place at the Embassy of Hungary on March 8, 2003, under the patronage of Ambassador András Simonyi with the participation of the “New Generation of Hungarian Professionals,” that is, Hungarian students and professionals currently studying or working in the United States. The goal was to capitalize on the talents of this group and discuss ways in which they can be useful to Hungary, either by returning to share their skills in the Hungarian economy or by supporting projects, which benefit Hungary’s transformation in the 21st century from the United States. Also invited were Hungarian-Americans who have sponsored various exchange programs or programs in Hungary to acquaint young Hungarians with American attitudes, skills, and know-how.

Support for and interest in the Forum also came from other official Hungarian agencies. Bálint Magyar, Minister of Education, sent a letter emphasizing that healthy competition and attitude change are values that help Hungary in the global race. The Hungarian Academy of Sciences joined in welcoming the Forum in a letter that drew attention to the value of non-European Union R&D systems and to maintaining their proportional presence in the run up to the EU accession. It further encouraged a proposal from the Forum on ways in which its goals could be implemented through programs of the Academy.

The genesis of this one-day forum came from a discussion between Ambassador Simonyi and members of this “new generation.” Four of them worked out the logistics and themes of the conference, and prepared this final document. There had been some initiatives earlier, but these had been limited in scope (a meeting of those working in the medical field) and there were no results as matters died in administration. The organizers of this forum will insure continuity and establish a framework that ensures its momentum regardless of political changes.

It was noted that this is a historic moment, and while the need and even desire for such a forum has been true for the past 12 years, it was only now that several factors came together to make it a reality. One was the confluence of a group of active and concerned young professionals and an active and committed Ambassador. A certain “critical mass” has been reached among the former. The need for attitude changes necessary in Hungary for the country to take full advantage of its role in the new global economy has been recognized, and this can best be facilitated by the active involvement of young professionals who have acquired these attitudes in their years of study and working in the United States. Such value transfer, and the reversal of the “brain drain,” on the

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other hand, is often hindered by bureaucratic hurdles, lack of communication and contacts that would match needs with the skills of these students and professionals, and jealousy and fear of losing jobs to the US-trained. The Forum focused on rational and qualitative two-way exchanges.

What role could this Forum play in reaching out with its message and mission to Hungary's elite? How could it expedite the mindset change by showing that Hungary can leapfrog the countries, which it has traditionally followed? This Forum is to be a milestone, which marks the formation of a 'new' elite: one that selectively picks, acknowledges, and imports American values which can create a comparative advantage for Hungary, and which will recognize and build on the undercurrents that take the country to the forefront. The challenge is

- To translate this mission into practical steps and action items
- To raise awareness
- To buy ownership and support through strategic communication.

European Union accession is also bringing paradigm change: Hungary has to choose between becoming a modern, competitive, deregulated country which welcomes innovation and offers incentives to a healthy flow of intellectual and financial capital, or it can slide back into over regulation and excessive central control. This new generation can position the country towards the former.

The discussion provided an ideological framework and the *raison d'être* for the Homecoming mission and was divided into four major themes:

1. *Contra Brain Drain*
2. *Value Transfer*
3. *Contributions of the New Generation Hungarians from the US*
4. *Legal Questions*

It became clear, however, that these topics often overlap, and in particular that legal questions permeate all of the other approaches. Thus, this report reflects a slightly different organization. The sections on *Contra Brain Drain* and the *Contributions of the New Generation of Hungarians* address the objectives of the forum while *Value Transfer* explores more efficient ways in which the values that can be of advantage to Hungary in the global economy can be most efficiently transferred to Hungary.

A goal of the Forum was to draft an action program based on positive suggestions and to avoid the bureaucratization of the initiative. As such, the Forum is to remain independent but work closely with both the public and private sector. The Ambassador assured his continued interest and sponsorship, suggesting in the closing remarks that the meeting be repeated each year, with more and different participants.

The first question is what prevents young professionals from returning to Hungary? What are the roadblocks that discourage or even deter them from moving back home? As it became evident from the discussions, the issues that returnees may face vary by professions. The situation for practicing doctors, researchers, academics, IT professionals, MBA graduates, and lawyers are

very different from one another. It was noted that whereas most doctors look for opportunities to stay in the US as soon as they step off the airplane, MBAs cannot wait to return since their earned degrees and experience lends them promising prospects in Hungary. Keeping the variance among professions in mind, it was found that the problems fall into the following three categories: working conditions and salary levels, legal issues, and cultural/social factors.

Working conditions and salary levels in the US are difficult to match. At present, certainly, Hungary cannot compete with the funds available for research, the compensation levels for researchers, and the variety and quality of equipment in research labs. However, these inequities can be addressed. Salaries are relative to living expenses; that is, a seemingly high salary in New York City may, in fact, have less purchasing power there than a comparable Hungarian salary in Budapest. It is possible that the Hungarian salary for the same job may result in higher living standards for the individual. The lack of research equipment and the inferior research conditions may be addressed by attracting more FDI into Hungary, and by encouraging US and other companies to transfer that research divisions to Hungary.

There are administrative roadblocks that either discourage or make the return home more difficult, even when the government has proposed programs to make it easier. Uncoordinated application requirements and deadlines preclude students abroad from applying for repatriation scholarships, or force them to sign contracts here to ensure a job when there is no guarantee of an offer in Hungary.

Cultural and social factors are maybe the most pervasive and most difficult to combat. Returnees often face disadvantages for job placements. These stem from envy among colleagues who did not have a chance to study and work in the United States, and are exacerbated by the close social and professional networks already in place in Hungary. In order to get into good positions, one must have good connections rather than simply the necessary qualifications and experience. As one participant put it, "if they have not seen your face in the last few years, you will hardly get in." Another participant from the medical field pointed out that age is often the determining factor in deciding who gets to perform surgery in Hungarian hospitals, despite the fact that a young doctor returning from resident training in the US may well have performed more operations and consequently gained more experience than a colleague in Hungary. In sum, the opportunities for professional advancement in Hungary are often not merit-based, but rather decided by age and connections.

There needs to be a support network established for returning young professionals that aids their reintegration into the job market, as well as their cultural re-adaptation. But it should not be a unidirectional process. The whole idea of cultural exchange is to familiarize the individual with the traits of the host culture, which they can share and promote upon returning to their home country. Consequently, young professionals should return from the US fully equipped with the values and principles Americans are famous for: individualism, entrepreneurship, mobility, optimism, and self-confidence. In particular, they must set examples in being proactive and audacious, future-oriented in their attitude, less dependent on the state, and capable of starting over again after failures. Many believe that one cannot start developing these traits early enough. One participant cited the example of a high school "Wall Street Club," where students can interface with successful individuals in the private sector. Perhaps some of students will choose

them as role models, instead of popular cultural icons. Perhaps business education should be part of the secondary school curriculum.

Yet, even before returning home, much can be done to facilitate the process. Young scholars and professionals have to be kept connected to the homeland. They need to feel that their country needs them and cares about them. For one, their attachment to Hungary may be fostered by providing them with opportunities to carry out their civic duties, to participate in elections and referenda, to encourage them to join Hungarian academic and professional organizations, to invite them to attend conferences and symposia, or publish in scholarly or trade journals in Hungary. This should also lead to their being better integrated into the professional networks that assist in job placements. As an example for academic co-operation, one participant who is teaching at a university in the US mentioned that she was directing the thesis of a student in Hungary. Another opportunity for co-operation could be joint research projects or grant proposals between Hungarian scholars in the US and in Hungary. What is needed, however, is an institutionalized form of registering these projects and grants, and bringing the interested parties together.

Upon returning to Hungary, these young professionals can form support groups and alumni networks, which then can mentor new returnees and help them re-adapt to Hungarian professional and public life. Alumni networks are a valuable practice in the US well worth importing to Hungary. There are already a few in place; for instance, the organization of ELTE graduates in physics who continued their studies abroad. In this alumni network, expatriates share the financial burden of running these professional networks in their former alma mater. For them, providing this financial support is often “immaterial” as their disposable income is higher than that of their home country peers. This is one way to channel back financial and intellectual capital to Hungarian institutions. The US Chapters of the Central European University and Hungarian Chapters of American universities also serve as models.

Positive orientation, entrepreneurial spirit, and a go-getter attitude described many of the conference participants and their stories contrasted their experience with the often-discouraging atmosphere of Hungary. A positive mind-set has to be encouraged in Hungary to counter the passive attitude inherited from the socialist regime. “Learned helplessness” fostered by this passive attitude, needs to be combated among Hungarians. Transplanting positive values to Hungary can be achieved by encouraging young professionals to return to Hungary to serve as catalysts of change. Entrepreneurial spirit also needs to be strengthened in Hungary. Business ‘failures’ stigmatize the entrepreneur in the society financially, legally, as well as socially. This hampers the establishment of small and medium size enterprises and discourages larger/multi corporations to invest in Hungary and to set up joint ventures with local partners. Legislation which provided more protection would be a step in the right direction, but the real task is to change attitudes. Making information available on setting up businesses in Hungary would facilitate startups and foster a network of entrepreneurs.

There are existing avenues for exchanges on various levels, but these need to be better known and better coordinated. Also, exchanges are relatively lacking in the public sector, and should be encouraged. Internships in Congress and at the White House, as well as other government (federal and state) can be investigated; interested persons from the US could be invited to similar

positions in the Hungarian Parliament, the ministries, or in local governments. Existing exchange programs need to be supported and expanded. The Fulbright program is the most useful in training Hungarians in American know-how and values, but can only reach a small percentage of the population. The Balassi Institute focuses on providing education in Hungary for 2nd and 3rd generation Hungarian-Americans and so indirectly contributed to value transfer. There is a need for exchanges for medical students and opportunities for US clinical practice for young physicians.

It was raised that the lack of demand is not the primary reason why these exchanges do not materialize; it is mainly an “awareness” issue that these opportunities are not public knowledge. It was also noted that lack of persistence and self-confidence are factors that discourage applications. The solution is information distribution; demand will follow. In specific:

- Enter opportunities into relevant databases;
- Publish them in academic institutions;
- Circulate information through adequate communication channels;
- List them on the Internet;
- Create framework and designate institution(s) responsible for the management of these programs.

Even when “homecoming” does not occur, the question remains: how can Hungarians living in the US contribute to the development of Hungary and play an active role in value transfer. The existence of this Forum demonstrates the importance and timeliness of this idea. The overwhelming majority of participants and organizers are Hungarians currently living in the US. The vast pool of current resources exposed by this rich network must be cultivated and their exchange facilitated. Enthusiasm needs to be maintained and stimulated by making results and productive processes possible.

Hungarians living in the US are constantly forming the image of Hungary. Common perception is composed by many individual interactions and experience. Representation of the interest of Hungary must be acknowledged on all levels, and individuals should strive towards the most effective means. Among others, this intent may manifest as organization of professional trips or academic studies to Hungary. Working at large scale international companies may also raise many valuable opportunities to foster interest and positive perception.

As mentioned earlier, there is demand among 2nd and 3rd generation Hungarians towards working in Hungary. To create better access for these applicants, we need institutional support, resource databases, and PR to share the news about the existence and availability of these resources. To lower the cost of this undertake, many of us would be glad to volunteer to advance this initiative. In addition to individual support the public and private sectors could proportionately contribute to make this venture a success. The proposed virtual market place would connect the supply and demand sides, minimize transaction costs, and maximize return on assets that have not been, so far, put to their best use.

Another area that was acknowledged is the raising and education of children in Hungarian families. There are resources already available, such as Hungarian Scouts, summer camps, and

academic opportunities in Hungary. However, the need for wider support is apparent. A participant presented a positive personal example. Young Hungarian-Americans, while maintaining a full participation in the US educational systems, often study several months in Hungary.

The Smart Hungary program integrates well into the set of topics to which Hungarian individuals living in the US can contribute, and later on, take advantage of. It promotes the attraction of investment that is mainly focused on opportunities for a highly qualified workforce. By using influence and connections, or simply by providing information, persons plugged into the business flow of the US economy are very well positioned to shift the attention of capital towards Hungary.

Several other constructive examples came from the participants that demonstrated how US experience and knowledge could be made beneficial at home. A neurologist going home for vacation hosted a discussion for Hungarian specialists. Residency was a further key theme conferred. Hungarian experts started working on a paper that will compare the state of resident education. It will intend to focus on a few alternations that can explain certain qualitative divergences.

In similar initiatives, the importance of personal relationships cannot be emphasized enough. The maintenance and continuous development of existing associations must be facilitated. This network structure will be a most valuable channel for transferring real assets. As an example, the assistance of Hungarian researchers at the National Institutes of Health was mentioned in obtaining a special drug that was not available in Hungary directly from the US producer for a Hungarian patient. They also actively participated in the patient care process, thus, directly contributing to a successful recovery.

There are several other examples of volunteering knowledge and resources. If professionals across disciplines try to help on a personal level, it can mount to a great level of contribution. We should all keep our eyes open for opportunities that can be exploited. This is an important mindset and attitude that need to be supported and promoted.

The significance of Public Relations was a recurring theme during the conference. It was stressed many times in numerous contexts. By the nature of such image building, professional management and planning is a necessity. Associated activities ought to move beyond self-organization and spontaneous manifestation.

In the past year, the occasion of the anniversary of Kossuth's visit to the US lent itself for the cooperation of both private and public sectors. A cultural institution in Hungary composed a poster collection based on this trip. As one of the former stops, the Hungarian community of Buffalo was asked to organize a showing. The readily available material made it possible for university students to coordinate the exhibition that became a great success. More than 200 people attended, many of whom were of Hungarian origin. This type of low cost but very effective PR can foster the creation and education of a "*Friends of Hungary*" circle, which would fertilize the thinking of opinion leaders and decision makers regarding Hungary.

This idea of connecting clusters of Hungarian expatriates and members of the Diaspora with each other and to the land of origin culminated in a “*United We Stand as Hungarians*” message. The outcome of this Forum lends itself to replication. Replication not only in Washington and in New York, but from coast to coast in the US, and around the globe. Public Relations and strategic communication are to be harnessed to connect these clusters and to carry out a campaign that delivers the values and ideas to Hungary. PR and communications have to be conscious and strategically designed. The central message is that this new generation can multiply its leverage. In addition to the knowledge base and expertise of the historic emigration, the post-1990 generation can act in more unity and more freely.

One participant observed that, “Hungary is more American than Western Europe.” This observation triggered a discussion on defining what is meant by “Western.” Is it Western Europe or America? In light of the war with Iraq and the alleged unilateralism of the US, American values are not in vogue. With this Euro-Atlantic backdrop, it is not surprising that a large portion of the Hungarian elite declines American values. Yet, Hungary is happy to cash in the profit and gains that American values generate.

For these initiatives to be truly successful, a layer of the expatriates have to be seen leaving for home. What leads to this voluntary repatriation is a combination of personal decision and encouragement by the state in the form of adjustment of its institutions/legal framework/apparatus to better accommodate returning expatriates. Sweeteners that do not require long bureaucratic procedures, financial sacrifices, and complex overhauls should be considered as the first step.

Another message of this Forum is that there are no lonely fighters. Many across the US face the same problems. The critical mass is in the making. In our world of open borders, capital is free to flow; and it flows into the direction where it expects higher returns. It is Hungary’s turn to show that its intellectual capital will be rewarded with increasing return. Those who chose to return will see a country where conditions are continuously improving, which behaves as partner for businesses and host of ideas. The message is that Hungary can make this decision easier for expatriates by improving the conditions and offering incentives.

The value transfer section encapsulates the challenge of this mission. It is difficult to transplant ideas, ways of thinking, and attitudes between cultures. Using caution, voicing reservations and objections, installing measures of protectionism in this global exchange, especially when the relationship is asymmetric, is natural. However, when facing an opportunity, one must evaluate and seize it. This Forum is a catalyst to move us ahead on this path. It is difficult to say what the exact institution, the framework, the concrete steps and tasks are that this Forum can contribute with to the automatic value exchange that is ongoing globally. But it can certainly expedite this organic process and facilitate the convergence of ideas, professionals, and attitudes. The most important, and indeed a difficult step was that we are sitting here together and attribute value to the theme and mission of this discussion.

Successful solutions to the problems raised at this conference have to come from a combination of government and the private sector initiatives. Government endorsement and support are important, but many exchanges and initiatives should be in, or with the involvement of the

private sector. Given that in Hungary many more areas are in the public sector (health care, education, research) cannot be negligible

The Washington forum generated interest and activity in New York as well. The goal of the original forum was to create similar events all over the US bringing Hungarian expatriates together and create communication channels between them. The representative of the Ministry of Education committed to explore opportunities to create a similar forum in Hungary.

In addition, there were two concrete ideas brought forward. The first one is a publication that would start with this document, list issues and problems related to Homecoming and the solutions to them, as well as resources for new returnees. Furthermore, it would contain success stories by returnees similar to the well-known American legends of those “who made it.” The organizers are coordinating with the Hungarian Government to put this publication together.

It is important to underscore that these professionals represent success stories. It was proposed that, perhaps, by seeing more success stories from returning expatriates or professionals who channel back capital, intellectual or other, more would consider returning to Hungary. Better coverage of successes could be a booster. The *American Hungarian Panorama* has been successful in covering the Hungarian Diaspora around the world. They provided policy, cultural, and other coverage on events and issues, which have an impact on the relation of the expatriates with Hungary. It was suggested that complementing the efforts of the *Panorama*, such as the “Who Is Who in Hungarian America” an online database/media marketplace could be created to tap more into existing but not exploited news resources on the achievements of Hungarian talent.

The second one is the development of an online resource center for Hungarian students and professionals in the US that includes a job database specifically tailored to Hungarians with American academic education and professional experience. This database would provide the opportunity for Hungarian private and public sector organizations to recruit Hungarians from the US, while it would also assist young Hungarian professionals in the US to find out about employment/professional opportunities in Hungary. Moreover, Hungarian companies planning to establish US businesses could also use the database to locate Hungarian partners or future employees already in the US. We are proud to announce that this online resource center/job database is in the making. We will cover the details in a separate document.

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