

Orbanization of the Magyar State: Hungary in the Past 30 Years?



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I remember Budapest from the early 1990s. The otherwise beautiful city was clad in gray filth. Dirty concrete and unimaginative buildings cast their shadows over boxy smog-spitting cars. This is how I remember it from my early childhood, when my family visited the Hungarian capital from our home in another town. Yet, a lot has changed since. I moved to Budapest twelve years ago, and modern glass buildings have sprung up in front of my very eyes, directing sunlight onto the city streets. Not without reason is it a popular tourist destination. Ruin bars, *en vogue* coffee shops, rooftop restaurants, luxury fashion designers, opulent hotels, and booming businesses attract visitors – rich and poor, from far and near, for work or leisure. The ostentatious vibe of the city is now worthy of its beauties; it masks, however, the underlying grayness still lurking within. Scratching the fashionable surface as this article intends to do, the rotting failures of the past thirty years become apparent.

The gung-ho attitude at the early 1990's in Hungary has gradually turned into resignation and fatigue over time as a result of the inertia entrenched by the political elites, as well as society's lack of willingness to take action. Communism instilled the by-stander effect by developing a dependency upon the state. The stultifying policies of the past three decades have further exacerbated the social ennui, granting the governing parties much leeway to legislate without considerable civic oversight.

It would, certainly, be an unjust oversimplification to dismiss the efforts of the democratic transition in the country as a complete and abject failure. The period of the past thirty years is much more nuanced. In order to understand it, let us take a tour through time and space, to examine the key aspects of this part of the Hungarian history

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– including foreign policy, democratic institutions, education, business, economy, freedom of the press, religion, and tolerance.

To delve below the fashionable surface and understand the *real* Hungary, let us take a short tour of the capital, Budapest.

ALL ABOARD!

We begin our journey at Heroes Square, a popular haunt of tourists, framed by stately museum buildings. There, on June 16, 1989, dwarfed by the towering central column and the vastly outstretched crowd,



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stood a young man. Eloquently, he spoke up against the communist regime, and called on the Soviet troops then stationed in Hungary to go back home. At the time, such an open opposition broke to surface the animosity of the public towards the communist governments, a strongly nurtured sentiment which Hungarians were forced to harbor within themselves secretly, lest the state apparatus took its vengeance.

On that summer day, the seal was broken. The man, standing there with youthful energy, represented the beginning of something new. He was a beacon of hope. His dream of democratizing Hungary, when he was speaking from among the statues of historic Hungarian leaders, was realized soon thereafter. Surprisingly, the name of the man was Viktor Orbán – an infamous politician now serving his 4th term as the prime minister of Hungary. A leader in his own right who for the past years has been building a new regime, which – armed with the technological advances of the past thirty years and the tricks known from the handbooks of darker times – is aspiring to entrench his power in the country for the foreseeable future.

The media is awash with articles on how Mr. Orbán departed from his democratic

ways to lead his country towards an illiberal authoritarian regime. The truth is, he could not have done it had the Hungarian society not been receptive of the nostalgic ways of more state control, and of a tough leader at the helm.

Simply put, Viktor Orbán, a defining figure of the past thirty years, is a populist. His swaying political directions change with the zeitgeist, reflect the general mood of the population, occasionally nudging it a bit to bring to surface issues that would have otherwise laid dormant.

As we start walking away from Heroes Square down the quaint Andrassy Avenue, let me set the scene again. The date is 1991, the Hungarian zeal for democracy, for a Western system, is at its zenith. It is one year after the first free plural elections, and the country is a budding democracy. People are over-saturated with a dream of prospects and prosperity.

This is the time when Pew Research Center decided to assign numbers to emotions, and conducted a poll in the region. 74% of Hungarians approved the change to democracy¹. Twenty years later, the financial crisis disrupts the world, and now only 56% of the Hungarian population is of the same opinion. Even more prominent is the drop in the support of capitalism: In 1991, Hungary was the country with the 3rd highest approval for free markets (neck and neck with the Czech Republic at 80%), by 2009, Hungary saw the largest drop in the statistics in the region, with only 46% of the population approving of capitalism.

¹ Pew Research Center (2009) *End of Communism Cheered but Now with More Reservations*. Available [online]: <https://www.pewresearch.org/global/2009/11/02/end-of-communism-cheered-but-now-with-more-reservations/>

We pass the menacing building of the House of Terror, a museum established by Viktor Orbán's first government in 2002, in a building that used to house first the Nazi Arrow Cross Party during the Second World War (WW2), then the Hungarian communist secret police (ÁVH). It is with a heavy heart that I am obliged to tell you here that, despite all the people who lost their lives or were tortured in this building during the communist rule, the aforementioned Pew research reveals that in 2009, a year before Orbán's second government, 72% of Hungarians reported that they thought people are worse off than under communism – as opposed to the meager 8% who thought the opposite. This amount of support of the previous regime was by far the largest in the region.

FOREIGN POLICY

With a couple of turns we arrive at Szabadság Tér, or – as nobody calls it – the Liberty Square, should it warrant a translation. As there are many things to point out here, let us not hesitate, but turn our attention to an obelisk-like construction, sporting a golden star at its peak.

Do not let its glistening golden varnish deceive your eyes, it is, in fact, a glorified red star of the Soviet Union. This monument was erected to commemorate the fallen troops of the Soviet army, who died "liberating" – as the official propaganda put it during communism – Budapest from the Nazis. However, just as the House of Terror changed hands while its function of terrorizing the society did not, Hungary fell from the clutches of one horrible regime into another's. For a long time, the citizens of Hungary could not appreciate the lack of Nazi occupiers, as they were too busy suffering under the communists.

And so, although young Mr. Orbán's wishes to see the Soviet troops marching back home came true soon after he openly

expressed them, the monument remained, and the relationship with Moscow has been rekindled, by the now much older and world-weary Orbán.

In 1999, Hungary joined NATO, and in 2004, it became a member state of the European Union (EU). It seemed that the country's place among the Western states solidified. Historically, Hungary has been made to sit on the fence whether to belong to the east or west – though the country usually yearned to belong to Europe. The battered relationship with Russia predates WW2. It is still a point of interest how each government conducts business with the United States, other European states, and Russia.

The socialist governments between 2002-2010 that bifurcated Viktor Orbán's rule

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were attacked – often by Orbán himself personally – for rebuilding a dangerously close relationship with the eastern power, when Hungary's place is clearly among the countries with Trans-Atlantic persuasions.

Yet, with Mr. Orbán re-seizing power, he introduced a new policy, called "Eastern Opening", aiming to strengthen ties with former Soviet states and other Asian countries. Since 2015, he has been meeting with Vladimir Putin at least once a year, even when other European leaders shunned the Russian strongman for his conduct in Ukraine.

Mr. Putin's methods seem to be much favored in Hungary. The Hungarian prime minister's strategy also involves attacking NGOs by using the same excuses as the Russians do (branding them foreign agents), taking over the media, shutting down universities, intimidating the opposition – all these steps – which will be explained further through our tour – have been copied from Vladimir Putin's playbook by the Hungarian government. The government, which is run by a man who used to demand freedom and democracy, independence of the eastern power, and closer ties – culturally and diplomatically – with Europe and the United States.

Despite Hungary joining both NATO and the EU, the relationship with the West is not at all smooth. Mr. Orbán's government scattered large billboards² (funded from taxpayer's money) throughout Hungary warning citizens that EU politicians want to settle migrants into the country, which I shall call an over-exaggeration only because claiming it

was *fake news* has been rendered *cliché* by President Donald Trump.

Speaking of the US leader, he recently hosted PM Orbán, breaking with a longstanding diplomatic custom in Washington not to meet with the current Hungarian head of the government on a high level.

Noteworthy, during President's Barack Obama's administration, certain Hungarian officials were banned from traveling to the United States on account of corruption charges³. The late Senator John McCain went as far as calling Viktor Orbán a "neo-fascist dictator"⁴.

Although with the long-coveted Orbán-Trump meeting relations seemed to normalize, the United States should have strong concern over Hungary's conduct with Russia. Recently, the International Investment Bank moved its headquarters to Budapest. Interestingly, the bank is suspected to be a Russian spy hub⁵, and so Hungary seems to have opened the door to its entry into the EU.

Furthermore, foreign policy trends in Hungary reflect the attitudes of the society, as they mutually reinforce each other. In 1992, in a Tárki Zrt. questionnaire asking people of their feelings towards certain countries (with 0 being the worst and 100 the best), Hungarians rated their sympathy towards

² Reuters (2019) *Hungary Publishes More Anti-Eu Ads Despite Pledging Halt*. Available [online]: <https://www.reuters.com/article/us-hungary-eu/hungary-publish-es-more-anti-eu-ads-despite-pledging-halt-idUSKBN-1QU1FL>

³ Székely, T. (2014) "US Embassy: Six Hungarians Got Banned". [in:] *Hungary Today*. Available [online]: <https://hungarytoday.hu/41003-2-us-embassy-six-hungarians-got-banned-27275/>

⁴ *Budapest Business Journal* (2014) "U.S. Senator Continues to Blast Orbán". Available [online]: https://bbj.hu/politics/us-senator-continues-to-blast-orban_89164

⁵ American Enterprise Institute (2019) *It Is Time for America's Eastern European Allies to Withdraw from Putin's Fake Multilateral Bank*. Available [online]: <http://www.aei.org/publication/it-is-time-for-americas-eastern-european-allies-to-withdraw-from-putins-fake-multilateral-bank/>

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ALTHOUGH WITH THE LONG-COVETED ORBÁN-TRUMP MEETING RELATIONS SEEMED TO NORMALIZE, THE UNITED STATES SHOULD HAVE STRONG CONCERN OVER HUNGARY'S CONDUCT WITH RUSSIA

the United States at 73, while Russia at 36. In 2018, people give the rates of 54, and 48 respectively, showing a downward trend for America and a warming towards Russia⁶. Meanwhile, 57% of Hungarians view the EU favorably, while 39% unfavorably, compared to the 63%–37% median among surveyed member states in a Pew Research Center poll⁷.

Hungary has clearly gone a long way since

⁶ Tátki Zrt. (2019) *Social Report*. Available [online]: <https://www.tarki.hu/eng/tarsadalmi-riport>

⁷ Pew Research Center (2019) *Europeans Credit EU With Promoting Peace and Prosperity, but Say Brussels Is Out of Touch With Its Citizens*. Available [online]: <https://www.pewresearch.org/global/2019/03/19/europeans-credit-eu-with-promoting-peace-and-prosperity-but-say-brussels-is-out-of-touch-with-its-citizens/>

breaking from under the influence of the Soviet Union and communism. By joining NATO and the EU, the country has set foot among the nations of the West, but Hungary came with a lot of baggage, and a lot of it is Russia-related.

The monument for the Soviet troops in Szabadság Tér serves as a good memento that Hungary was unable to break with its past completely, and by being accepted to the West, it serves as a Trojan horse for Russians, whose aim is to undermine Western values and spread discord. With Viktor Orbán spearheading Putin's strategy, the Hungarian politician plays a dangerous game, balancing between east and west. Despite a statue of Ronald Reagan standing resolutely at the square, eyeing the communist remnant with an austere stare, his figure is overshadowed by a gilded red star on top of the obelisk. As long as that Soviet monument stands, Hungary will continue to copy Soviet, and Russian tactics. As long as Hungary does not side clearly with the Trans-Atlantic alliance in condemning Putin and supporting Ukraine, the transformation of Hungary from a Warsaw Pact country to a fast ally of the West will be incomplete.

BUSINESS AND ECONOMY

We continue our tour through Szabadság Tér, away from the Soviets and Reagan, to the opposite side of the square. There, close to each other are the buildings of the Central Bank and the stock exchange. It is thus fitting to stop here and talk briefly about business and economy in Hungary.

Hungary has managed to escape communism relatively well compared to other countries. Economic liberalization efforts started in the 1980s, when foreign direct investments were allowed. Gradually, joint-venture western companies started to arrive in the country, and by the 1990s Hungary had become attractive for car manufacturers



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and industry, which to this day is an important part of the economy.

Undoubtedly, with the spread of private property and businesses Hungary transformed from a centrally planned economy to a more or less Western-style country. This, however, does not mean that Hungary would be completely self-reliant, or that the business environment would be perfect.

Despite the economic growth, the country still faces some serious issues. To begin

with, Hungary relies heavily on EU funds. Meanwhile, Hungarians rely heavily on the state. Moreover, in 2016, Hungary held the 59th place in the *Economic Freedom Index*⁸. In 1990, the country started the process of transition in the 78th place, and managed to reach the 32nd position in 2001. When the transformation started, the index put it in the 3rd quartile (from 4 categories of “least free”, “3rd quartile”, “2nd quartile”, and “most free”). Since then, Hungary has performed stably in the 2nd quartile – except for the year 2011, when it was briefly promoted into the “most--free” bracket.

In 2019, the *Doing Business Index*⁹ ranked Hungary at 53rd, below the regional average. Despite low corporate and income taxes, Hungary has the highest rate of VAT in the EU – set at 27%¹⁰.

Although Hungary has liberalized the economy, corruption – an organic part of a socialist-planned economy – has not vanished. According to the *Corruption Perception Index*¹¹, in 2018 Hungary was in

⁸ Fraser Institute (2019) *Economic Freedom*. Available [online]: <https://www.fraserinstitute.org/economic-freedom/map?geozone=world&page=map&year=2016&countries=HUN>

⁹ The World Bank (2019) *Doing Business*. Available [online]: <https://www.doingbusiness.org/en/data/explore-economies/hungary>

¹⁰ The Hungarian tax system is based on the opinion that low income tax is incentivizing people to save up, while a low VAT would not have the same effect. Furthermore, this latter tax is the most equitable form of taxation, and is an important factor in revenues. The government plans further tax cuts, and decentralization. For further information see: Keszthelyi, C. (2019) “Hungary’s Tax System Stable but Administration-Heavy”, [in:] *Budapest Business Journal*. Available [online]: https://bbj.hu/special-report/hungarys-tax-system-stable-but-administration-heavy_161404; and: Daily News (2019) “Hungarian Audit Office sees room for gradual personal income tax rate cut” Daily News Hungary. Available [online]: <https://dailynewshungary.com/hungarian-audit-office-sees-room-for-gradual-personal-income-tax-rate-cut/>

¹¹ Transparency International (2019) *Corruption Perception Index 2018*. Available [online]: <https://www.transparency.org/cpi2018>

64th place – one place better than a year before. However, the index also revealed that in the EU, only Greece and Bulgaria were more corrupt. In 2017, Hans Eichel, the co-founder and former chairman of G20, together with Pascal Lamy, a former European Commissioner, wrote an open letter¹² to Jean-Claude Juncker, president of the European Commission, asking him to temporarily suspend all EU funding to Hungary due to corruption and the fact that the Hungarian government is using the money to fund political campaigns, enrich its own business circles, and furthering the erosion of the rule of law. Due to Hungary's over-reliance on EU funds, such a cut would have been a giant blow to the economy. As the letter mentions: "More than 95% of public investment projects in Hungary receive EU co-financing"¹³.

The government's meddling in private businesses through proxies is especially apparent in the media sector, and with that, the tour continues.

FREEDOM OF THE PRESS

As we leave Szabadság Tér behind, let us take a fleeting glimpse at a large building located in the square. It used to be the headquarters of MTV, a Hungarian public TV station. In 2006, a large crowd gathered in front of the building, infuriated by a leaked tape of then Prime Minister Ferenc Gyurcsány from the socialist party admitting to thieving, lying, and cheating to win the parliamentary election. The mob eventually took over the headquarters. The event was detrimental to the future of Hungary.

Both the leaked speech and the atrocities during the protests were hot topics for a long time; the socialist government became unpopular leading to Viktor Orbán's, and his party, Fidesz's victory in 2010, and two consecutive Fidesz governments – in 2014 and 2018.

A strong democratic country is marked by the strength of its civic institutions, such as NGOs, and the independent media. News outlets can hold governments and politicians accountable, and make and break people. Independent media break people unfit to govern (as Ferenc Gyurcsány was), while helping aspiring politicians. Clearly, the media have a lot of power. The power Viktor Orbán could ill afford to tolerate.

In its first term after 2010, the Fidesz government had a lot of media outlets on its side. The stellar unpopularity of the socialist party in power between 2002 and 2010 whipped up a majority support for the new cabinet. It also helped that Mr. Orbán's close friend, Lajos Simicska, happened to own a media empire. There were concerns over media freedom as the government set up a Media Authority, with the power to enforce media laws that regulated content. The independence of the authorities started being questioned.

It was not, however, until 2014 that red flags over media freedom were widely raised. It was then that the government introduced a progressive tax on advertising revenues of media ventures. The law was constructed in such a way as to target specific, independent media.

The taxes also hit Lajos Simicska's business interests, which the businessman interpreted as backstabbing from the prime minister, and amid a scandal, the former broke away from his long-time friend. This forced Viktor Orbán to set up a new media empire, for

¹² Eichel, H. and Lamy, P. (2017) "Open Letter to Jean-Claude Juncker". [in:] *Hungarian Spectrum*. Available [online]: <http://hungarianspectrum.org/2017/11/28/open-letter-to-jean-claude-juncker/>

¹³ Ibid.



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which he used his newly set-up oligarch, Lőrinc Mészáros, who if his spectacular “success” winning public procurement bids continues and he amasses wealth in a constant rate, will become the richest person on earth by 2024¹⁴.

The largest blow to freedom of press was the shutting down of *Népszabadság*, the largest national daily newspaper back in 2016. The media venture was bought by an Austrian businessman, Heinrich Pecina, who allegedly agreed with Mr. Orbán to later resell it to Mészáros. Since then, Mr. Pecina has received a suspended prison sentence for embezzlement on a separate case¹⁵. The official reason given for suspending the operations of *Népszabadság* was its inability to produce profits. Eventually, Heinrich Pecina did, indeed, sell the media venture to Mészáros.

¹⁴ Portfolio.hu (2018) *PM Ally Mészáros Already 2nd Richest Person in Hungary*. Available [online]: <http://www.portfolio.hu/en/users/reg.php?redir=/en/economy/pm-ally-meszaros-already-2nd-richest-person-in-hungary.36196.html>

¹⁵ Portfolio.hu (2017) *Heinrich Pecina Gets Suspended Prison Sentence*. Available [online]: <http://www.portfolio.hu/en/economy/heinrich-pecina-gets-suspended-prison-sentence.33977.html>

Since then, several other news outlets have shut down as the pro-government, oligarch-owned media had the upper hand on the market. The Fidesz government took a leaf out of Putin’s book and has been controlling news outlets through advertising revenues. One such newspaper is the left-wing *Népszava*, which *de-jure* operates independently and is tolerated by the ruling party, though it will not attack the government through impactful investigative articles.

The frightful outreach of the pro-government media in Hungary was outlined in 2017 in an article of the investigative *atlatszo.hu* portal¹⁶. The results showed that 65% of the daily print national newspapers bought by readers were pro-government, including all regional newspapers. 90.5% of the weekly news magazines in circulation were also pro-government, as well as 37% of the average online readership. Within radio stations this ratio was 62%, and 55% for the audience of evening TV news programmes. Moreover, 59% of the total reach of news media has been achieved by pro-government outlets.

The situation has only gotten worse since. Freedom House puts Hungary into the “partly free” category in media freedom¹⁷. The organization also published a detailed analysis¹⁸ citing that by 2019 in the country “nearly 80 percent of the media are owned by government allies.”

¹⁶ Bátorfy, A. (2017) “This Is How Government-Friendly News Outlets Dominate the Hungarian Media” [in:] *Atlatszo.hu*. Available [online]: <https://english.atlatszo.hu/2017/11/22/this-is-how-government-friendly-news-outlets-dominate-the-hungarian-media/>

¹⁷ Freedom House (2017) *Freedom of the Press 2017*. Available [online]: <https://freedomhouse.org/report/freedom-press/2017/hungary>

¹⁸ Freedom House (2019) *Freedom and the Media: A Downward Spiral*. Available [online]: <https://freedomhouse.org/report/freedom-media/freedom-media-2019>



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We now arrive at Kossuth Square, where the stately building of the ornate Parliament casts its reflections over the lazily streaming Danube River. The square usually plays host to protests that do not achieve anything, while the building hosts the high-achieving super-majority of Fidesz, with which the legislative body does whatever is necessary to sustain that advantage.

The government's takeover of the media, as dire as it may seem, is only half of the problem. It is terrifying enough that a party with the power of changing laws has control over the media, but seeing how Fidesz uses it as a mouthpiece, it is definitely one of the strongest arguments against the success of the transformation.

The pro-government media are saturated with fake news, blatant propaganda, conspiracy theories, and smear campaigns verging on the quality of the most ludicrous communist fabrications of lore¹⁹. Facebook blacklisted all news outlets in the region, as it was unable to filter out the propaganda fake news pieces²⁰. Regardless of the effectiveness or morality of this measure, it is rather telling that such drastic policies had to be brought.

RELIGION AND TOLERANCE

Fake news propaganda long precedes the Soviet Union. Russia has used it to whip up anti-Semitism in Europe – for example, in the form of the Protocols of the Elders of Zion. Vladimir Putin used similar methods in spreading discord in Europe by supporting far-right groups²¹.

As we walk down the bank of the Danube in our tour of Budapest, away from the parliament on our way up to the castle, the embankment is speckled with metal statues of shoes. Here we should stop with bowed

¹⁹ Medium.com (2018) *The Craziest Lies of Hungarian State-Controlled Media*. Available [online]: <https://medium.com/@smalltownhigh/the-craziest-lies-of-hungarian-state-controlled-media-112b5695ff49>

²⁰ Graham-Harrison, E., Walker, S. (2019) "Hungary: the crucible for faulty efforts by Facebook to banish fake news". [in:] *The Guardian*. Available [online]: <https://www.theguardian.com/world/2019/may/18/hungary-crucible-facebook-attempt-banish-fake-news>

²¹ Political Capital (2015) *The Kremlin Connection of the European Far-Right*. Available [online]: https://www.politicalcapital.hu/hireink.php?article_read=1&article_id=68

heads, looking over the shoes down to the waves of the river that swallowed those Jewish victims during the WW2, who were mercilessly shot down into the river, and whose memories the empty shoes preserve.

Despite the said memento of such horrors, just years ago, neo-Nazi groups held marches in Budapest and the countryside wearing uniforms. These paramilitary groups were connected to Jobbik, a then far-right party, which has moved closer to the political center since putting an end to the open displays of racism. By today, Hungary has apparently gone a long way. According to the Action and Protection Foundation, anti-Semitic incidents have declined in Hungary, contrary to European trends²².

Though the number of incidents has indeed dropped, racism is still present in Hungarian society, often exacerbated by the xenophobic anti-immigrant fake news campaigns of the government. The Special Eurobarometer 437 poll²³ conducted in 2015 reveals that 20% of Hungarians would feel uncomfortable if one of their colleagues happened to be Roma, whereas 34% would feel uncomfortable if their child's partner was from the same minority group. Regarding Jews, Hungarians answered the same questions with the result of 9% and 16% of respondents feeling uncomfortable with the ethnic group respectively. Muslims and Roma are the ethnic groups the citizens of Hungary clearly feel most uncomfortable with. A poll conducted by CNN in 2018 reveals²⁴ that

²² Action and Protection Foundation (2019) *Opposite Trends in Hungary and Europe: Drop in Number of Anti-Semitic Hate Incidents in Hungary in 2018*. Available [online]: <https://tev.hu/en/opposite-trends-in-hungary-and-europe-drop-in-number-of-anti-semitic-hate-incidents-in-hungary-in-2018/>

²³ EU Open Data Portal (2015) *Special Eurobarometer 437: Discrimination in the EU in 2015*. Available [online]: http://data.europa.eu/euodp/en/data/dataset/S2077_83_4_437_ENG

²⁴ CNN (2018) *CNN Poll: Anti-Semitism in Europe*.



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20% of Hungarians openly admit to being anti-Semitic.

Racism manifests itself in less specific ways, however. This is substantiated by a 2016 Pew Research Center²⁵ study researching more general attitudes towards minorities. It found that Hungarians have a worse outlook on minorities than the EU average. Muslims are the most negatively perceived group, with 72% of Hungarians having unfavorable view on them – as opposed to the 43% EU average. Additionally, 64% dislike Roma and 32% Jews – compared to the 48% and 16% in the EU, respectively.

The Hungarian government, despite a lot of criticism of its xenophobic campaigns, and its attacks on George Soros, a Jewish Hungarian-American billionaire, is not rac-

Available [online]: <https://edition.cnn.com/interactive/2018/11/europe/antisemitism-poll-2018-intl/>

²⁵ Pew Research Center (2016) *Hungarians Share Europe's Embrace Of Democratic Principles But Are Less Tolerant of Refugees, Minorities*. Available [online]: <https://www.pewresearch.org/fact-tank/2016/09/30/hungarians-share-europes-embrace-of-democratic-principles-but-are-less-tolerant-of-refugees-minorities/>

ist or anti-Semitic. It is populist. Mistrust of minorities does, however, lead to fear and hate, exploited and aggregated by the government's propaganda. During communist times, these sentiments were taboo. Ever since, these issues have not been addressed, which makes it impossible to reconcile them. And so, unaddressed, they were used by the current government.

Without openly admitting the problem of racism, which is by far not unique to Hungary, the country can neither become more tolerant, nor truly westernize. In spite of what the government claims, being more tolerant does not mean abandoning one's culture, or even tolerating those that want to destroy Western values. The Hungarian government poses an even more imminent danger than nonexistent immigrants in Hungary. Any degree of intolerance – be it from groups or countries outside of Europe, or within – should not be tolerated.

DEMOCRATIC INSTITUTIONS

We finish our tour by crossing the Danube on the famous Chain Bridge, and hiking up to the castle. This is a rather presumptuous place the Office of the Prime Minister moved to in 2019. Given how successfully Mr. Orbán consolidated his authority, it is rather fitting that he should look down upon the city laying below his feet from a castle

Hungary's transformation somewhat resembles that of Russia. Old ways were given new guises; certain measures were modernized and adjusted to the digital age. Viktor Orbán began entrenching his power by getting rid of the old constitution and drafting a new one. Then, whenever his needs desired, his party, Fidesz, using the super-majority in parliament, amended it.

One such amendment, for instance, curtailed the powers of the Constitutional Court after it ruled certain provisions of previous

amendments as unconstitutional. The new amendment not only passed those provisions, but also took away the ability of the Constitutional Court to rule over them. The EU and the United States both expressed their concerns over it²⁶.

Election laws are rewritten every time they do not benefit Fidesz, with the obvious result of securing a super-majority all over again, despite fewer people casting their ballots for the party²⁷.

The Prosecutor General of Hungary often refuses to investigate corruption cases making it obvious his office is by no means independent of Viktor Orbán's state apparatus²⁸. This gives corruption free reign, and oligarchs can win public procurement bids under suspicious circumstances.

NGOs are often attacked by the government's propaganda machine. In 2017, a law was passed forcing them to register as a foreign-funded organization if a certain amount of their funds came from abroad. This blow on civic society strongly resembles that of the Putin's technique and – if this was not enough – the Hungarian government justified the much criticized measures by alluding to the FARA laws in the United States, which require the registration of foreign lobbyists. This is the same justification Russia had used, despite no similarity

²⁶ BBC (2013) Q&A: *Hungary's Controversial Constitutional Changes*. Available [online]: <https://www.bbc.com/news/world-europe-21748878>

²⁷ *The Budapest Beacon* (2018) "Electoral Rules Rig Results of Hungarian Elections, Warns Princeton's Kim Lane Scheppelle". Available [online]: <https://budapestbeacon.com/electoral-rules-rig-results-of-hungarian-elections-warns-princeton-s-kim-lane-scheppelle/>

²⁸ *The Budapest Beacon* (2016) "Hungarian Prosecutors Unlawfully Refusing to Investigate Embezzlement of Central Bank Funds". Available [online]: <https://budapestbeacon.com/hungarian-prosecutors-unlawfully-refusing-to-investigate-embezzlement-of-central-bank-funds/>



THE PROSECUTOR
GENERAL
OF HUNGARY
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HIS OFFICE
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STATE APPARATUS

whatsoever with the American law in either case²⁹.

Academia fared no better than NGOs. Similar to Russia, Hungary attacks US institutions of higher education. Central European University (CEU), one of the best universities in the region, was singled out by the government on the grounds that the private university was founded by George Soros, whom the government designated as public enemy number one. The institution had to leave Hungary³⁰.

²⁹ Rohac, D. (2017) "Opinion: Crackdown on Hungary's NGOs: Mirage or Reality? [in:] *The Budapest Beacon*. Available [online]: <https://budapestbeacon.com/op-ed-crackdown-hungarys-ngos-mirage-reality/>

³⁰ *Budapest Business Journal* (2019) "Hungary Will Not Soften Laws to Allow Ceu to Stay". Available [online]:

One of the points the government used in its communication strategy against CEU was its Gender Studies course. Since then, Gender Studies cannot be taught in the country³¹. The Academy of Sciences was also recently forced under government control³². Later, in order to complete the monopolization of education, alternative schools have been essentially phased out³³, forcing children to learn under the centralized and dysfunctional state education system. As a result, future generations can be conditioned not to dissent and not to think critically lest they pose a danger to the regime.

These measures are just some of the actions PM Orbán took to consolidate his power for the foreseeable future. He could not have done it alone, though. Civic oversight and democratic institutions were not strong to begin with, so their erosion was much easier. The process was rendered even easier with the aid of a generous portion of the population that supports Viktor Orbán in his mission to build an illiberal state³⁴ modelled after Russia or China.

https://bbj.hu/news/hungary-will-not-soften-laws-to-allow-ceu-to-stay_164270

³¹ Day, M. (2018) "Viktor Orban Moves to Ban Gender Studies Courses at University in 'Dangerous Precedent' for Hungary" [in:] *The Telegraph*. Available [online]: <https://www.telegraph.co.uk/news/2018/08/13/viktor-orban-moves-ban-gender-studies-courses-university-dangerous/>

³² Vass, Á. (2019) "Government to Impose Total Control Over the Science Academy". [in:] *Hungary Today*. Available [online]: <https://hungarytoday.hu/government-to-impose-total-control-over-the-science-academy/>

³³ *Hungarian Spectrum* (2019) "Closing the Door on an Alternative Education", Available [online]: <https://hungarianspectrum.org/2019/07/01/closing-the-door-on-an-alternative-education/>

³⁴ *The Budapest Beacon* (2014) "Full Text of Viktor Orbán's Speech at Băile Tuşnad (Tusnádfürdő) of 26 July 2014". Available [online]: <https://budapestbeacon.com/full-text-of-viktor-orbans-speech-at-baile-tusnad-tusnadfurdo-of-26-july-2014/>

Confidence in the political situation in Hungary increased between 2011-2016³⁵, despite worrisome trends to the state of democracy. Freedom House demoted Hungary³⁶ from “free” to “partly free” – the only EU state in the category, whereas the Bertelsmann Foundation’s 2018 *Sustainable Governance Indicators* report claims Hungary can no longer be considered a consolidated democracy³⁷. Nevertheless, it is not true that Hungarians do not support democracy – a 2017 Pew Research Center poll³⁸ revealed that 78% of Hungarians deem democracy to be good. It is, therefore, not a question of whether Hungary is a democracy or not, but rather whether it is an *illiberal* democracy or a *liberal* one. Unfortunately, the former seems truer more and more, evidencing that the transformation is incomplete. All the transformation achieved is served merely as a means of sugarcoating the surface, but ignoring – and thus not completely stopping – the rotting inside.

CONCLUSIONS

Hungary had two kinds of leaders: those who pretended that the country had become a democracy and westernized overnight – at the same time failing to address underlying fears and tensions within society that needed to be bottled up during communism on the off chance that people will pretend as well that these issues do not exist.

³⁵ Tárki Zrt. (2019) *Social Report*. Available [online]: <https://www.tarki.hu/eng/tarsadalmi-riport>

³⁶ Freedom House (2019) *Freedom on the World 2019*. Available [online]: <https://freedomhouse.org/report/freedom-world/2019/hungary>

³⁷ Bertelsmann Stiftung (2019) *First Signs of Waning Support for Viktor Orbán*. Available [online]: <https://www.bertelsmann-stiftung.de/en/our-projects/sustainable-governance-indicators-sgi/project-news/first-signs-of-waning-support-for-viktor-orban/>

³⁸ Pew Research Center (2017) *Globally, Broad Support for Representative and Direct Democracy*. Available [online]: <https://www.pewresearch.org/global/2017/10/16/globally-broad-support-for-representative-and-direct-democracy/>

Then there is Viktor Orbán, who shrewdly but successfully exploited public attitudes without moralizing over them.

It is definitely talent that propelled the man from the Hero’s Square as a young orator up across the city all the way to the castle. His actions defined the thirty years of Hungarian development after the fall of communism. However, strange as they might seem for a mature Western democracy, these actions do not constitute the core issue Hungary is now facing, but is merely a symptom.

In a firmly democratic country, where civic institutions stand strong and watch over the authorities, where media hold people accountable, where checks and balances ensure the rule of law, and where people are tolerant and supportive of these democratic institutions, Mr. Orbán could not have, and would not have been able to do what he is now doing in Hungary.



THE LAST THREE
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The last three decades of transformation have had their ups and downs, but have remained generally incomplete. And so, in this sense, the transformation projects have been a failure. However, as it is an ongoing process, no matter how Sisyphean it might seem, some accomplishments have occurred.

Looking down at the city from the castle, the glistening buildings varnished over the underlying issues would fool anyone taking a superficial glance. The stones are scrubbed of their communist grime, tons of new investment flows into the country. Hungary is now part of NATO and the EU; it is free to enterprise among relatively favorable corporate tax conditions. On paper, there is nothing stopping free media ventures to start operating. Contrary to European trends, anti-Semitic atrocities are showing a downward trend. Finally, despite all the hardship, theoretically, opposition parties might be able to win elections.

Below the surface, however, opposition parties are hindered through legislation, the state capture of the media through proxies created a quasi-monopoly, making it much more difficult for independent media ventures to strive in the Hungarian media scene. Opposition parties are further hindered by their own ineptness to realize society does not work in the idealized way opposition politicians believe. Racist sentiments are very much ubiquitous still, though they no longer manifest in atrocities as often as they used to. True, many of the citizens are nostalgic of the communist era – but this is not really surprising, as these were the times when they were young and possibly happier overall.

Ironically, Fidesz, a formerly vehemently anti-communist party, realized that this is exactly the case, while the Socialist Party, which is the direct descendant of the com-

munist ruling party, and its offshoots failed to do so. The opposition is unlikely to win elections in the future as they find the current situation suitable. They get their money from the state and wages from the Parliament, and they do not have to make difficult decisions to lead the country. It therefore seems that there is no one figure in Hungary that could take the ultimate leadership role to succeed Viktor Orbán.

The strongman of Hungary is a populist, there is no doubt about it. In such a capacity he will react to the *vox populi*. True, he can nudge people to stir up to the surface certain attitudes that were best left unmentioned before, but now became perfectly okay. Xenophobia, support of state capture, a demand for a strong leader, opposition to western trends – these sentiments have always been present in Hungarian society, not even dormant, but waiting for a release.

The unfortunate brilliance of the leadership in Hungary is recognizing and exploiting these attitudes, while applying a modern shiny varnish to it. As long as the nostalgia for an authoritarian regime lingers, there will be politicians who will use it. Until there are substantial changes in society, transformations will remain regretfully unfinished.



*

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