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[How Does Hungary Choose its Friends?](#)



A parliamentary election will be held in Hungary in spring 2018. The results will recast its parliament and government for the next four years. Nine parties are represented in the National Assembly of Hungary at the moment, seven of which are members of the two major coalitions. Approximately 67% of parliamentary seats are held by the ruling Fidesz party and the Christian Democratic People's Party (KDNP), approximately 19% - the democratic coalition Unity, 11% - the far-right Jobbik party and several percent - the Greens.

Since 2010, governments have been formed by the Fidesz party whose ideology incorporates a conservative agenda (some researchers consider it to be simply a populist party). The coalition's vast parliamentary majority enabled a redrafting of the electoral and institutional rules of the game; that effectively means the probability of an overall victory this spring is beyond doubt. The main question is whether the current Fidesz coalition will win a majority large enough to reshape the constitution yet again, bending the status quo further to its advantage. Hence, the fate of the main party opponents is in the spotlight - the democratic coalition and those on the far-right.

"CEU=EU"

The outcome of the election race could be marred due to several factors: First of all, the [campaign surrounding the Central European University \(CEU\)](#) provoked mass protests in Budapest in spring this year. Residents of the capital and protestors from provincial Hungary took to the streets to express their indignation at the attempts of Fidesz and Victor Orban to sever Hungary's ties with the EU community. "CEU=EU" was one of the most popular slogans of the protest movement. The intention of Hungary's authorities to close down the CEU was caused, among others, by the values represented by the university - principles of academic freedoms and fighting for progressive causes like LGBT+ rights. Much of the civil and academic activity of the university contradicts the views of Hungary's incumbent conservative leadership. On the other hand, the CEU's values are well squared with the largest coalition in the European Parliament - the European People's Party (EPP) - which has repeatedly defended the CEU. Interestingly, Fidesz is a member of this coalition.

The incumbent political elite's ties with Russia constitutes a further decisive factor. There are strong economic ties between Hungary and Russia, fostered and encouraged by the Hungarian political class to the point of excess; this political push towards Russian business links has in turn been the root of a number of corruption scandals. For example, tenders won by a Russian subway company to repair and supply carriages to Hungary's metro system have been repeatedly marred by a [lack of transparent transactions](#). This prompted suspicions of corruption that were not helped by the Russian side failing to meet deadlines and quality standards.

EU funds or Russian deals?

Heads of state of both countries often underline the importance of the Russo-Hungarian partnership. While Russia is hardly faced with the dilemma of having to choose friends, Hungary is trying to have its cake and eat it: regularly receiving reprimands from the EU for cooperating with and assisting Russian foreign interests.

One of the most scandalous stories of recent times related to Hungary and Russia was the contract with Rosatom to build the Paks-2 nuclear power plant worth [12 billion euros](#). Put simply, Hungary cannot afford it.

So Russia is also providing it with a state loan of 10 billion rubles. This deal was a huge scandal, not least because EU legislation requires that member states consider a range of competitive tenders when it comes to such projects. In this instance, however, the Hungarian authorities effectively disregarded the said legislation, deciding instead to award the contract to Rosatom based on an assertion that the Russian company provides unique technologies. The European Commission initiated several investigations into this transaction in 2016. However, it later gave Budapest the all clear, having received promises that all the rules of subcontracting will be adhered to. Still, in accordance with [economists' approximate estimates](#), the deal will lead to huge losses for Hungary. Consequently, the deal is more political than economic in nature.

Attitudes towards Russia vary among Hungary's parties. The far-right Jobbik party, which promotes an anti-immigrant, nationalist ideology, has repeatedly issued statements in support of cooperation with Moscow. It also opposes the EU's sanctions against Russia in response to its annexation of Crimea. Interestingly, Jobbik [positions](#) itself as an anti-establishment party at war with the successors of the communist party in parliament. However, Jobbik's rhetoric largely coincides with the statements of the ruling Fidesz party. Moreover, contained in the 2010 party [manifesto](#) was a promise to establish close ties with Russia. In 2014, a prominent representative of the Jobbik party Bela Kovacs was [accused by the Hungarian government](#) of spying for Russia. This story was partly a ploy of the election campaign that year, an attempt to push some of the Jobbik's voters towards Fidesz by making accusations of treason. In general, it should be noted that Kovacs is indeed actively involved in promoting a pro-Russian agenda, not just in Hungary, but also in the European parliament.

As for the Fidesz party itself, it tries to be more cautious in its statements, although it also supports a pro-Russian agenda in some aspects. Party leader Viktor Orban has repeatedly emphasized that Russia is Hungary's key economic partner and provider of commodities. But there is no formal mention of a plan for rapprochement with Russia that appears in the manifesto.

A similar position is presented by Fidesz's coalition partner, the Christian Democratic People's Party (KDNP). The Hungarian Socialist Party (MSZP) which holds about 15% of the seats in parliament, the successor of the former communist Hungarian Socialist Workers' Party (MSZMP), used to maintain ties with the Russian market and promoted pro-Russian policies in the early 2000s. However, the initiative to support Russia was adopted by the right-wing parties later on and the left-wing parties shifted to other talking points.

Hungarian Irredentism

Unlike many other Central and Eastern European countries, Hungary does not face the problem of having a Russian-speaking minority (Russians constitute less than 0.1% in Hungary). On the other hand, Hungarian minorities that are mostly in favor of Viktor Orban's party constitute a considerable proportion of the population of the Zakarpattia Oblast of Ukraine, for example, and are the largest ethnic group in Romania.

[Irredentist ideas](#)— at least as far as Hungary's neighbors with Hungarian populations are concerned — quite often become hot topics in Hungary. Analogies with Russia's Crimean campaign or its actions in Abkhazia and South Ossetia are drawn at the level of official rhetoric. For example, about six months ago, a conflict between Hungary and Ukraine arose, prompted by a [statement](#) made by the Hungarian deputy prime minister on the need to move towards the autonomy of Hungarian minorities within the territories of other countries. This was not the first statement of its kind made concerning Ukraine. Back in 2014, Viktor Orban [said](#) that autonomy for ethnic Hungarians residing on the territory of Ukraine can take different forms and that Hungary was prepared to support any of them.

Let us revert to the campaign against the CEU in Budapest which is closely related to the campaign against George Soros in principle. Many analysts drew [analogies](#) with the campaign against the European University which unfolded in Russia simultaneously with the Hungarian campaign. Thus, the reason why the CEU may cease to exist in Hungary is the law "on foreign agents" which bolsters state control over non-governmental organizations financed from abroad. This law has a lot in common with its Russian equivalent (let us recall that Soros' OSI Assistance Foundation and Open Society Foundations are regarded as "undesirable organizations" in Russia). Is Russia a role model for Hungary or do these countries simply share similar views on politics? This question remains unanswered.

At some point, Hungary might have to choose between Russian economic ties and EU tranches of funds. Over

the course of this year, trade between Russia and Hungary amounted to about [5.2 billion dollars](#). Russia ranks [12th](#) among Hungary's trade partners. The European Union is a far more significant partner against this backdrop: Hungary is also the [3rd](#) largest beneficiary of EU funds, receiving [5.6 billion euros](#) in 2015 alone. However, in recent years, EU politicians (from the Austrian Chancellor to European Commission's Commissioner responsible for the budget) have increasingly [raised the issue](#) of discontinuation of the provision of financial assistance to Hungary following numerous corruption scandals and violations of EU democratic principles. If Budapest really does see itself as faced with a genuine dilemma - EU money or partnership with Russia - the latter may be deemed unappealing.

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