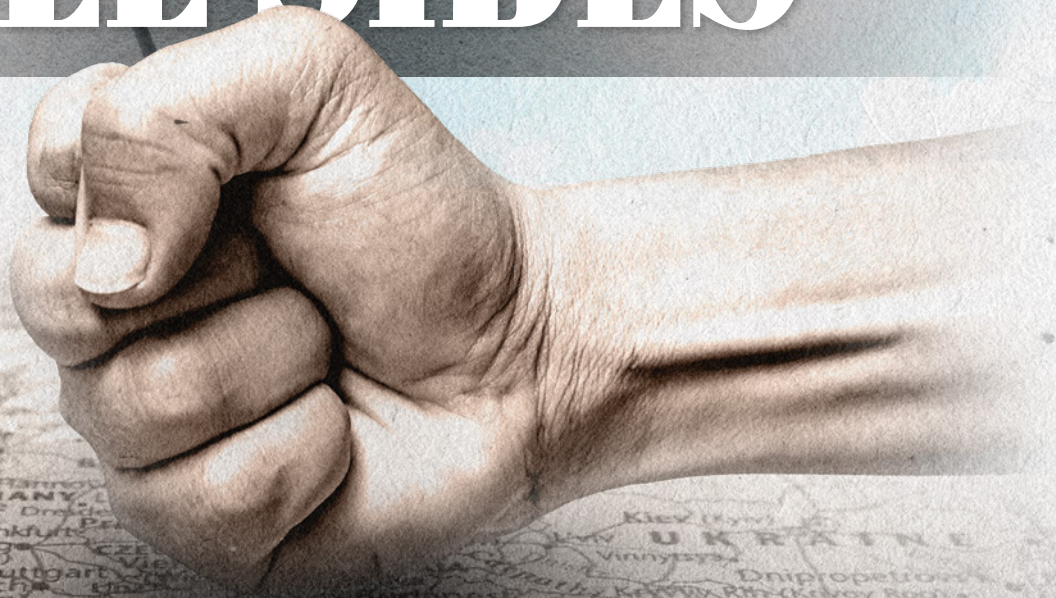




PLAYING ALL SIDES



HUNGARY'S MULTIVECTOR FOREIGN POLICY

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SYSTEMIC FOUNDATIONS

Hungary has gained political attention way beyond what would seem normal for a country of its size (less than 100,000 square kilometers), population (9.7 million) or economic weight (0.2% of world nominal gross domestic product, or GDP). This is due to the unique political course it has taken since 2010 when Prime Minister Viktor Orbán was elected and formed his government. He was reelected in 2014 and 2018 and has a fair chance to continue in office after 2022. When Orbán's Fidesz party came into office in free and fair elections in 2010, its main effort was to guarantee it would not lose subsequent elections. As a former Fidesz politician insightfully quoted Orbán: "We need to win only once, but we need to win big." The realization of this project started immediately. The following elements seem to be the most important:

1. The government promptly announced that ethnic Hungarians beyond the border were eligible for Hungarian citizenship. Although unacceptable to some of Hungary's neighbors, such as Slovakia and Ukraine, where dual citizenship was not recognized, other states, including Romania and Serbia, where together 1.4-1.5 million Hungarians lived, could take advantage of it. Moreover, Hungarian passports are also available in other states, often in violation of the national laws of the country of citizenship. This contributed to increasing the number of voters in Hungary's national elections, first gradually and later significantly. As of spring 2020, the number of ethnic Hungarians beyond the borders who possess Hungarian passports exceeded 1.1 million in a country where the eligible resident voting population is 7.924 million. In the last two parliamentary elections 95-96% of so-called Hungarians beyond the borders voted for Fidesz.
2. The media law was changed, resulting in the full dominance of radio and television by the Fidesz government. Several further measures, none of major importance alone but of significant effect taken together, complemented the legal change. Freedom House categorized Hungary as only "partly free," an inauspicious first for a European Union member-state, and the Organization for Security and Co-operation in Europe (OSCE) found there to be a "lack of critical reporting in the traditional media." Whenever its control of the media and its strong pro-government bias has been challenged, the government points to the freedom of the print press,

which is read by only 4% of the population and is of little relevance. Social media has remained inclusive, despite attempts to constrain its freedom. However, the president of the National Authority for Data Protection and Freedom of Information has initiated a new law, which, if adopted, would enable national authorities to regulate Hungarians' Facebook profiles and eventually block them, which would constitute another step toward censorship.

3. Constitutional change has followed suit, with the old Constitution being replaced by the Basic Law. Constitutional revision was long overdue, but the Basic Law's adoption largely ignored divergent views and provided very little time for consultation, resulting in a law that has been amended and revised nine times since its adoption. This clearly demonstrates that the Basic Law is a flexible political instrument and does not aim to provide for stability in the legal system.
4. The judiciary did not remain unaffected, either. A new National Judiciary Office was established under the leadership of Tünde Handó, the spouse of a Fidesz party founder and formerly influential Fidesz member of the European Parliament. She managed the appointment of court leaders single-handedly and often arbitrarily. More important, a new prosecutor general was appointed for a renewable nine-year term. According to the law, the prosecutor general can only be removed if a successor is elected by a two-thirds majority of the legislative branch. As it is unlikely that other political forces would have such a large majority in the parliament, the current situation could perpetuate itself. In full harmony with this situation, the Hungarian government rejected joining the European Public Prosecutor's Office.

Orbán's final objective has been clear from the very onset. A fine-tuned multichannel mechanism was put in place to realize two objectives at once: 1) Create a situation that guarantees the stability of this government over the long run and across election cycles, and 2) avoid a highly visible and sudden turn away from democracy. However, as in every political process with many dependent and independent variables, built-in feedback processes and mechanisms have remained essential to constantly optimize the outcome and to avoid situations of massive domestic popular opposition or rejection by partners in the West, not only by the EU, but especially by the United States and Germany.

The economic foundations of the conservative Fidesz government were based on three factors:

1. The world financial crisis was largely over when the Orbán government was formed in 2010, and 10 years of steady economic growth followed (but has now come to an end due to the COVID-19 pandemic).
2. In the 2010s, Hungary received, per capita, the largest amount of structural funds from the EU.
3. During this period, approximately 700,000 Hungarians left the country to work abroad. Their remittances have reached approximately 3.4% of national GDP.

These three sources contributed significantly to the country's economic development. Together, in some years, they have contributed as much as 10% of GDP. This provided a solid foundation of stability.

How this large amount of extra wealth was allocated and what it meant for political stability requires a brief elucidation. It is sufficient to mention two main tendencies:

1. A reduction of spending on education, health care and social services and their relative share of GDP. The number of students in higher education declined significantly, while the minimum monthly pension payment has remained 28,500 Hungarian Forints (approximately 80 euros) for 10 years.
2. Central state administration's share of government expenditures increased, to include state propaganda (and a nearly constant confidential polling of the population); some elements of law enforcement (including

a praetorian guard officially named the Counter Terrorism Centre, but with a far broader mandate than its name would indicate); defense; projects in which the prime minister held personal interest, such as building/renovating football stadiums and construction of a special railway line to his childhood village; and routinely hosting major sporting events that regularly and massively exceed budgeted expenses.

From 2012 (the first full year from which data based on the Orbán government were available) to 2019, Hungary fell from a rank of 46-47 to 70-73 on Transparency International's Corruption Perception Index. Hungary is now ranked as the second most corrupt EU member state and is approaching the worst-performing, Bulgaria.

In light of the above, it is not surprising that the population regards the state of health care and corruption as the country's two most severe problems. However, this does not mean that the electorate attributes blame to the government and would vote against the current power holders. Even if many would, the more than 1 million voters in neighboring countries and those who depend on social benefits would still guarantee a majority to the current government. According to the OSCE's Office for Democratic Institutions and Human Rights report on Hungary's 2018 elections, minorities and others in public works, dependent upon the local (overwhelmingly pro-Fidesz) governments that administer the funds, are vulnerable to intimidation and vote buying. In both 2014 and

Hungarian soldiers secure an area while searching for pro-Taliban fighters near a village in northern Afghanistan. THE ASSOCIATED PRESS



2018, the OSCE determined that the elections were free but not fair due to the massive discrepancy in access to the media, primarily television broadcasting. At the same time, the electoral system discriminates against Hungarian citizens who live and work in the West. They cannot vote by mail while ethnic Hungarians in neighboring countries can. Expatriates living in the West must go to a Hungarian consulate on Election Day.

It is difficult to classify Hungary's political system. First, it is widely agreed that the Orbán regime is neither a full-fledged democracy, nor a dictatorship. The hybrid systems between represent a wide range of options, some closer to democracy and some more characterized by features of a dictatorial regime. Second, the Orbán regime has evolved over the past 10 years and, consequently, a static analysis in any one time does not offer a nuanced picture. Although the regime has clearly accumulated more and more dictatorial features and opposition politicians would be tempted to regard it as a dictatorship, many others either regard it as a democracy or conclude that as long as elections are being held and the legislature functions, the system cannot be identified as a dictatorship.

INTERNATIONAL REPERCUSSIONS

Hungary is a small, integrated country that depends upon its partners and allies in multiple senses. But due to globalization and regional integration, it is largely impossible to determine the role of external factors in Hungarian internal politics.

Hungary and the West: beyond loyalty

Hungarian political scientists András Bozóki and Dániel Hegedűs got closest to the matter of Hungary's external relations when they analyzed one of the country's crucial external relationships in their March 2018 article in the journal *Democratization*. They concluded that the EU fulfills three functions: 1) a systemic constraint, 2) a supporter and 3) a legitimizer of the regime. These functions are not exclusive to Hungary and would apply to any country that meets these requirements: 1) Have a hybrid regime or what the authors call a "defective democracy," and 2) are net beneficiaries of the EU cohesion policy (i.e., receive more from the EU budget than they contribute). Hungary stands out in two respects: It has attracted the highest per capita amount of EU cohesion funding during the last decade, and it has done the most to diminish democracy, the rule of law and checks and balances, and has done so in a more declaratory manner than any other EU member state. Some other member states are actually delighted at Hungary's readiness to confront the EU.

Hungary has remained remarkably immune to the challenges that stem from the incompatibility between its political course and EU expectations, including those regarding values and principles. Before listing the main constraining elements, it is necessary to make a difference between two of them — the system of political conditionality reflected by the European Commission and European Council and the conditionality reflected in the judgments of the European Court of Justice. Hungary has quite successfully realized its interests in the former but much less so in the latter. However, for

the Hungarian government there is an important difference between the two. Whereas the former may result in political tremors, the latter largely remains a professional matter of low visibility.

Even those with strong reservations toward the current Hungarian government, in particular its significant constraint of democracy, have to recognize that Hungarian foreign policy has achieved a lot to realize the government's interests, whether or not these correspond with the interests of the Hungarian people. There are a number of very simple factors.

1. Hungary has been an EU member state since 2004 and "has a seat at the table." As the EU is a mix of a *sui generis* supranational entity and an intergovernmental organization, membership means that Hungary's consent is necessary to every decision that is taken by consensus, including approval of the multiannual financial framework. This makes Hungary's position as strong as any other member state.
2. There is no legal rule that says a member state could be expelled against its will. This guarantees a strong position.
3. The voting rights of a member state can be suspended (including in the European Council). However, it is conditional on the consent of every other member state. Hungary can only face this consequence if no other member state objects. This makes the position of the country strong if there is any other country ready to conclude a "defense and defiance alliance." Poland and Hungary have such an alliance, and the support of some other states (e.g., Bulgaria and Slovenia) cannot be excluded.
4. Fidesz, the largest party comprising the Hungarian government, is a member of the European People's Party (EPP), the largest party conglomerate in the European Parliament, which is internally divided over whether Fidesz should be allowed to remain a member. Although Fidesz's rights are suspended in the EPP, the decision to fully remove Fidesz has not been advanced, although there is large consensus that it disrespects the rules and fundamental values of the party coalition. Fidesz knows that its membership has value to the EPP because it may be reluctant to lose the 12 Fidesz votes.
5. Hungary's EU policy is pragmatic and utilitarian. At its basis one may find various morally objectionable tenets. Hungary's support can be gained, but usually not without a price. The time is past when the Hungarian government was grateful to have been accepted into the EU and played along. Now, it is ready to contribute to the multiannual financial framework only if it gets its "fair" share of EU funds.
6. While it is easy to understand what Hungary is up to in the EU, it is difficult to address it within the framework of a rule-based system and in a "gentlemanly" manner while the Hungarian government pushes rules to their limits and disrespects extrajudicial prescriptions.

The Hungarian government's main concern is that it will be deprived of EU funds, a major source sustaining the regime. Former Czech Foreign Minister Karel Schwarzenberg once said in an interview that the Orbán regime will come to an end when the EU money runs out. Although that is a simplification, EU funding is a major factor supporting regime stability. Hungary has frequently violated the rules on EU financial assistance, which has been identified by the European Anti-Fraud Office. In some cases, the violation was on such a scale that the international press paid attention, for instance when Orbán's son-in-law caused more than 40 million euros in damage with an investment that badly failed to meet standards. However, as in several other cases, the government paid the massive fine to the EU. This is a disturbing pattern: A crony or relative of the prime minister undertakes a project co-financed by EU funds. When it fails to meet requirements or is significantly overpriced, the resulting fine is paid by the nation's taxpayers from the state budget — and any profit stays with the crony.



Tanks maneuver during a ceremony in Tata, Hungary, in July 2020 after the Hungarian Army purchased tanks from Germany. AFP/GETTY IMAGES

The Hungarian government makes efforts to avoid difficulties within the EU, particularly with Germany, the biggest and — for Hungary — most economically important member state. Orbán knows that Germany is decisive both in bilateral relations and as a potential promoter of his interests in various international organizations, first and foremost in the EU. Germany is Hungary's primary trade partner. In 2017, total trade reached \$64 billion with a small surplus on the side of Hungary. Germany represents 27.3% of Hungary's exports and 25.9% of its imports. (Hungary's next largest foreign trade partner is Slovakia with a share of 5.2%.) Hungary is Germany's 14th largest trade partner, right behind Russia and ahead of Japan. More important, Germany is by far the largest investor in Hungary, including some large greenfield investments, such as the Audi and Mercedes factories and the BMW factory to be built in the years to come. The three cities that host those factories are firmly in the hands of pro-government political forces. While Hungarian exports to Germany overwhelmingly consist of ready-made, high-value-added products, German companies are also important for keeping

unemployment low (3.5% before the COVID-19 crisis) in Hungary. The companies previously mentioned are regarded as the most-liked employers in the country and the Hungarian government takes care that they feel at home in Hungary, granting ready access to its highest levels.

Beyond this high-level interdependence, there are important similarities between the two countries. Although on different scales, both countries are export economies. Hungary realizes 85% of its GDP in the export of goods and services. The two countries have never had an adversarial relationship. They fought together in two world wars. And both have worked to have cooperative relations with Russia for more than a decade.

Whereas the Hungarian leadership perceives the EU as an entity that can be "played," it plays a different game with Germany. There, Hungary carefully measures the limits of its freedom, and when the two countries are at loggerheads, there is a very different reality below the surface. This was clearly noticeable in policy differences regarding the migration crisis. Whereas Hungary tried to keep the migrants out of their country (and often treated those who did arrive poorly, limiting them to so-called transit zones, which were later closed due to a May 2020 ruling by the European Court of Justice that classified one transit zone as detention) or let them cross the country to reach their dream destinations in Western Europe, Germany provided asylum to more than a million people. However, Hungary's firm line of defense against further migration along the Balkans route (in contradiction of international law) alleviated the refugee situation in Germany after 2015.

Hungary opposes the sanctions against Russia, declaring that they do not achieve anything. It presents exaggerated and fabricated data when complaining about economic losses suffered due to the sanctions. However, Minister of Foreign Affairs and Trade Péter Szijjártó has declared openly that Hungary is in no position to abolish the sanctions. This statement preceding EU meetings to decide on the extension of sanctions reduced the pressure on Germany. Such a tacit understanding is fostered by frequent informal diplomatic exchanges in the framework of which Hungary also receives input from Germany on the limits of its *Sonderweg* (special path) relationship.

More recently, a new subchapter opened in German-Hungarian relations. Hungary purchased German armaments valued at 1.76 billion euros in 2019. This includes 44 new Leopard 2A7+ tanks and 24 Panzerhaubitze 2000 self-propelled artillery guns, making Hungary the largest importer of German-manufactured armaments. Moreover, as the transaction was between NATO member states, it was apparently problem-free. Whether Hungary has the military need to purchase such pieces of armament is beyond the scope of this analysis, though there is speculation in Hungary that the deal is intended to silence German reservations over Hungarian policy. Perhaps it could be characterized as "killing two birds with one stone." In addition to further intensifying economic cooperation with Germany, it addressed another shortfall: Hungary's traditionally meager defense spending. A decade ago Hungary spent approximately 1% of its GDP on defense, but in 2014 the government committed to reach or exceed the 2% NATO threshold by 2024. In addition, NATO advises

that 20% of total military spending should be on purchasing armaments and equipment or on the modernization of major weapons systems. With this purchase and others, Hungary will spend 1.66% of its GDP on defense in 2021, thus approaching the 2% goal in a timely manner. (Due to the COVID-related contraction of the Hungarian economy in 2020, the percentage will be even higher.) Additionally, 25-30% of the total will be spent on upgrades recognized by the Alliance. Hungary has also created a 2-billion-euro joint venture with the German arms manufacturer, Rheinmetall.

Hungary has taken advantage of the EU's hesitation and soft reaction to the undermining of shared EU values. On taking power in 2010, the Orbán government made an abrupt change compared to its predecessors: taking a classical realist stance in foreign policy. In NATO, where Hungary has been a member since 1999, its policy was that of continuity for a number of years, continuing to pay little attention to, and spend little on, defense. In compensation, it participated in operations that were of symbolic importance to the Alliance and its leading member, the U.S. It contributed to NATO's International Security Assistance Force and Operation Resolute Support missions in Afghanistan, it has a large component in the Kosovo Force mission, and it hosts the NATO Centre of Excellence for Military Medicine. Those factors make Hungary a more-recognized ally within NATO

than during the socialist-liberal governments between 2002 and 2010. However, the political assessment of Hungary is also shaped by other circumstances.

The Hungarian government has paid particular attention to its relations with the U.S., partly due to its weight in the international system and Hungary's largely negative experience with Washington in 2000-2002 during Orbán's first term. At that time, Orbán's government was challenged on various grounds, including anti-Semitism, its purchase of Swedish Gripen aircraft instead of American F-16s, and a few others, such as the belated and somewhat hesitant demonstration of solidarity with the U.S. after the 9/11 terror attacks. Orbán tried to avoid the reemergence of similar problems after returning to power in 2010. Still, due to such reasons as curtailing individual and political freedoms and certain cases of corruption that affected U.S. firms, relations remained bumpy. The administration of then-U.S. President Barack Obama had strong reservations toward Orbán's government, symbolized by the lack of an official bilateral visit with Obama in Washington.

Orbán was the first European head of government to predict and verbally support the victory of U.S. President Donald Trump months before his election in November 2016. Following the election, his understandable expectations of a visit to Washington were not realized until 28 months into Trump's term of office. There is written evidence from U.S. government circles of how divided the administration was and indicating strong reservations toward Hungary's political course. While during Obama's presidency the discord between Washington and Budapest was noticeable, it became more concealed after January 2017. There were pending

Migrants walk along a railway track after crossing the Hungarian-Serbian border near Rösztke, Hungary, in August 2015. During the refugee crisis, Hungary defied the European Union and took strong measures to block irregular migration to and through the country. REUTERS



issues, including Hungary's too-close association with Russia, energy policy, the opening of an international investment bank in Budapest run by the son of a Russian intelligence operative, and the continuously postponed purchase of U.S. armaments and increasing clarity that the U.S. will have a relatively small share of Hungary's defense market. These issues were raised in Budapest by then-U.S. Secretary of State Mike Pompeo in February 2019, but Hungary later walked back many promises made during his visit.

However, following a number of unfulfilled promises, in August 2020 Hungary signed a declaration of intent to buy the National Advanced Surface to Air Missile System, which includes both air-to-air and surface-to-air missiles at a value of nearly \$1 billion. It is clear that the Hungarian government no longer felt it was in a position to resist mounting U.S. pressure without facing potentially adverse political consequences.



Hungarian Prime Minister Viktor Orbán speaks during a news conference after a European People Party (EPP) Political Assembly on his Fidesz party in March 2019. The EPP suspended Fidesz's voting rights. REUTERS

When Hungary is confronted with questions about its commitment to democracy, checks and balances, rule of law or human rights, officials often refer to Fidesz having won free and fair elections (three parliamentary, three municipal and local, and two European Parliament) and mention the country's independence (sovereignty) and its membership in various Western organizations as legitimizing factors. Recently in appearances, Orbán has regularly referred to himself as a "freedom fighter." Irrespective of the facts, this demonstrates an important change, moving from the rational-legal legitimacy to a charismatic one — following the example of Russian President Vladimir Putin.

Prior to 2010, loyalty and allegiance toward Western institutions and partners was an unquestionable feature of Hungary's foreign policy. This has become conditional on concrete advantages to both the country and the regime and has coincided with the disappearance of any kind of gratitude for successful Western integration, modernization and massive enrichment. Irrespective of its nonalignment with European values and often-wasteful use of allocated resources, Hungary wants active support from its major Western partners and for them to refrain from criticizing or undermining the regime

due to its policy course. The Hungarian government likes to have it both ways: taking advantage of European integration and interdependence while maintaining maximum autonomy and a traditional approach to sovereignty. Orbán said in August 2020: "In our eyes the West has lost its attraction. ... Europe must find its future in such a way that neither side forces its own life and worldview on the other. This is the alpha and omega of European unity today. Europe must find its future in such a way that neither half imposes its own view of life and the world on the other." This statement by the prime minister of an EU and NATO member state must be more appreciated in Moscow and Beijing than in Brussels.

Hungary and the East: toward dependence

After the collapse of communism and the political system change in 1990, Hungary took a more pragmatic stance toward the Soviet Union, and then the Russian Federation, than other Eastern-bloc countries with historically more burdened relationships, such as Poland and the Baltic states. When it had been clear for some time that Orbán would be the next prime minister of Hungary, he visited St. Petersburg in 2009 as a guest to the conference of Putin's United Russia party. After Orbán formed his government in 2010, Russian-Hungarian relations reached a new and lasting high: annual bilateral meetings between Putin and Orbán, Russian investment in Hungary, some involving large Russian loans, headquartering a large Russian international bank in Budapest with full diplomatic status, and conspicuous types of cooperation, such as between state security organs and providing some members of the Russian establishment with Hungarian passports.

As the Hungarian government began heading in the direction of authoritarianism, it was glad to find a partner that would not object to its political course. The Russian leadership knows how to attract politicians disenchanted with the West, determined to perpetuate their own power, and reluctant to be challenged on the grounds of a value-based system of politics. In turn, Hungary fit into Moscow's long-term objectives — a relatively small NATO and EU member state, lacking strong historical animosity toward Moscow and ready to cooperate on certain economic projects, and also weaken Western unity at an affordable price. Cooperation has become multifaceted, extending to Russian investment in Hungary, energy cooperation and reassurance that Hungary does not support EU sanctions against Russia.

However, bilateral trade data do not substantiate particularly intensive relations. Trade between the two states was valued at \$6.5 billion (with a large surplus on the Russian side due to the export of oil and gas) in 2019. Russia's share of Hungarian foreign direct investment (FDI) is fairly insignificant: It is not among Hungary's 10 biggest investment partners. However, a few investment projects may make a big difference. Among them, the most important is two new reactor blocs in Hungary's Paks Nuclear Power Plant, which was built by the Soviet Union. This project symbolizes various problems of economic cooperation simultaneously:

1. The reactors are not in service anywhere in the EU, so there is no evidence that they meet EU requirements.

2. Due to administrative problems, the project is significantly delayed.
3. The investment will cost more than 12 billion euros and will be financed by a 10 billion euro credit from Russia. The Hungarian government has already drawn 80 million euros of credit while the project is stalled.
4. The project remains extremely divisive in Hungarian society due to safety and environmental concerns, costs, and heavy dependence on Russian credit to finance the project.

In matters that bind Hungary to Russia, Budapest is reluctant to make concessions. However, when it encounters stiff resistance from a major partner, it has stepped back, such as when Budapest attempted to purchase 30 Russian military helicopters in 2016 for \$490 million. After backing out of that deal due to American warnings, Hungary decided to overhaul its aging fleet of Mi-17 transport and Mi-24 combat helicopters in a much smaller deal with Russia that nonetheless did not make Hungary's helicopter fleet NATO compatible.

The Hungarian government's program of eastern opening includes various partners. On its face, there is no reason to have strong reservations: If there is opportunity due to rapid economic growth in the East, Hungary should take advantage of it. Whereas the opening may not present a problem *per se*, there may be wider ramifications. Can intensive interaction remain confined to the economic sphere, or does it carry the risk of Hungary being absorbed into a broader political agenda, in particular of such players as Russia and China?

Whereas relations between Budapest and Moscow became far more intensive when Orbán formed his government in 2010, improvement in relations with China was gradual. Beijing's aspirations have also changed with the One Belt One Road (OBOR) infrastructure scheme, later renamed the Belt and Road Initiative. Hungary found this a good opportunity to complement its bilateral effort. It benefited from China's business practices, including intergovernmentalism, opaqueness and comfort with corrupt practices.

Chinese investment in the Hungarian economy is far more significant, including a huge investment in the high-speed railway connection between Belgrade and Budapest, scheduled to be completed by 2025 and financed through a Chinese loan of \$1.766 billion (85% of the total cost of \$2.078 billion) by Lőrinc Mészáros, Orbán's closest crony and the richest man in the country. It is widely debated if and when there will be return on investment. Even optimists assume that the investment will not be profitable in the next 130 years. The conditions of the credit provided by the Chinese Export Import Bank have been made confidential for 10 years in Hungary and the contract was signed in April 2020 when no attention could be paid due to COVID-19. In a 10-year period (2010-2019), Chinese FDI in Hungary increased from \$500 million to \$4.5 billion. Chinese companies employ 15,000 Hungarians.

Beyond the economy, Hungary is a favored destination for Chinese tourists and where approximately 70,000 Chinese citizens live permanently. Direct flights connect Budapest with Beijing and Shanghai. Confucius Institutes and classes, as

well as the China-CEE Institute, complement this network of cooperation. Hungary also declared in 2019 that it would rely on Huawei in acquiring 5G technology (Huawei is the second largest Chinese investor in Hungary since 2005).

Hungary has constantly supported China at multi-lateral fora, including the EU and the Visegrád 4 group. Budapest has undermined consensus several times related to human rights issues in China. In 2017, Hungary refused to sign a joint letter denouncing the reported torture of detained lawyers in China, breaking EU consensus. In 2019, Hungary was among those EU member states that refused to condemn China's treatment of the Uighur ethnic minority. In 2018, Hungary was the only EU member that did not sign a joint letter asserting that OBOR runs counter to the EU agenda for liberalizing trade and pushes the balance of power in favor of subsidized Chinese companies. Hungary insisted upon removing any comment critical of China at a Visegrád 4 meeting with then-Japanese Prime Minister Shinzo Abe in 2018. Overall, Hungary has become a Chinese Trojan horse in the West.

CONCLUSION

Hungary has, since 2010, attempted to combine its membership in Western institutions — intimating a “clean bill of health” as far as its democratic credentials — with the development of a highly diverse foreign policy orientation. It has rebalanced its relations post-accession while benefiting from the advantages of Western integration. Prime Minister Orbán's regime is a long way from the spirit of the words he used in opposition 13 years ago: “We opened the door to the West, and we showed the Russians, the Soviet Union, communism the door. And we are sending a message to the future not to let it all climb back through the window. Oil may come from the East, but freedom always comes from the West.” Eight years later, as prime minister, he stated in the capital of Kazakhstan: “It's a pretty weird feeling that one has to go east to feel at home.”

It is easy to understand the Hungarian government's agenda: It is realism that tries to maximize its advantages and gives in only to superior power. The Hungarian government is getting away with a domestic political agenda that defies Western democratic norms, preserving its political stability irrespective of how it gained power, and aligning its policy with undemocratic states that are tacitly delighted that Hungary weakens the community of democracies. Hungary's leadership offers economic opportunities to its government-dependent oligarchs and cronies and more importantly, high profits to foreign capital. As long as Audi, Mercedes, Siemens, Deutsche Telekom, Gazprom, Rosatom, Huawei, Wanhua and the Sichuan Bohong Group are happy, the Hungarian government can count on a favorable external environment irrespective of its regime. This peacock dance, buying external support for a hollow autocratic system at the expense of the people, costs more and more to millions of impoverished Hungarians who are also deprived of a chunk of their freedom. Hungary gives testimony to the crisis of a value-based system of international relations. □