

ILLIBERAL DEMOCRACY IN HUNGARY: THE SOCIAL BACKGROUND AND PRACTICAL STEPS OF BUILDING AN ILLIBERAL STATE

András Bíró-Nagy

*Research Fellow, Hungarian Academy of Sciences,
Centre for Social Sciences
Co-director, Policy Solutions, Hungary
andras.biro-nagy@policysolutions.hu*

Since 2010, Hungarian democracy has been fundamentally transformed, and most observers agree that the quality has decreased in this time. Most critics of Prime Minister Viktor Orbán, of the Fidesz party, felt vindicated when, in a major speech in 2014, he outlined his vision of building an “illiberal democracy” in Hungary. The goal of this study is to analyse some of the factors that made it possible that the Orbán government could go on its illiberal way relatively easily. Therefore, the first part of the study presents the Hungarian public attitudes concerning socioeconomic changes twenty-five years on from the country’s regime change and also tries to explain how shifting perceptions of the systemic changes, democracy and capitalism laid the foundation for the implementation of illiberal domestic policies following 2010. This will be followed by the description of some of the key moves of the Hungarian government since 2010 that indicate what the building process of an illiberal democracy looks like in practice. The third section will analyse whether the Eurosceptic standpoint of Viktor Orbán’s government has had an influence on the attitudes of the Hungarian population towards the European Union. Finally, there will be discussion of what conclusions can be drawn from the general disappointment of the Hungarians with the regime change, democracy and capitalism, and how trust in democracy could be improved in Hungary in the future.

Social background of the illiberal trend in Hungary

In Hungary, the regime change that unfolded in 1989 and 1990 led to fundamental changes in the political system, as well as in the country’s social and economic structure. The one-party state was replaced by a pluralist democracy, there was a shift from a planned to a market economy and the privatisation of state property also got under way. Changes in the economy had an effect on the labour market and employment, resulting in a rapid rise in unemployment and a shrinking of the working population. The structure of society also changed: a new class of domestic plutocrats emerged, the number of small- and medium-sized enterprises increased, while the size of the underclass and those living in

poverty increased significantly faster, leading to widening social disparities. Compared to earlier relatively widespread equality, Hungarian society essentially split in two. The relatively well-off made up 12-15% of the population, while the majority was poor or on the way to poverty.

In a 1989 survey Hungarians generally believed that the most salient features of democracy included social welfare, freedom and participation, at that time marked primarily by independence from Russia, freedom of expression, popular sovereignty, general welfare and a more equitable distribution of wealth (Simon, 1995). In other words, along with the process of democratisation, the population also expected the regime change to bring economic prosperity and material improvement.

Hungarian society's value structure rests on rational yet closed thinking, a relatively weak commitment to democracy, distrust, a lack of tolerance and a demand for strong state intervention (Tóth, 2009). A dominant role played by the state had been a fundamental feature of the state socialism in place before the regime change. The systemic changes, transition to a market economy and a period of privatisation notwithstanding, demand for state intervention, along with the desire to escape social instability, remained key aspects of the national preferences.

Hungarian society is further characterised by an extremely low level of confidence in political institutions and interpersonal relations as well. The general lack of trust evidenced by Hungarian society is harmful not only because it undermines the political system and the quality of democracy (if citizens have no trust in elected officials, they will have no stake in participating in the democratic process), distrust also hampers the development of such fundamental social values as tolerance and solidarity. And all this, aside from eroding social cohesion, also eliminates opportunities for economic development, i.e. a lack of trust has a detrimental effect on all aspects of public life.

In combination with a strong demand for state intervention, distrust of state institutions betrays Hungarian society's highly unusual and ambivalent attitude towards the state. Even 25 years after the regime change the majority of Hungarians continue to expect the state to improve their living standards and, indirectly, control their destiny while, simultaneously, they have no trust in politicians and institutions that should – at least in their opinion – provide all of the above benefits.

Disappointment with the regime change

Of all social groups, the winners of the regime change came primarily from among the captains of industry and top political leaders (Ferge, 1996). This is explained by the fact that those with sufficient capital prior to the regime change were in a position to participate in the privatisation of state-owned factories and agricultural cooperatives. The biggest losers of the regime change were skilled workers and labourers. This came about when heavy industry was replaced with less labour-intensive operations, and in many cases the new business owners rationalised the labour force or shut factories down.

There were similar tendencies in respect to education backgrounds. The largest number of winners was among those with a university degree or diploma, and there were also fewer losers in this group. The largest number of losers came from among those with the lowest level of education. 70% of the people with a primary or vocational education fall in that group, and the lowest number of winners is also found in this category. The composition of the group of winners and losers is also determined by age. The number of winners gradually declines with age, with a simultaneous loss of confidence in the future.

The social impact of the regime change is evident at the regional level as well. Inequality has increased between the residents of Budapest and other urban centres and the rural population. So-called backward regions have emerged, primarily in some rural areas of the Great Plain, eastern and northern Hungary. Concomitant to the economic regime change, a social class emerged that lost its jobs in urban-based industries and, without marketable skills, found securing a job more and more difficult. These people became permanently unemployed and tried to survive by relying on a variety of social welfare benefits. Unemployment became a mass phenomenon, with 41% of those without a job having no more than a primary-school education.

It is fair to conclude that those living in villages and small settlements, old people, those with little education and the inactive ended up as losers, while residents of the capital and bigger cities, as well as active young people with a higher level of education may be described as the winners of the regime change. Moreover, changes taking place in the labour market and in employment practices have essentially favoured the latter segment of society.

A 1995 survey revealed that 51% of the Hungarians claimed the new regime was inferior to the old one (Kolosi & Róbert, 1992). 26% believed it was much worse and barely every fourth respondent thought the new system was for the better – reflecting the most pessimistic view in the whole region. Disillusionment with the regime change is explained in part by changes in income levels, and in part by deteriorating living standards. Inflation, a drop in income, structural changes in homeownership and the healthcare system have been major contributing factors.

When asked in a 2000 survey on the assessment of change conducted by Tárki, a Hungarian research institute, whether the socialist system caused more harm than good, 20% of the respondents said that it caused more harm, while a significantly larger number, 50% said the same about the new regime (Csizér, 2000). In other words, in addition to having ambivalent feelings about the regime change, even at the turn of the millennium many continued to entertain nostalgic feelings for the previous regime. In the survey, Hungarians described freedom of expression and foreign travel as the most positive changes, and associated the most negative changes with employment, declining public security and living standards. This also means that from the point of the extension of individual rights they saw the changes in a positive light, although in all other respects they perceived things as going from bad to worse.

Tárki's 2014 survey also reconfirmed this correlation, demonstrating that those with more education were the most satisfied with the regime change: the higher the level of education, the higher the rate of satisfaction (Tárki, 2014). 46% of those with a diploma, 20% with primary education, 27% with a skill and 29% with a high school diploma considered the current regime superior to the previous one. In a 2014 survey 26% of the respondents said that residents of Hungary are better or much better off than prior to the regime change, and 20% saw no difference. A relative majority of the respondents – 44% – thought Hungarians were in a worse situation than before the regime change. At the same time, slightly more agreed on the need for change: according to close to half (47%) the regime change was worth it, while 40% said it was not.

On the whole, it can be stated that in the years following the regime change public acceptance of the new system improved, although not by any significant degree. This also demonstrates that in the eyes of the population individual rights such as a say in political decisions and the opportunities offered by the freedom to travel are no match for existential security or a guaranteed job, which are considered more important than the previous issues. Since in these areas very few people experienced positive change, their satisfaction with democracy and their assessment of the regime change has been undermined. In short, Hungarian society's negative assessment of the systemic changes is mostly associated with rising unemployment, declining social mobility, deepening social disparities and an erosion of social stability.

Disappointment with democracy

Since the above conclusion already implies a quite stunning conception of democracy, a review of attitudes toward democracy may be a useful exercise. According to the World Values Survey while Hungarians continue to believe in the need for democracy, they are considerably more critical of its day-to-day operation (World Values Survey, 2009). Of course, the level of satisfaction also depends on what Hungarian society sees as the essence of democracy. Over four-fifths of the respondents believe that the free election of leaders is one of the most crucial aspects of democracy, and the severe punishment of criminals is seen (by 84%) as an even more defining feature. Three-quarters consider the amendment of legislation through popular votes as a major component of democracy and the perception of democracy as offering protection against repression through individual rights is equally strong (70%).

In addition to the above, a large number of Hungarians associate democracy with economic growth, material wealth and state-controlled redistribution. This is demonstrated by the surprising finding that the majority considers a prosperous economy to be as crucial for democracy as free elections. According to two-thirds of Hungarians, a government taxing the rich and supporting the poor is also an indispensable feature of democracy and over 55% include benefits provided to the unemployed as part of these fundamental democratic values. In other words, a definition of even the most basic precepts of democracy reflects the Hungarian population's paternalistic yearnings.

The conclusions of the most recent Hungarian studies fit with the findings of the World Values Survey. Based on responses to a survey conducted in 2015 by the Hungarian Academy of Sciences, while the majority of Hungarians continue to be devoted to the democratic system, there is also a palpable sense of disillusionment in democracy. Close to half the respondents (49%) say that democracy is better than any other political system and only 7% would prefer to see a dictatorial regime under some circumstances. At the same time, a large number of people, accounting for almost one-third of the population (32%), are critical of the political system, arguing there are no fundamental differences between the various systems (Ger & Szabó, 2015). In other words, while in favour of democracy in general, Hungarians' perception of democracy is shot through with scepticism, and a large percentage believes it makes no difference under what form of government the country is run.

Based on the findings of empirical studies, it may be concluded that Hungarians consider economic well-being and financial security to be as much an integral part of democracy as free elections, the institution of the popular vote and civil liberties. When evaluating the quality of democracy, economic and social factors play an even more important role in the eyes of citizens than the liberties related to democracy, which explains why in times of economic downturns and crises popular confidence in democracy noticeably declines. In light of Hungarian attitudes, it is safe to assume that in this context a positive assessment of Hungarian democracy becomes highly tenuous.

Disappointment with capitalism

Specific aspects of the regime change are worth examining, as popular attitudes also indicate that Hungarians take fundamentally different approaches to economic and political changes. Public opinion is most critical of the economic dimension, i.e. capitalism. For the most part, this is explained by Hungarian society's persistent yearning for state tutelage which, in many respects, is in conflict with the transition to a free-market economy, as well as with social inequality exacerbated by capitalism.

Surveys conducted in the past 25 years show that on the whole the Hungarian population believes that in economic terms the country is worse off than under socialism. According to the findings of a PEW Survey, while in 1990 there was general enthusiasm (80% in support) for a transition to capitalism in Hungary, by 2009 only 46% of the respondents approved of the changes, meaning that in two decades support for the economic changes dropped by almost 50% (Pew Research Center, 2009). Of all the former Eastern Bloc countries Hungary is the most dissatisfied with the current capitalist system; in 2009 72% believed that the country was worse off economically than under the socialist regime. It is worth noting here that in 2009 Hungary experienced a period of deep economic and political crisis that may also account for the overwhelmingly negative attitudes.

As part of the assessment of capitalism, it is worth noting how experiences gained in the previous regime shaped attitudes to free competition. In 2009, Eurobarometer asked citizens to what extent they

agreed with the statement that competition between companies drives down prices (Eurobarometer, 2010). Within the EU, with 27 member states at the time, Hungary took the least pro-market position with only 62% of the respondents agreeing in full or in part with the statement, as opposed to the EU's 83% average. Hungarian opinion also differs somewhat concerning the statement that more competition offers more choices to consumers. In Hungary 16% fewer agree with that statement than in the EU on average. While an overwhelming majority expressed its consent, 20% of the respondents (a high percentage within the EU) maintained that the establishment of a competitive environment at the state or European level would not bring any benefits to consumers or society in general.

Illiberal democracy in practice

In a speech delivered at the 25th Bálványos Free Summer University located in Romania's Transylvania region, in front of an audience primarily made up of ethnic Hungarians, Prime Minister Viktor Orbán declared that Hungary had abandoned the liberal principles of societal organisation and, inspired by today's "international stars" such as China, Singapore, Turkey and Russia, would adopt an illiberal form of governance (Orbán, 2014). Orbán reasoned that as liberalism promotes the selfish interests of – often unpatriotic – individuals, only an illiberal democracy can devotedly serve the general interest of the whole nation.

Orbán's own understanding of illiberal democracy is most likely a combination of certain socioeconomic and political objectives. As he noted, he envisions a work-based society in which holding down a job will be paramount, implying that those who cannot or do not want to work will forfeit certain rights. He was most likely drawing on his oft-repeated admiration for what he broadly calls the Asian model, by which he means high levels of social discipline and low levels of public dissent. Based on Fidesz's actual policies, it is also fair to deduce that illiberal democracy also features measures aimed at eliminating checks on executive powers and limiting, through a variety of means rarely employed in Western democracies, genuine opportunities for opposition voices to be heard.

This chimes with a key feature in Fareed Zakaria's original version of illiberal democracy (Zakaria, 1997). A liberal democracy imagines inherent and substantial limits on the powers of a temporary majority to prevent a "tyranny of the majority," while Fidesz's interpretation allows very few such limitations. Narrowing the constraints on the government's latitude to shape public affairs is in fact one of the key Fidesz objectives and presumably also a major component of Orbán's illiberal democracy. According to Zakaria, in illiberal democracies political power is increasingly centralised while the freedom of people is concurrently eroded. Depending on the degree of centralisation, the character of an illiberal democracy can range from "nearly liberal" to "openly autocratic". The transformation from one end of the scale to the extreme opposite is well illustrated by the political developments in Hungary since the initiation of the second Orbán government. In the following section, a few key moves towards building an illiberal democracy will be highlighted.

The new Fundamental Law

The reshaping of Hungary according to Fidesz's ideal image began with the passing of the country's new Fundamental Law, which entered into force on the 1st of January 2012. Already at the outset, the drafting process and passing of the law came under heavy criticism for lacking any political or professional debate. Consultation with opposition parties and civil organisations was neglected. By explicitly drawing up the normative preferences of an individual's private life, the Fundamental Law set out the vision of a Christian-conservative political community, while also laying the groundwork for political centralisation.

Limiting constitutional review: the Constitutional Court and the president

The Constitutional Court was the principal check in Hungary on the executive branch during and after the transition period of the 1990s, and enjoyed some of the strongest powers of all its international counterparts. However, in 2010, then Fidesz faction leader János Lázár came out with the argument that with the consolidation of democratic values and institutions, the Constitutional Court no longer needed its exceptionally wide scope of jurisdiction. Consequently, it was stripped of its power to rule on tax and budgetary matters. The court's role was virtually annulled when the government, with an amendment to the Fundamental Law, allowed for the bypassing of the court's judgement by making it constitutional to enact laws that the court deemed unconstitutional. The selection of the judges was also changed – the previous, fair system where a delegate from each parliamentary party could pick a nominee was overturned in favour of a new method where the party with the most delegates got to pick the nominee. With these changes, as well as by replacing retiring judges with pro-Fidesz ones with questionable political backgrounds, the court has since, unsurprisingly, made rulings favouring the government's will in an overwhelming majority of cases.

The other democratic institution that could in theory exercise constitutional control over the executive branch is the figure of the president. However, this position has also been filled by Fidesz party politicians. Pál Schmitt, who served in the position from 2010 until his scandalous resignation in 2012, did not send any laws for constitutional review – he simply signed every single document that the government put on his desk. His successor, János Áder generally uses his political veto rather than asking for a constitutional review – an instrument that can be easily ignored by Fidesz with its two-thirds majority in the parliament.

The chief prosecutor, the State Audit Office and the Fiscal Council

The position of the chief prosecutor was taken up by Péter Polt. Polt, a former member of Fidesz and an unsuccessful parliamentary candidate in the 1994 general elections, has come under wide scrutiny as under his watch the percentage of rejected complaints about corrupt officials has increased by 300%. The State Audit Office, the principal organ responsible for overseeing the government's spending has been chaired

by László Domokos, a former Fidesz MP. Other signs that Fidesz cannot stand criticism are the radical transformation of the Fiscal Council and the nomination of government-leaning experts to its leadership.

The ombudsman and the judiciary

With the enacting of the Fundamental Law, all four ombudsmen's offices have been done away with and replaced by a single commissioner for fundamental rights. The current commissioner, László Székely, is well-known for his ties to Fidesz, formerly being the party's expert on environmental issues. The dissolving of the ombudsmen's offices were not without legal consequences. The removal of András Jóri, former ombudsman responsible for data protection before the end of his mandate was found contrary to European law by the European Court of Justice. The discharge of András Baka, head of the Supreme Court, as well as the lowering of the retirement age of judges from 70 to 62 were similarly deemed unlawful by the European Union's court. The European Union also intervened in mandating the revision of the excess powers of the National Judicial Office led by Tünde Handó, the wife of member of the European Parliament József Szájer (Fidesz – European People's Party), which would have had the power to reshuffle judges from their positions without the need for justification.

The media

The rearranging of the country's media structure with a set of media regulations was one of the most internationally criticised Fidesz policies. A self-censoring, biased and overly pro-government centralised media was built up, filling the Media Council and the National Media and Infocommunication Authority (NMHH), a body with a wide range of oversight over media outlets. In this centralised media empire, available frequencies were given to pro-government businesses whose news broadcasts have omitted any point of view that is critical of the government's policies. Tellingly, the evening state news on the public channel is dominated overwhelmingly by reports highlighting the government's achievements, while the opposition's perspective is usually left out or presented in a flagrantly biased manner. News anchors with expertise were fired and replaced by inexperienced amateurs often giving near comical onscreen performances. Freedom House has qualified the Hungarian media as only "partly free" due to Viktor Orbán's intense political pressure on independent media outlets.

The electoral system

With Hungary's disproportionate electoral system Fidesz gained a two-thirds majority in the 2010 parliamentary election by winning just 52% of the popular vote. Then, during its first term Fidesz ventured to amend the legal framework of the electoral system to help regain its two-thirds majority in the 2014 elections too. With a new method that "compensated the winner" and arbitrary gerrymandering, the system was shaped and rigged – without any substantial dialogue with opposition parties – in Fidesz's favour. According to the OSCE/ODIHR

election observation report, Fidesz enjoyed an “undue advantage” during the 2014 campaign period in which it “blurred the separation between [the ruling] political party and the State” (OSCE/ODIHR, 2014). While observers found the election transparent and efficiently administered, opposition parties were found to have suffered a crippling disadvantage due to the unfair allocation of state advertising, biased media coverage and a general lack of media pluralism. The election was ultimately assessed in the report as “free but unfair.”

Pressure on civil society

Fidesz also turned to demonising a group that it considered exercised unwanted influence over the country’s domestic affairs: NGOs. Consultation with the civilian sphere has been largely neglected during political decision-making and thus left marginalised. However, Viktor Orbán still regards the activists of human rights organisations, primarily those that also receive funding from foreign sources, as agents trying to undermine Hungary’s sovereignty. The government accused beneficiaries of the Norway Grants, a fund aimed at boosting the economies of central European countries, of supporting the political goals of opposition groups. In 2014, police raided the offices of an organisation responsible for distributing Norway Grants funds. The government justified the act by arguing that it should be entitled to have oversight of who gets to benefit from foreign funds. In a similar manner, the migrant crisis was blamed on George Soros, a billionaire philanthropist who used to fund scholarships for Fidesz’s current top officials to study at British universities. Soros was accused of single-handedly unleashing the migrant crisis on Hungary via the funding of humanitarian aid organisations and was subsequently declared a threat to the nation’s security.

Eurosceptic political leadership, pro-European electorate

The frequent clashes with different EU institutions and leading European politicians over some of his illiberal moves have caused several international PR disasters for Viktor Orbán, but he has apparently been ignoring them. The Hungarian PM has had numerous very difficult political situations and negative media coverage outside Hungary (for example on issues like the media law in 2011, the new constitution in 2011-2012, his comments on illiberal democracies in 2014, his remarks on the death penalty, and hardliner anti-immigration politics in 2015), but he never seems to care as his main goal is to maintain support for his party at home. As long as he is able to win or at least keep votes by being tough against “Brussels”, Orbán is expected to continue this strategy. Moreover, the refugee crisis has provided Viktor Orbán with an extraordinary opportunity to bring his agenda to the European level and gain some international followers as well.

After more than six years of conflict between the Hungarian government and the European Union, it is clear that the EU lacks the proper instruments and mechanisms to tackle right-wing populism and the illiberal tendencies that have come with it in the Hungarian case. The European Parliament addressed the Hungarian situation

on several occasions, adopted resolutions and a report on the political developments in Hungary, but these debates and written documents have remained largely symbolic actions, with no real political consequences. Viktor Orbán was well aware that international scandals that do not result in legal consequences would have limited impact on his domestic popularity and, reinforced by the protection extended by the European People's Party, he felt he could easily handle the conflicts with the European Parliament.

In the last few years, the European Commission has been more cautious in tone than the European Parliament, but has been more effective in terms of keeping the Hungarian government on a European trajectory. At the same time, it must be emphasised that it was only successful in situations in which it had specific financial or legal "disciplinary instruments" at its disposal. Infringement procedures and financial rules have mostly resulted in compliance. However, in many cases, when the international watchdog organisations and the press claimed that Hungary was violating the "fundamental principles of the EU", the European Commission's lawyers assessed that those actions by the Hungarian government did not fall under the EU's jurisdiction. Open criticism from the leaders of the EU was also mostly ignored by the Hungarian government.

The lessons are clear: right-wing populists in Hungary only change their course when they face hard power. Soft power is seen as weak and irrelevant. It is now also obvious that the European institutions have only a very limited set of tools with which to take actions against a member state in the realms of democracy, rule of law, political rights or freedom of the press. Most importantly, it has also become evident that political pressure at European level will not result in loss of popularity for the government.

Despite the frequent fights between the Hungarian government and the European Union, the Hungarian electorate has not become Eurosceptic. Research findings published in the past six years show that the majority of Hungarians continue to see the future of the country inside the European Union (Medián, 2016). While perceptions of the regime change and democracy have declined precipitously in the past few years, Hungarians have remained steadfast in their European orientation. Based on the results of a survey conducted jointly by Policy Solutions and Medián in 2011 slightly over two-thirds of Hungarians (69%) would have voted to reaffirm the country's membership of the EU, only every fourth citizen (24%) would have rejected accession, and 8% were undecided (Policy Solutions, 2012). According to the latest survey conducted by Századvég in the summer of 2016, following Brexit, three-quarters of Hungarians (76%) would continue to vote for "stay" and only 13% for "leave" in a potentially high turnout, with only 5% saying they would not go to the polls (Századvég, 2016). In short, Hungarian society takes a firm pro-European stance, where a considerable majority sees the country's future as a member of the European Union.

For Hungarians, when it comes to the EU, the first things that come to mind are EU citizens' right to travel freely, study and get a job in other member states, with four out of ten (41%) giving that answer.

Hungarians also commonly associate the EU with the inadequate control of external borders and cultural diversity – issues ranked in importance in second and third place. At the same time, both EU citizens and Hungarians rarely associate economic growth and social protection with EU membership. The rate of Hungarians believing they have more say in world affairs through the EU is well below the European average. It is also interesting that, compared to the EU-28 average, considerably fewer Hungarians make an association between bureaucracy and the EU (15% as opposed to 24% in the wider EU), and half as many think that the EU project is a waste of money (Policy Solutions, 2016).

Regarding citizen confidence in the European Union and national policies, the following conclusions can be drawn. First, in the wake of a series of crises over the past five years European citizens have lost some confidence in the European Union. Second, while confidence in the EU has declined in Hungary, Hungarian citizens are still less Eurosceptic than the average measured in European member states. Third, public disappointment has been more pronounced in domestic politics than in the EU: there has been more erosion of confidence in domestic politicians, both at EU and local level, than in EU institutions. In this context, the continued support of Orbán and Fidesz can be explained by the weakness and the lack of credibility of the opposition – there is no confidence in the opposition politicians and parties either.

Neither the European Union nor national political institutions enjoy the confidence of the majority of citizens. Numbers also show that the level of confidence in institutions is not necessarily related to a so-called democratic deficit, but rather to the dissatisfaction with the political elites and the functioning of the political system. All things considered, one may conclude that many Europeans continue to place more trust in EU institutions than in their respective political leaderships, who, at least in theory, maintain a much closer relationship with citizens. Although the perception of the European Union has deteriorated in recent months, considering a similar loss of credibility involving national institutions, this cannot be considered a failure of the European project. While there is a genuine institutional crisis, it is not due primarily to a public perception of EU incompetence and is much more closely related to disillusionment with the prevailing political system as a whole.

Conclusions

The Hungarian public's expectations of regime change and democracy clearly show that following 1990 the Hungarian political elite consistently underestimated the importance of welfare issues. For the majority of Hungarians democracy is identified with financial advancement and existential security. However, the quarter century since the regime change has brought growing social inequality, leaving entire regions behind, increasing the gap between rural and urban populations and, as a result of all the changes, leaving the less well-educated and those already struggling in even worse conditions. Not surprisingly, regime change was quickly followed by disillusionment: as early as the mid-1990s, half of Hungarians were of the opinion that the system was inferior to the old one. This perception has not changed to any significant degree in the 2010s, and a relative majority of Hungarians

continue to believe that the country is worse off than it was before the regime change. Hungarian society's negative assessment of the systemic changes is attributed for the most part to rising unemployment, declining social mobility, deepening social disparities and an erosion of social stability. While this mindset and disaffection with capitalism and democracy have not made dictatorship popular, it should be a warning sign that today one-third of the population no longer cares whether the country is run as a dictatorship or a democracy, for they no longer believe that democracy can bring real change in their life.

After 2010, this has made it all the easier for Fidesz to fundamentally restructure the Hungarian democratic system – involving the justice system, the media, independent watchdog organisations and the electoral system – and has also allowed the party to implement radical changes without facing effective public opposition. Hungary's example could also serve as an important lesson for other European countries: growing inequality, and increasing and ignored social tensions may undermine the foundations of democracy and spark a revolt against the elite that, in turn, may prepare the ground for the further advancement of anti-establishment forces holding out the prospect of eradicating the status quo. Since Hungarians' subjective problem-chart continues to be dominated by poverty, labour issues and the deficiencies of the social welfare system, it is safe to say that the rebuilding of public confidence in democracy in Hungary must be achieved through improvements in living conditions and welfare programmes. Hungarians expect the state to guarantee their financial security and well-being. Concurrently, there is a strong rejection of social inequality. In the eyes of Hungarians, economic prosperity and the state's redistributive role are fundamental aspects of democracy's core values. While party choices are little affected by policy issues, voting is strongly determined by perceptions regarding the state of the economy.

Demand for state intervention has primed political parties to promote leftist economic policy measures even when they subscribe to a culturally/socially conservative ideology. This makes things extremely difficult for the left. First, because for 12 of the 20 years following the regime change the socialists were in power (i.e. for most of it) and Hungarian voters tend to blame them for all the missed opportunities for economic/social improvement; and, second, in an ideological space vacated by the left today democratic parties must compete with right-wing parties (the governing Fidesz and far-right Jobbik). This makes reclaiming the credibility of a leftist economic policy an extremely complex task for the Hungarian left.

It must be noted that an escalation of Eurosceptic propaganda in Hungary following 2010 notwithstanding, voters have not scapegoated the European Union for the difficulties facing the country. Even as confidence in the European Union declined after 2010, trust in Hungarian political institutions plunged even deeper. In other words, there is a system-wide lack of confidence reaching all levels of politics. While for the most part thinking about European integration is consistently positive and there is solid support for the country's continued EU membership, it is worth noting that by now Hungarian voters no longer associate EU membership with economic prosperity and social stability. In the long term, this may undermine confidence in European integration, as well as the assessment of democracy.

The overall conclusion is that in the eyes of Hungarian voters having a say in political decisions and fundamental freedoms are no match for a promise of existential security, material well-being and a guaranteed job. Potentially, this negative perception can be reversed with a political vision and policy initiatives that – in line with public expectations and hopes – reduce inequalities, improve opportunities for social mobility and create a more equitable society in general where jobs and livelihoods are more secure than had been the case in the past 25 years. Consequently, there is an urgent need to create conditions for economic prosperity and a wide distribution of assets across all social sectors so as to make sure that in a constantly changing world an increasing number of people see themselves as winners rather than losers. While the current Fidesz government managed to implement its illiberal programme by relying on public disappointment even as it has failed to alleviate inequalities and social tensions arising since 2010, in the long term the current state of affairs may offer its political rivals the opportunity to challenge the right effectively.

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