



Hungary Report

Attila Ágh, Jürgen Dieringer,
Frank Bönker (Coordinator)

Sustainable Governance Indicators 2022

Executive Summary

Hungary has been governed by Prime Minister Viktor Orbán and his Fidesz party since 2010. The gaining of successive two-thirds majorities in the 2010, 2014 and 2018 parliamentary elections has given the government the necessary leeway to push through far-reaching changes and to install a new kind of autocracy where the quasi-monopolistic rule of the governing elite has been hidden by a democratic facade. In this ride to autocracy, Orbán and his clique have acquired full power not through one attack, as in the traditional case of power change, but in a long process of “permanent coup d’état.” In the first step, the government ruined the system of checks and balances, and conquered all commanding heights in the state. In the second period, it conquered strategic positions in the socioeconomic system, created a new form of state capitalism and built a politico-business network with Fidesz-friendly oligarchs. Finally, it has engaged in a “cultural war,” strengthening its control over the media, and taking over universities and cultural institutions. Since the mid-2010s, the government has turned openly and aggressively against the European Union. A traditionalist-nativist, anti-EU ideology has served as the cultural framework for the official fighting for freedom against Brussels narrative.

Following Churchill’s famous advice to “never let a good crisis go to waste,” the Orbán government has seized the opportunities presented by the COVID-19 pandemic to redistribute resources to oligarchs close to the government, consolidate its power, and continue its assault on democracy and the rule of law. Under the pretext of mitigating the economic fallout of the pandemic, the Orbán government has pushed through economically and politically dubious infrastructure projects, such as the Russian-led expansion of the Paks nuclear power plant and the Chinese-backed modernization of the Budapest-Belgrade railway link. Ignoring massive international protests, the government has made full use of the emergency powers available to it at the outset of the pandemic and has expanded future emergency powers by amending the constitution. It has weakened the political opposition by substantially reducing public financing for political parties, and by severely restricting the competences and resources of the municipalities, a major power base of the opposition. It has used the pandemic as a pretext to limit access to government information, and to further restrict media freedom by criminalizing so-called fake news and scaremongering.

With the parliamentary elections in 2022, the Orbán government switched to a campaign modus. Given widespread dissatisfaction with the government's COVID-19 management and the unexpected unity of the opposition, it feared defeat at the ballot box. It has further tightened its control over the media and has intensified its smear campaigns against the opposition. Ignoring the ballooning fiscal deficits and soaring inflation, it has run a highly populist economic policy. Finally, it has tried to limit the powers of a possible opposition-led successor government by “privatizing” universities and cultural institutions, by creating new non-majoritarian organizations such as the Supervisory Authority for Regulated Activities (SARA), and by having the new Hungarian president elected by the outgoing rather than incoming parliament.

Key Challenges

By vesting Fidesz with its fourth two-thirds majority in a row, the parliamentary elections in April 2022 have dashed the hopes of many Hungarians. Despite the massively tilted playing field and the government's massive electioneering, most observers predicted a much narrower race. The Russian invasion of Ukraine has played some role here. Instead of being punished for cooperating with Putin, Orbán succeeded in presenting himself as a safe pair of hands in a time of crises and in painting the opposition as warmongers.

While the elections have strengthened the Orbán regime, the latter faces a number of challenges. To start with, the government now has to carry the cost of its economic and fiscal largesse ahead of the elections. Even without the economic repercussion of the Russian invasion, consolidating the budget and controlling inflation would have been uphill struggles. With the further price hikes, the slowdown of economic growth and a possible recession, the challenges will be even greater. After three years of high fiscal deficits, the fiscal space that Hungary had gained following the gradual decline in public debt between 2012 and 2019 will no longer be available.

With Russia pushing Europe in a new – hot and cold – war, the Orbán government will have to rethink its orientation in foreign policy. The “Eastern Opening,” whose benefits were always dubious (Mészáros 2021), is not going to be an option anymore. Maintaining a special relationship with Russia – and China – will further promote Hungary's isolation in the European Union and within the transatlantic alliance. It will deprive Hungary of its allies in East-

Central Europe, most notably Poland, upon which it could count on its struggles against the European Commission and within the European Union so far.

This leads to the final challenge. Hungary's strong economic growth before the COVID-19 pandemic and the enrichment of the Fidesz oligarchs have strongly benefited from the inflow of EU funds. So far, the Hungarian government has succeeded in securing funds without playing by the rules (Erlanger/Novak 2022). However, this is likely to change. The substantial COVID-19 recovery funds earmarked for Hungary by the European Union come with strings. The Hungarian government will receive them only if it acts to tackle the pervasive corruption in the country. Backed by the landmark decision of the Court of Justice of the European Union in February 2022, the European Commission seems determined to stick to the conditionality. Given the fact that the patience of most EU member state governments with Hungary has worn off and Hungary is increasingly isolated within the European Union, the European Commission might use other instruments to sanction Hungary for violations of the rule of law. Since the price is high, this would increase pressure on the Hungarian government to change course.

Citation:

Erlanger, S., B. Novak (2022): How the E.U. Allowed Hungary to Become an Illiberal Model, in: New York Times, January 3.

Mészáros, T. (2021): As Hungary lauds its 'Eastern Opening' policy, statistics fail to show benefits, in: Euractiv, May 12 (<https://www.euractiv.com/section/ec-economy-jobs/news/as-hungary-lauds-its-eastern-opening-policy-statistics-fail-to-show-benefits/>).

Party Polarization

Party polarization was already prevalent in 2010 when Fidesz gained its first supermajority. Since then, the polarization between Fidesz and most other parties has further intensified. On the one hand, Fidesz has transformed from a center-right party into a populist, right-wing party, and successive Orbán governments have unilaterally launched many radical institutional and policy changes without involving other political parties or social organizations. On the other hand, the main opposition parties have gradually intensified their cooperation. While representing a broad ideological spectrum, they agreed to nominate joint candidates in the 2019 municipal and 2022 parliamentary elections, have chosen a joint top-candidate for the 2022 primary elections, and have campaigned on a joint program.

While the strong party polarization has not led to political gridlock, it has limited the scope for cross-party agreements, even during the COVID-19 pandemic, and has thereby infringed upon the quality of policymaking. The Orbán government has ruthlessly exploited Fidesz's constitutional supermajority in parliament and the decree powers it has been vested with since 2015. The party polarization also has a regional dimension. In the 2019 municipal elections, the opposition won votes in “urban Hungary” – the majority of cities, including Budapest – whereas votes in “rural” Hungary were dominated by Fidesz.

Few opposition parties have refrained from joining the “united opposition.” The Two Tailed Dog Party (Kétfarkú Kutya Párt) – originally a satirical party, which has since developed some real political agendas – has a chance of bridging the divide between the two camps. The extreme-right party Mi házánk (Our Home) faces the challenge that both Fidesz and parts of the opposition, notably Jobbik, provide a nationalistic, right-wing discourse. (Score: 3)

Sustainable Policies

I. Economic Policies

Economy

Economic Policy
Score: 5

Hungary achieved relatively rapid economic growth in the second half of the 2010s. Economic growth before the COVID-19 pandemic strongly benefited from EU transfers worth 4–5% of GDP, high remittances from Hungarians working abroad and the favorable global economic climate. In a regional comparison of competitiveness indicators, however, the Hungarian economy has lost ground relative to other new EU member states. The reliability of the economic framework has suffered from pervasive corruption, the state capture by the “(royal) court” (udvar) around Orbán and erratic government interventions. In spite of massive foreign and domestic investment, labor productivity relative to the EU average has remained low. The Orbán governments have sought to promote investment and economic development by keeping wages low and disciplining labor, while neglecting human capital and R&I (Pogátsa 2021, Scheiring 2020).

The Orbán government did relatively little to limit the economic fallout of the first wave of the COVID-19 pandemic. It has seized the opportunities presented by the pandemic to further redistribute resources to oligarchs close to the government, and to push through economically and politically dubious infrastructure projects, such as the Chinese-backed modernization of the Budapest-Belgrade railway link.

With the parliamentary elections in 2022 approaching, the Orbán government has turned populist. In 2021 and 2022, it has kept fiscal deficits high in order to buy political support. At the beginning of 2022, the monthly minimum wage increased from HUF 167,400 (€473) to HUF 200,000 (€542). With almost 20%, this was the highest increase in the European Union in 2022. Along with a lax monetary policy, these measures have helped to boost economic recovery in the short-term. However, they have also aggravated the inflationary

pressures associated with higher energy prices. The government reacted to soaring inflation by imposing a politically popular, but economically controversial fuel price cap in November 2021, which was further extended in February 2022.

Citation:

Pogátsa, Z. (2021): The Political Economy of Hungary: Managing Structural Dependency on the West, in: Ellen Bos, Astrid Lorenz (Hrsg.), Das politische System Ungarns: Nationale Demokratieentwicklung, Orbán und die EU. Wiesbaden: Springer VS, 153-162.

Scheiring, G. (2020): The Retreat of Liberal Democracy: Authoritarian Capitalism and the Accumulative State in Hungary. Cham: Palgrave Macmillan.

Labor Markets

Labor Market
Policy
Score: 4

Recorded unemployment declined significantly after the resumption of economic growth in 2013 and stood at about 3% in 2019. However, the national statistics tend to sugar-coat the situation, as they do not count all unemployed. Moreover, low unemployment has largely been achieved by controversial public-works programs and an increase in the number of Hungarians working abroad. The public-works programs have provided “workfare” rather than “welfare” and have seldom resulted in the integration into the primary labor market. The main beneficiaries of the program have been local mayors who are provided with access to cheap labor to perform communal work. Participants in public-works programs have been pressured to vote for Fidesz. The number of Hungarians working abroad before the pandemic was estimated at 600,000, many of them highly educated and skilled. The resulting brain drain has become a major obstacle to economic development. The salary boom in the primary labor market before the COVID-19 pandemic was driven by the lack of qualified labor and the resulting increase in competition among companies to find a qualified workforce.

The Orbán government’s initial labor market response to the COVID-19 pandemic focused on relieving the negative impacts on employers. In mid-March 2020, the government effectively suspended the labor code, allowing employers to deviate from regulations concerning working hours and the minimum wage. In April, these measures were complemented by a wage subsidy scheme similar to the German short-time work benefits model. Only about 5% of workers were covered by the scheme, one of the lowest shares in the whole of the OECD (Györi et al. 2021: 64). In order to limit the increase in unemployment, the government expanded its public work programs and substantially increased the military’s intake. The number of persons enrolled in public work programs increased from 84,071 in March 2020 to 94,560 in December 2020, a 12% increase over the first year of the pandemic.

Despite these measures, unemployment increased substantially during the COVID-19 pandemic. According to OECD data, the unemployment rate jumped from 3.4% in December 2019 to 4.9% in June 2020. Though Hungarian unemployment benefits are rather low and are paid for three months only, Hungary was among the few countries that have not raised unemployment benefits during the pandemic (Aidukaite et al. 2021). In September 2020, half of the 323,000 unemployed did not receive any support from the government (Györy et al. 2021: 64). The economic recovery that began in 2021 has gradually reduced the unemployment rate.

Citation:

Aidukaite, J., S. Saxonberg, D. Szelewa, D. Szikra (2021): Social policy in the face of a global pandemic: Policy responses to the COVID-19 crisis in Central and Eastern Europe, in: *Social Policy & Administration* 55(2): 358-373 (<https://doi.org/10.1111/spol.12704>).

Györi, G. et al. (2021): *Hungarian Politics in 2020*. Budapest: Friedrich Ebert Stiftung/ Policy Solutions (<http://library.fes.de/pdf-files/bueros/budapest/17181.pdf>).

Taxes

Tax Policy
Score: 4

Since 2010, successive Orbán governments have transformed the Hungarian tax system. In 2011, the progressive income tax was replaced with a flat tax. In 2012, the standard VAT rate was increased from 25% to 27%, the highest level in the European Union. In 2017, a uniform corporate income tax of 9% replaced a two-tier system with rates of 10% and 19%. Between 2017 and 2018, employers' social security contributions were cut by seven percentage points. These changes have resulted in a small decline in the tax-to-GDP ratio since 2016. The move to a flat income tax combined with the strong reliance on the taxation of consumption has made the Hungarian tax system less redistributive.

With the introduction of the lowest corporate income tax rate in the European Union (9%) in 2017, the tax burden especially on larger companies has substantially decreased. However, companies still struggle with frequent changes in taxation and the complexity of the tax regime, including the many sectoral taxes. Moreover, tax policy and tax administration have been instrumentalized to favor oligarchs close to Fidesz and to punish outsiders. The classification of businesses as “reliable,” “average” or “risky” by the National Tax and Customs Authority (NAV), combined with the promise of preferences for “reliable” taxpayers, smacks of favoritism.

During the COVID-19 pandemic, the government has sought to lower labor costs by reducing social insurance contributions. It enacted a two-percentage

point cut to employers' social security contributions from 17.5% to 15.5% starting in mid-2020, which will be partly financed by a new levy on the retail sector. In June 2021, the government announced a further cut in employers' social security contributions to 13% as of January 2022, combined with the abolition of the 1.5% vocational training fund contribution. By contrast, the employees' social security contribution rate has been left unchanged at 18.5%. Before the 2022 parliamentary elections, the government introduced hefty tax rebates for families and reduced the tax burden on young people by scrapping personal income taxes up to the average salary for taxpayers under the age of 25.

Taxation has hardly been harmonized with environmental sustainability and/or quality. Although environmental tax revenues in Hungary were slightly higher than the EU average, there are still many problems with Hungary's tax structure due to the many exemptions and special taxes (e.g., subsidies for the reorganization of the coal sector).

Budgets

Budgetary Policy
Score: 5

Hungarian public debt gradually declined from almost 80% of GDP in 2012 to less than 67% in 2019. This debt reduction and the resulting increase in independence from foreign creditors featured prominently in the Orbán government's success propaganda before the COVID-19 pandemic and allowed the government to present itself as a fiscal savior. Upon closer inspection, however, fiscal performance has been less impressive. The decline in the debt-to-GDP ratio from 2012 to 2019 reflected strong economic growth rather than an ambitious consolidation policy. In the run-up to the 2018 parliamentary elections, Hungary's fiscal policy turned pro-cyclical in 2017 and 2018. Despite strong economic growth, the fiscal deficit widened and became one of the highest in the European Union, so much so that the European Council launched a significant deviation procedure for Hungary. While the government tightened fiscal policy in 2019, the envisaged decline in the structural deficit was smaller than recommended by the European Council. Fiscal policy has also suffered from weak fiscal institutions and a lack of transparency. Budgets are passed as early as spring, before important information about the coming year is available. Fiscal planning has remained narrowly focused on the annual budget

As for budgetary policy, the Orbán government initially reacted reluctantly to the COVID-19 pandemic. Supported by the Budgetary Council, it originally hoped to keep the 2020 deficit below 3%, despite the pandemic. Many economists thus criticized the government for a lack of fiscal stimulus. At the end, however, the Hungarian central budget closed 2020 with a record deficit

of almost 8% of GDP, up from the pre-pandemic prognosis of a historically low 1%. While this was partly caused by the revenue shortfalls and extra spending needs associated with the pandemic, the government also seized the opportunity presented by the crisis to push through some of its pet projects and to adopt a number of popular measures in the run-up to the parliamentary elections in April 2022. With a view to the parliamentary elections in April 2022, budgetary policy remained highly expansive in 2021 and early 2022, with the government frontloading many popular measures in the months before the elections (Virovacz 2022). As deficits were threatening to run out of control, the government was forced to surprisingly freeze some planned investment at the end of 2021 (Than 2021).

Citation:

Than, K. (2021): Hungary trims 2022 budget deficit target to shield local bond market. Reuters, December 17 (<https://www.reuters.com/markets/rates-bonds/hungary-cuts-2022-budget-deficit-target-49-gdp-59-2021-12-17/>).

Virovacz, P. (2022): Hungarian budget deficit balloons. ING Bank, March 8 (<https://think.ing.com/snaps/hungarian-budget-deficit-balloons-february-2022>).

Research, Innovation and Infrastructure

R&I Policy
Score: 5

The innovation performance of the Hungarian economy has been relatively low (European Commission 2021). The innovation capacity of domestic SMEs has been limited and multinational enterprises have not done much R&I in Hungary. The weak financing of universities and the R&I sector, along with the Orbán governments' assault on civil rights and political liberties, has contributed to a substantial brain drain.

After years of neglect, the fourth Orbán government has recognized the growing significance of R&I for economic development and has realized that the European Union will focus more strongly on R&I in the common budget. The 2019 and the original 2020 budget provided for a substantial increase in public R&I spending. At the same time, however, the government has initiated highly controversial structural reforms that have infringed upon academic freedom and are likely to weaken the country's R&I performance. The creation of the new and powerful Ministry of Innovation and Technology (ITM) has gone hand in hand with a "privatization" of the universities and the "ruining" of the Academy of Sciences (MTA). The process of privatizing universities has involved placing eight universities under newly established "private" foundations controlled by loyal Fidesz supporters. The MTA has been deprived of its research institutes. Instead, the Lóránd Eötvös Research Network (ELKH, Eötvös Lóránd Kutatási Hálózat) has been created. Officially justified as an attempt to make the public research sector more

competitive, these changes have drastically reduced the autonomy of the institutions.

European Commission (2021): European Innovation Scoreboard: Innovation performance keeps improving in EU Member States and regions, Brussels, June 21 (https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3048).

Global Financial System

Stabilizing
Global Financial
System
Score: 4

As a member of the European Union, Hungary has taken part in the European Union's attempts to improve the regulation and supervision of financial markets. However, the country has not introduced the euro and has stayed outside the European banking union. As oligarchs profit from deregulated financial markets and less strict control mechanisms, a stronger government engagement in this respect is highly unlikely. As a country with a very low corporate income tax, Hungary has opposed G7 and OECD attempts to introduce a global minimum corporate income tax.

II. Social Policies

Education

Education Policy
Score: 3

Since the second Orbán government assumed office in 2010, the education system has undergone major changes. Government spending on education fell from an already low level of 4.6% of GDP in 2010 to 3.8% in 2020. At the same time, competencies and monitoring duties have been centralized, private and religious schools have been strengthened, and secondary education has been restructured with a view to strengthening vocational education. Education outcomes are below the EU average, show wide disparities and the education system obstructs social mobility. The salaries of teachers are still low compared to other tertiary education graduates. The regular PISA surveys have shown a marked decline in the quality of education in Hungary. Foreign language learning in primary schools has been stagnate for a decade and especially smaller languages are chosen less often. At the same time, the content of school textbooks has been increasingly influenced by ideology. Pupils are educated in a nationalistic fashion, which celebrates the greatness of the Hungarian people and their "historic suffering," while often denying historical facts. This ideological infiltration begins at kindergarten level, and is a common feature in primary and secondary education. While the quality of public education has drastically declined, the children of the "royal court" have attended expensive private schools that remain out of the financial reach of average citizens.

Education received a serious blow during the COVID-19 pandemic. COVID-19 deepened tensions in the educational, psychological, social and political dimensions. The setback in the educational dimension resulted from the much lower efficiency of the online education and the frequent interruptions to educational courses due to infections. Psychologically, COVID-19 could have been even more damaging due to individual's lack of personal contact with peer groups, larger families and society, which are necessary for the socialization of young people. Socially, COVID-19 weakened the role and position of teachers, and led to conflicts between underpaid teachers, underfinanced educational institutions, wider society and the government. Finally, COVID-19 created political controversies over the budget and the curriculum between the teachers' associations, and central and sometimes local governments. While these tensions have been observed in other countries as well, they have been especially strong in Hungary where government communication about school closures and quarantine provisions was chaotic, and little progress with digital learning has been made.

Instead of addressing the pressing educational challenges of the COVID-19 pandemic, the government has continued to increase its grip on universities. In September 2020, it appointed a board of trustees over the heads of the prestigious University of Theatre and Film Arts (SZFE), prompting massive protests both inside and outside Hungary. In December 2020, the government also complemented the "privatization" of universities by adopting a constitutional amendment that makes future changes to the operation of the new "private" foundations, which run the newly privatized universities and research organizations, dependent on a two-thirds majority in parliament, thereby cementing the influence of Fidesz over these foundations, even if the opposition wins the next election (Kazai 2020). The Orbán government has also pressed ahead with its project of establishing a network of educational institutes as schools for party propaganda training. These institutes are designed to socialize selected candidates from the younger generation to become Fidesz activists and to cultivate them for government posts. The Mathias Corvinus College (MCC) has been the main actor in this field, it has recently received huge amounts of financial support from the government, while the public education system remains underfinanced, particularly given the current crisis management needs. MCC benefits from a large presence in the capital and major cities, and has been provided a special training center at lake Balaton in Révfülöp.

Citation:

Kazai, V. Z. (2020): Power Grab in Times of Emergency, in: Verfassungsblog, November 12 (<https://verfassungsblog.de/power-grab-in-times-of-emergency/>).

Social Inclusion
Policy
Score: 4

Social Inclusion

The basic social message of the Orbán governments has always been that they would fight for upward mobility of “hard working people” in Hungarian society, representing the interests of both the middle class and low-income earners. However, despite strong economic growth between 2013 and 2019, both “vertical” inequalities among income strata and “horizontal” inequalities among regions have remained high. Under the Orbán governments, major social benefits have been cut, while the better-off have benefited from tax reductions (Szikra 2019). Wage growth has been lower than that observed in other Visegrád countries, and the share of Hungarians that can achieve a way of life similar to that in developed EU member states has stagnated. As a result, there has been a “soft” social exclusion in form of the emigration of more than half a million Hungarians to the West

While the Orbán government has supported employees and pensioners during the COVID-19 pandemic, it has done relatively little for the non-standard employed, the unemployed and the poor. The adopted moratoria for mortgage payments and credit payments in general and the accompanying interest rate cap have been of greater support to the middle classes than the poor. Despite the substantial increase in unemployment, the government has kept unemployment benefits low and has not extended the maximum period (Aidukaite et al. 2021). In September 2020, half of the 323,000 unemployed did not receive any support from the government (Györy et al. 2021: 64). Nor has the government sought to combat digital inequality, which will exacerbate the urban/rural and the rich/ poor divide, as well as the exclusion of the Roma. As a result, there has been a broad feeling among the Hungarian population that the Orbán government’s crisis management has neglected the vital problems of the losers of the COVID-19 pandemic (Tóth/ Hudacskó 2020).

Citation:

Aidukaite, J., S. Saxonberg, D. Szelewa, D. Szikra (2021): Social policy in the face of a global pandemic: Policy responses to the COVID-19 crisis in Central and Eastern Europe, in: *Social Policy & Administration* 55(2): 358-373 (<https://doi.org/10.1111/spol.12704>).

Györi, G. et al. (2021): *Hungarian Politics in 2020*. Budapest: Friedrich Ebert Stiftung/ Policy Solutions (<http://library.fes.de/pdf-files/bueros/budapest/17181.pdf>).

Szikra, D. (2018): *Welfare for the Wealthy: The Social Policy of the Orbán-regime, 2010-2017*. Budapest: Friedrich-Ebert Foundation (<http://library.fes.de/pdf-files/bueros/budapest/14209.pdf>).

Tóth, I.G., S. Hudacskó (2020): A koronavírus társadalmi hatásai a közvélemény kutatások tükrében (The social effects of the coronavirus in the mirror of the public opinion surveys), in: T. Kolosi et al. (eds), *Társadalmi Riport 2020 (Social Report 2020)*. Budapest: TÁRKI, 553-573.

Health

Health Policy
Score: 3

Health outcomes in Hungary lag behind most other EU member states due to both the low performance of healthcare provision and unhealthy lifestyles. Life expectancy in Hungary is lower than in most of the country's EU neighbors, and disparities across gender and socioeconomic groups are substantial. Hungary has one of the highest avoidable death rates in the European Union. Healthcare has suffered from a limited healthcare budget, which is one of the lowest in the OECD with spending per capita at around 50% of the EU average. A large number of medical doctors and nurses have emigrated to the West in search of better salaries. At the same time, the healthcare system remains excessively hospital-centric, and lacks a sufficient focus on primary care and prevention. Even very small hospitals are maintained, although they cannot operate efficiently – the fear of public protests against the centralization of hospitals prevents necessary reform. Those who can afford it have sought treatment from the growing number of private healthcare institutions. Private medical institutions have been growing under the Orbán regime, as their high profitability has made them a good business opportunity for Fidesz oligarchs. This shift has also provided medical staff – both physicians and assistants – a major opportunity to earn extra income in addition to their poorly paid positions in state-run hospitals. But even for the less well-off, out-of-pocket payments have been high.

Despite a few announced reforms, healthcare was low on the priority list for the fourth Orbán government before the COVID-19 pandemic. Policymaking has suffered from the absence of a separate ministry tasked with addressing healthcare issues and the fact that the Hungarian Medical Chamber (Magyar Orvosi Kamara, MOK) has been loyal to the government rather than to the profession. When the COVID-19 pandemic hit, the government first reacted by introducing a number of emergency measures. It hectically sought to secure equipment and ended up buying too much equipment at overpriced rates. When the number of infections rose, the government sought to increase the number of available hospital beds and to boost capacities for care. In April 2020, Minister of Human Resources Miklós Kásler instructed hospitals to free up 60% of their beds (about 36,000 out of 60,000) for treating coronavirus patients almost overnight. Whereas in retrospect this measure appears vastly exaggerated, at the height of the first wave of the pandemic, this was obviously hard to know. However, the way the government carried out this policy tells a great deal about the nature of the Hungarian government and the state of the Hungarian healthcare system. The government simply ignored the opposition voiced by hospital directors and the patients who were sent home. In many cases, non-COVID-19 patients were discharged without adequate alternative care and others were required to share already-full rooms with

other patients. The centralization, if not militarization of healthcare continued in the second half of 2020. The Medical Service Act, which entered into force on 18 November 2020, transformed the governance of healthcare (Albert 2021). The newly created National Hospital Chief Directorate (Országos Kórházi Főigazgatóság, Okfő) has become the ruling center of all medical institutions. Hospital directors have as a result lost their main decision-making powers, primarily on budgeting and employment matters. While public sector physicians have seen a strong increase in their wages, they have also been provided a new, almost military employment status. This allows Okfő and/or hospital directors to send them to work for other hospitals on short notice, and limits their opportunity to operate their own private practices and take a part-time job in the private healthcare sector. General practitioners, pediatricians and dentists working in primary care who are normally self-employed and not covered by the new law, as well as nurses, have called for pay increases similar to that of doctors in the public sector. The tremendous pressure of the COVID-19 pandemic on the weak and terribly underfinanced healthcare system has led to exhaustion among medical staff and has further accelerated the country's brain-drain problem. From 2019 to 2020, the number of practicing doctors fell sharply from 41,282 to 37,188.

Since the end of 2020, the government's measures against the COVID-19 pandemic have largely focused on fostering vaccination. However, the government has lacked a clear vaccination strategy, and has not complemented vaccination efforts with mask obligations, social distancing and contact-tracing. As a result, infection and death numbers have been high, with the poorer strata having been hit most strongly.

Citation:

Albert, F. (2021): Hungary reforms its healthcare system: a useful step forward but which raises some concerns. European Social Policy Network, ESPN Flash Report 2021/14, Brussels: European Commission.

Families

Family Policy
Score: 5

The Orbán governments have placed strong emphasis on family policy in a wide sense, but have done little to enable women to combine childcare and career. Most of the government's measures have been financial, providing help for families with respect to buying real estate or even bigger cars for families with many children. By contrast, few measures (most notably a measure that allows grandparents to take "parental" leave) have helped young parents to combine work and family duties. The background of these measures is a decline in the size of Hungary's population, and the refusal of the government to balance low birth rates and brain drain with immigration. The measures so far have not stopped this trend and have favored high income decennials over

poorer ones. As recent data shows, it is only the highest income groups that keep family size stable (Vida 2021).

In terms of political communication, support for and protection of families has figured prominently on the Fidesz agenda for some time. Katalin Novák, state secretary for families and youth in the Ministry of Human Capacities (EMMI) since 2014, became family minister without portfolio in October 2020. After her nomination to the office of Hungarian president in late 2021, her responsibilities were transferred to the Prime Minister's Office. The Orbán government's family policy has emphasized traditional Christian values. It has produced a political hysteria around the danger of gender issues for Hungarian families, supposedly against the alleged Western practice of trans-operations on young children. The Orbán government has presented these controversies as the main reason for the clash with the European Union over the recovery funds.

Citation:

Vida, C. (2021): Jövedelmi tizedek, avagy a hazai családpolitika hatásai a háztartások létszámának alakulására, in: Magyar Közgazdasági Társaság, December 15 (<http://fejlodegazdasagtan.hu/2021/12/15/jovedelmi-tizedek-avagy-a-hazai-csaladpolitika-hatasai-a-haztartasok-letszamanak-alakulasara/>).

Pensions

Pension Policy
Score: 4

Hungary introduced a three-pillar pension system along World Bank guidelines in 1997 that featured a strong mandatory, fully funded second pillar. Upon coming to office, the second Orbán government abolished this second pillar and confiscated its assets. It also shifted disability pensions to the social assistance scheme, eliminated some early-retirement options and did not reverse the shift from Swiss indexation (which adjusts outstanding pensions by the average of the price and wage indices) to price indexation, as it had been introduced by the previous government in the context of the great recession. While limiting pension growth and undermining trust in the reliability of pension policy, these measures have improved the financial situation of the public pension scheme. Public spending on pensions has fallen from 11% of GDP in 2010 to 8% in 2020.

The growing gap between the growth in wages and pensions has made pensioners one of the most disadvantaged groups under the Orbán governments. The Fidesz government has sought to limit the electoral fallout by introducing discretionary increases in pensions before elections. In 2020, it adopted a gradual re-introduction of the 13th month pension, which was widely perceived as a campaign goody in preparation of the 2022 parliamentary elections (Gál 2020). At the end of 2021, it announced a greater than planned boost in pensions for 2022.

Citation:

Gál, R.I. (2020): Hungary re-introduces the 13th month pension as part of its response to COVID-19. European Social Policy Network, ESPN Flash Report 2020/37, Brussels: European Commission.

Integration

Integration Policy
Score: 3

Migration is a highly polarizing issue in Hungary and is one cornerstone of the Orbán government's othering narrative, which takes Islam and the European Union as two "them" poles. While the Orbán government has favored the migration of ethnic Hungarians, it has sought to keep refugees and other migrants out. Instead of fostering their integration, it has campaigned against them. Hungary does not support the Global Compact on Refugees. In February 2021, a government decree regulating the entry of migrants to Hungary was modified with the intention of widening the competencies of the police and customs officers to reject the entry of asylum-seekers and other migrants to Hungary. As a result, only 117 asylum-seekers were registered in Hungary in 2020 (UNHCR 2021). Integration into Hungarian society is a huge challenge for migrants (Hungarian Helsinki Committee 2021). There is no integration strategy, access to education for immigrant children is restricted, rules against domestic violence do not apply to foreign victims, and NGOs in the field do not have access to EU funds.

Citation:

Hungarian Helsinki Committee (2021): Universal periodic review of Hungary 2021. Budapest (https://helsinki.hu/en/wp-content/uploads/sites/2/2021/10/UPR2021_Hungary_Refugees.pdf).

UNHCR (2021): Fact Sheet Hungary. Geneva (<https://reporting.unhcr.org/sites/default/files/Bi-annual%20fact%20sheet%202021%2002%20Hungary.pdf>).

Safe Living

Internal Security
Policy
Score: 6

Despite the social disturbances during the COVID-19 pandemic, including the closure of many SMEs, unemployment and impoverishment, public order has been maintained at the usual level. Both Budapest (the only big city) and the entire country have remained safe. The number of crimes committed registered by the Hungarian Statistical Office decreased from 199,830 in 2018 to 165,648 in 2019 to a long-time low of 162,416 in 2020. There are, however, some regional differences in the decline of crimes committed. The highest drop was recorded in the capital city of Budapest. In the countryside, numbers are a bit better in the west of the country than in the east. This fits with economic performance data for Hungary, with Budapest and the western part of the country developing much faster than the east.

Global Inequalities

Global Social
Policy
Score: 4

Hungary pays relatively little policy attention to developing countries and joined the OECD's Development Assistance Committee only in 2016. However, the government adopted a new development strategy in 2019 (Hungarian Government 2019) and has gradually increased its development assistance. ODA amounted to 0.27% of GDP in 2020, less than the average for DAC countries, but substantially above the share in 2010 (0.09%). Although the Hungarian development policy targets areas in the Middle East and in Africa, the major focus is on Europe, especially the western Balkans.

Citation:

Hungarian Government (2019): A Magyar Kormány Nemzetközi Fejlesztési Együttműködési Stratégiája a 2020 és 2025 közötti időszakra NEFE2025. Budapest (<https://nefe.kormany.hu/download/7/8d/82000/NEFE2025%20-%20Strat%C3%A9gia.pdf>).

III. Environmental Policies

Environment

Environmental
Policy
Score: 4

As the 2011 constitution incorporated “green” values, the constitutional basis for environmental policy in Hungary is strong. However, environmental policy under the Orbán governments has suffered from a lack of commitment, institutional fragmentation, and weak implementation and coordination. Since 2010, no independent ministry for environmental policy has existed and environmental issues have largely been dealt with by a department in the Ministry of Agriculture.

Resource efficiency is low. While Hungary has made progress in waste recycling and recovery, more than half of the country's waste is deposited in landfill. Hungary uses substantially more energy than the EU average for a unit of GDP. This is partly due to low energy prices, especially for households.

While air quality has increased, environmental pollution in Hungary is still relatively high. Energy supply has remained largely dependent on fossil fuels. CO₂ emissions declined in Hungary from 1990 to 2014, but have started to increase since 2014 as a result of using the Mátra carbon-based power station, which is owned by the influential oligarch Lőrinc Mészáros. As a result of the tight finances of municipalities and weak oversight, cases of contaminated drinking water and mismanaged garbage sites, which have poisoned local

environments, have increased. While the government has softened its campaign against “climate hysteria,” its climate policy has suffered from a lack of ambition. Instead of expanding renewables, the government has for a long time argued that all problems will be solved by technological progress and has banked on the extension of the Paks nuclear power plant, a project that has been controversial both for environmental reasons and for Russian involvement. In a law passed in June 2020, Hungary set a climate neutrality goal for 2050, signaling support for the EU net zero emissions strategy, which it had originally opposed (Darby 2020). However, the three-page document was significantly watered down from a “climate emergency” declaration originally put forward by an opposition lawmaker last August. By leaving the interim target for 2030 unchanged, it has raised doubts about its credibility. More recently, however, there have been some improvements in the solar energy field, where an announced government directive aims to reduce administrative burdens for investment.

Hungary has a well-developed network of protected areas covering over 22% of its territory, exceeding the respective international target. However, the management of these protected areas suffers from a lack of resources. While progress has been made in integrating biodiversity considerations into policymaking for the agricultural, forestry and fisheries sectors, efforts to integrate biodiversity protection into energy, transportation, tourism and industry strategies have been limited. The Orbán government made panicked efforts to strengthen the economic position of the Fidesz oligarchs before the spring 2022 elections, with the frequent use of “national interest” legislation lifting environmental standards for more and more investments. The most shocking recent event has been the big development rush by the oligarchs around the lakes of Balaton and Fertő, which has involved building huge hotels that have ruined the natural environment, replacing natural lakeside areas with concrete.

Citation:

Darby, M. (2020): Hungary sets 2050 climate neutrality goal in law, issues green bond, in: Climate Home News, June 4 (<https://www.climatechangenews.com/2020/06/04/hungary-sets-2050-climate-neutrality-goal-law-issues-green-bond/>).

Global Environmental Protection

Hungary signed the Paris Agreement and has adhered to EU agreements. János Áder, the country’s president from 2012 to 2022 and founder of the Blue Planet Foundation, has been quite active on the international scene. As Fidesz’s “man for the environment issues,” he has praised the Orbán government’s environmental commitment and policies. The big facade event

in 2021 was the Planet Budapest 2021 Sustainability Expo and Summit with participants from 120 countries from all over the world, including some heads of state, personally or online. However, the Hungarian government has opposed most attempts to strengthen the European Union's environmental ambitions. Hungary was among the four countries that – eventually without success – tried to block the European Union's plans to become carbon-neutral by 2050. More successful has been the country's attempt to include nuclear power in the calculation of European climate change policies.

Robust Democracy

Electoral Processes

Candidacy
Procedures
Score: 6

Each Orbán government, since the first came to office in 2010, has repeatedly changed electoral procedures and skewed them to improve the chances for Fidesz. They have done so without consulting the opposition and often with little notice. For some time, the government has sought to confound voters and to weaken the opposition by favoring a surge in candidacies and phantom parties by lowering and not enforcing registration requirements. Before the 2022 parliamentary elections, the government somehow changed course. At the end of 2020, the Fidesz majority in parliament passed an electoral law reform, which dramatically increased the number of constituencies in which parties must field a candidate in order to participate in the election of the 93 out of 199 members of parliament that are elected in a nationwide proportional contest. Justified as an attempt to reduce the number of shadow parties, this reform aimed to weaken the fragmented parliamentary opposition. As the six main opposition parties succeeded in uniting behind a single candidate in each constituency, it has failed to do so. However, the new provisions have been a major obstacle to the formation of new parties beyond the two main camps, and have been criticized for fostering polarization and limiting pluralism.

Media Access
Score: 2

Media access is highly uneven. Both the public and the private media are tightly controlled by Fidesz. In the two 2019 election campaigns, the public media ignored the existing formal duties for balanced coverage. The visibility of oppositional parties and candidates in the European Parliament elections – and even more so in the municipal elections – was very low, since the national and local public TV stations did not invite them, and did not organize any public debates. The owners of billboard advertising spaces are closely associated to Fidesz, so that the opposition cannot make itself heard via billboards. During recent campaigns, even the number of smaller posters were substantially reduced, since local authorities limited or banned them, and in many cases posters were either officially removed or removed by Fidesz gangs. Ahead of the 2022 parliamentary elections, human rights envoys from many international organizations have raised strong concerns about the uneven media access (Than 2021; OSCE/ ODIHR 2022).

Citation:

OSCE/ ODIHR (2022): Hungary, Parliamentary Elections and Referendum, 3 April 2022: Interim Report, March 21. Warsaw (<https://www.osce.org/odihr/elections/hungary/514318>).

Than, K. (2021): U.N. expert raises concerns over media freedom in Hungary ahead of 2022 vote, Reuters, November 22 (<https://www.reuters.com/world/europe/un-expert-raises-concerns-over-media-freedom-hungary-ahead-2022-vote-2021-11-22/>).

Voting and
Registration
Rights
Score: 3

Registration and voting procedures for the parliamentary elections in Hungary have been heavily tilted in favor of the governing Fidesz party. This has been a major reason for Fidesz's victories in the 2014 and 2018 parliamentary elections. The single most important problem has been the unequal treatment of three groups of eligible voters: (1) Hungarians living in Hungary, (2) Hungarians with dual citizenship in neighboring countries and (3) Hungarian citizens working abroad. While the first group can vote without registration, the others have to register beforehand through a complicated procedure. Hungarians living abroad and in possession of dual citizenship – who usually demonstrate a strong political affinity for Fidesz – can vote by mail. In contrast, Hungarian citizens working abroad, who are often opposed to the Orbán government can vote only at diplomatic missions. In order to cast their votes, they often have to travel long distances and to stand in long queues.

Voter registration has suffered from other weaknesses and manipulations. In the past, Fidesz provided many Hungarians with dual citizenship resident in neighboring countries, some of whom are unable to speak Hungarian, with a fake Hungarian address in order to that they may participate in municipal elections, and vote in single-mandate constituencies as well as for party lists during parliamentary elections. This practice has been made easier by a controversial 2021 amendment to the Law on the Records of Citizens' Personal Data and Address. By changing the definition of address from the place where citizens regularly live to the address used for communication with the state, the new provisions have made it easier for Hungarians living abroad to claim addresses in the country as well for citizens living in Hungary to register strategically in electoral districts with uncertain outcomes ("vox tourism"). The problems with voter registration are further aggravated by the fact that the registration of voters without domicile in Hungary is valid for 10 years. Since there is no list of those who have died – tens of thousands of people by estimation – and no control over the personal identity of those who vote by mail, their names can easily be misused.

Party Financing
Score: 3

The Orbán government has kept the public financing of bigger, parliamentary parties low. An amendment of the law on party financing in 2013, shifted funds toward individual candidates and smaller parties, thus contributing to the large number of candidates in the 2014 and 2018 parliamentary elections. While it has become easier for small parties to enter the political arena, the

Popular Decision-Making
Score: 5

political landscape has got more fragmented, to the detriment of bigger opposition parties. In June 2020, the government used the COVID-19 pandemic as a pretext for imposing massive cuts on the public funding of political parties. By government decree, 50% of the funds reserved in the central budget for party financing were transferred to the COVID-19 Emergency Fund. Whereas the opposition parties have struggled to raise money from private donors, as the time of tycoons with leftist leanings has passed, Fidesz has been able to circumvent the restrictions on campaign spending by involving formally independent civic associations and by blurring the boundaries between itself and government campaigns.

The 2011 constitution, and the 2013 Act on Referendum and Popular Initiative (Act CCXXXVIII/2013) have limited the scope for popular decision-making (Pállinger 2019). While 200,000 eligible citizens can initiate a national referendum, the result of which is binding on parliament, the set of issues exempt from referendums is rather broad and for a referendum to be valid more than 50% of all eligible citizens must participate. The collection of signatures can only begin after the validation of an initiative by the National Election Committee (NVB). The Hungarian constitution does not provide for any mandatory referendums. Parliament can schedule a national referendum on the initiative of the president, the government or citizens.

For the opposition, referendums could have become an important means of mobilizing support and expressing dissent with the Orbán governments. However, the government-controlled NVB has used its discretion to block almost all referendum initiatives by the opposition. The two exceptions that prove the rule are the opposition's successful "NOLimpia" campaign in 2017 and the initiative for a vote on the proposed Budapest campus of the Shanghai-based Fudan University in 2021 (Inotai 2022). Local referendums took place with an average number of two per year during the 2010s, but were not held during the COVID-19 pandemic.

Given the restrictive stance of the NVB, national referendums have increasingly become an instrument for Orbán governments to mobilize popular support behind the government rather than a means of checks and balances. The "LGBTQ+ referendum" to be held together with the parliamentary elections on 3 April 2022 is one such example. The manipulative questions aim to win voter support for government parties. The government has also continued to carry out its annual "national consultations," fake referendums that are based on letters to citizens with misleading and manipulated questions.

Citation:

Inotai, E. (2022): Hungary Opposition Cheered by 'Symbolic Victory' on Referendum, in: BalkanInsights, January 21 (<https://balkaninsight.com/2022/01/21/hungary-opposition-cheered-by-symbolic-victory-on-referendum/>).

Pállinger, Z. T. (2019): Direct democracy in an increasingly illiberal setting: the case of the Hungarian national referendum, in: *Contemporary Politics* 25(1): 62-77 (<https://doi.org/10.1080/13569775.2018.1543924>).

Access to Information

Media Freedom
Score: 2

Since Fidesz's return to power in 2010, media freedom in Hungary has been drastically curtailed (Council of Europe, Commissioner for Human Rights 2021). The government has gradually brought the public and large part of the private media under control. Thriving on government advertising, media outlets are used by the government to influence and deceive public opinion (Bátorfy/ Urbán 2020).

This process has continued during the COVID-19 pandemic. In July 2020, the editor-in-chief of the leading news site, Index, was fired by the outlet's new owner, who has close links to the government. In September 2020, the government-aligned Media Council revoked the license of Klubradio, the last independent radio station – a decision that was criticized by the European Commission as disproportionate and non-transparent, and consequently incompatible with EU law (European Commission 2021). Media freedom has also been limited by the “fake news paragraph” included in the March 2020 Authorization Act (Polyák 2020). It threatens journalists engaged in producing fake news with a prison sentence of up to five years for scaremongering. While the regulation has not produced the avalanche of cases feared by its critics, it has harmed media freedom by inducing self-censorship. While somehow limiting its scope, the Constitutional Court essentially approved the controversial paragraph in a decision in June 2020. Also in June 2020, the Constitutional Court eventually declared legal a controversial 2018 government decree which prevented the Hungarian Competition Authority from examining the centralization of leadership and financing of about 500 media outlets by KESMA, the Central European Press and Media Foundation, a pro-government media conglomerate.

In 2021, it turned out that the government had used Pegasus spyware to track critical journalists in a number of cases. There were also incidences that some critical journalists were no longer invited to press conferences involving the prime minister or individual ministers. In late 2021, the government dismissed the entire leadership of Mediaworks, the news agency of KESMA, in an attempt to bring pro-government media even further in line before the 2022 parliamentary elections.

Bátorfy, A., A. Urbán (2020): State advertising as an instrument of transformation of the media market in Hungary, in: *East European Politics* 36(1): 44-65.

Council of Europe, Commissioner for Human Rights (2021): Memorandum on freedom of expression and media freedom in Hungary. CommDH(2021)10, Strasbourg (<https://rm.coe.int/memorandum-on-freedom-of-expression-and-media-freedom-in-hungary/1680a1e67e>).

European Commission (2021): Media freedom: The Commission calls on Hungary to comply with EU electronic communications rules. Brussels, December 2 (<https://digital-strategy.ec.europa.eu/en/news/media-freedom-commission-calls-hungary-comply-eu-electronic-communications-rules>).

Polyák, G. (2020): Hungary's Two Pandemics – COVID-19 and Attacks on Media Freedom. Leipzig: ECPMF (https://www.ecpmf.eu/wp-content/uploads/2020/06/Legal-opinion-Hungary_2020.pdf).

Media Pluralism
Score: 3

Since the second Orbán government assumed office in 2010, media pluralism in Hungary has suffered both from increasing government control over the public media and a process of concentration of private-media ownership in the hands of companies close to Fidesz. In 2020, for instance, Index.hu, once the country's most visited news website, got a new, Orbán-friendly owner. There are still some independent media, but they work under very difficult financial and political circumstances and reach only a small part of the overall population. The internet as a source of information away from state-influenced media has become more and more important. But even free information via the internet is increasingly under threat as bots seek to influence the discourse with fake news and defamation campaigns on behalf of the government.

Access to
Government
Information
Score: 3

While existing law provides for far-reaching access to government information, the Orbán governments have made it increasingly difficult for the public and the media to obtain information. There has been a constant fight between the government and the democratic opposition over access to government data and documents, often fought at the courts. NGOs have worked intensively to claim government information through the courts, and independent media organizations have regularly published categorized government information. Especially contested has been information on public procurement.

The restrictions on access to official information have been a major issue during the COVID-19 pandemic (Kovács 2021). Vital data on case numbers by regions and municipalities has not been published by the government in a consistent and reliable manner, and no estimates of the R-value and no data on intensive care have been provided. Meanwhile, coronavirus and medical staff, and health officials have been legally prohibited from providing pandemic-related information. The March 2020 emergency legislation has made it more difficult for journalist and citizens to request public information on the basis of the Hungarian freedom of information act (Zöldi 2020).

Citation:

Kovács, K. (2021): Hungary and the Pandemic: A Pretext for Expanding Power, in: VerfBlog, March 11 (<https://verfassungsblog.de/hungary-and-the-pandemic-a-pretext-for-expanding-power/>)

Zöldi, B. (2020): COVID-19 pandemic adds to Hungary's transparency woes, International Press Institute, October 30 (<https://ipi.media/covid-19-pandemic-adds-to-hungarys-transparency-woes/>).

Civil Rights and Political Liberties

Civil Rights
Score: 4

The Orbán governments have formally respected civil rights. However, the rule of law has suffered from the government's politicization of the courts, its failure to protect Roma and other minorities from harassment and hate speech, and its attempts to criminalize the (former) left-wing elite. The Prosecutor General has acted as a shield protecting Fidesz affiliates and initiating fake legal processes against opposition actors, damaging their economic situation and private life.

During the COVID-19 pandemic, the Orbán government has restricted civil rights. While the temporary travel restrictions and curfews were broadly in line with the European mainstream, the government has also adopted a number of more controversial measures. The so-called Coronavirus Defense Act (also known as the Authorization or Enabling Act), which came into force on 21 March 2020 has inserted two new crimes into the Criminal Code. Anyone who "claims or spreads a distorted truth in relation to the emergency in a way that is suitable for alarming or agitating a large group of people" can be punished with up to five years in prison. In addition, anyone who interferes with the operation of measures that the government takes to fight the pandemic could also face a jail sentence of up to five years. While both provisions have not been invoked on a large scale, they have had an intimidating effect.

The government's disrespect of civil rights has also been shown by the Pegasus scandal. In July 2021, it turned out that about 300 Hungarian citizens, including journalists, lawyers, politicians, former state officials and businesspeople, most of them critical of the government, were targeted by Pegasus spyware between 2018 and 2021. While the government has denied any wrongdoing, there is strong evidence that it has been responsible for the surveillance.

Political Liberties
Score: 3

While political liberties are guaranteed by the constitution and are formally respected, the Orbán governments have shown little respect for them. Similar to other countries, demonstrations were temporarily banned in 2020 and 2021 in context of the COVID-19 pandemic, even when other forms of public events and gatherings were already permitted. However, Prime Minister Orbán and other Fidesz leaders have defamed opposition activists as traitors to the Hungarian nation and as foreign agents paid by George Soros, similar to Putin's style. The government has instituted burdensome registration and reporting requirements for NGOs. Moreover, organizations assisting asylum-seekers have been subject to the restrictive 2018 "Stop Soros" legislation. The

Non-
discrimination
Score: 4

Hungarian government has reacted slowly to a decision by the Court of Justice of the European Union in June 2020 that Hungary's 2017 NGO law violates EU law. In November 2011, the Court of Justice of the European Union also ruled against the "Stop Soros" laws.

Hungary has a comprehensive anti-discrimination legal framework in place, but in practice, little is done to enforce it. Fidesz's traditional family concept corresponds with strong discrimination against women in the areas of employment, career and pay. The failure is even greater regarding the Roma minority. By trying to create a separate school system, the Orbán government has aggravated the segregation in education. The government has continued its campaigns against Muslims, refugees and the LGBTQ+ community. The ninth amendment of the Fundamental Law in December 2020 and concomitant legislation have made the constitutional definition of a family even more traditional, have fixed gender identity at birth and have made it impossible for same-sex couples to adopt children. A controversial 2021 law has banned the "promotion" of queer and homosexual content in schools. The government has also organized a manipulative "LGBTQ+ referendum" to be held together with the parliamentary elections on 2 April 2022. During the EURO 2020 football tournament, the government clashed with UEFA over visible LGBTQ+ support during football matches in Budapest.

Rule of Law

Legal Certainty
Score: 3

As in other countries with authoritarian tendencies, the Orbán government believes that the law is subordinate to government policies, with the latter reflecting the "national interest," which is sacrosanct and exclusively defined by the government majority. As the Orbán governments have taken a voluntarist approach toward lawmaking, legal certainty has suffered from chaotic, rapidly changing legislation. The hasty legislative process has regularly violated the Act on Legislation, which calls for a process of social consultation if the government presents a draft law. Moreover, ever since the 2015 "refugee crisis," the government has relied on special decree powers (ICJ 2022). On 20 March 2020, the government's two-third supermajority in parliament adopted the so-called Coronavirus Defense Act (also known as the Authorization or Enabling Act) that came into force the next day. The act gave the government the right to suspend or override any law. In mid-June 2020, the state of emergency, which stirred massive criticism both within and beyond the country's borders was lifted, but then transformed into a "medical emergency." In November 2020, parliament then declared a new state of emergency, which was later extended several times. All three states of emergency gave the government more powers than foreseen in the Fundamental Law, the Hungarian constitution, before its ninth amendment in December 2020.

Citation:

International Commission of Jurists (ICJ)(2022): A Facade of Legality: COVID-19 and the Exploitation of Emergency Powers in Hungary. Geneva (<https://www.icj.org/hungary-authorities-must-halt-abuse-of-emergency-powers-in-hungary-during-covid-19/>).

Judicial Review

Score: 4

The Hungarian judiciary performs well in terms of the length of proceedings and has a high level of digitalization. However, its independence has drastically declined under the Orbán governments (European Commission 2021). While the lower courts in most cases still take independent decisions, the Constitutional Court, the Kúria (Curia, previously the Supreme Court), and the National Office of the Judiciary (OBH) have increasingly come under government control and have often been criticized for taking biased decisions. Likewise, Péter Polt, the Chief Public Prosecutor, a former Fidesz politician, has persistently refrained from investigating the corrupt practices of prominent Fidesz oligarchs. As a result of the declining independence and quality of the Hungarian judiciary, trust in the Hungarian legal system among the general public has dropped over time. More and more court proceedings have ended up at the European Court of Human Rights (ECHR) in Strasbourg. Hungary is among the countries generating the most cases, and the Hungarian state often loses these lawsuits.

During the first lockdown, proceedings at ordinary courts were suspended, officially due to fears of spreading the virus. This also meant that ordinary people were no longer able to initiate cases that could get to the Constitutional Court. Under these circumstances, except for some Fidesz-controlled bodies, only one-quarter of members of parliament were able to call on the Constitutional Court, which would have required the far-right and the left to act together. The Constitutional Court has refused many requests for constitutional reviews and has not dared to challenge the Orbán government's power-grab during the COVID-19 pandemic. In October 2020, the government consolidated its control over the Kúria, as the Fidesz supermajority in parliament elected Zsolt András Varga (a member of the Constitutional Court, who does not have any experience working as an ordinary judge) as its new president, despite the wide and angry reactions this elicited among judges and their professional organizations, and despite the fact that the National Judicial Council has issued a negative opinion.

Citation:

European Commission (2021): 2021 Rule of Law Report. Country Chapter on the rule of law situation in Hungary. SWD(2021) 714 final, Brussels (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021SC0714&from=EN>).

Appointment of
Justices
Score: 2

The 2012 constitution left the rules for selecting members of the Constitutional Court untouched. Its justices are still elected by parliament with a two-thirds majority. As Fidesz regained a two-thirds majority in the 2018 parliamentary elections, it had complete control over the appointment of Constitutional Court justices during the 2018–2022 term. In 2020 and 2021, parliament elected two new members of the Constitutional Court, both close to Fidesz, one as a replacement for Zsolt András Varga, who, in a controversial move, had been installed as president of the Kúria (Supreme Court).

Corruption
Prevention
Score: 2

Corruption is one of the central problems of Hungary (European Commission 2021: 10-14). Widespread corruption has been a systemic feature of the Orbán governments, with benefits and influence growing through Fidesz informal political-business networks. Members of the Fidesz elite have been involved in a number of large-scale corruption scandals, with many people accumulating substantial wealth in a short period of time. They have enjoyed the protection by parts of the judiciary, as Péter Polt, the chief public prosecutor and a former Fidesz politician, has persistently refrained from investigating the corrupt practices of prominent oligarchs. Hungary has led OLAF's list of member states where irregularities in the use of EU funding have been known for some time and has conspicuously failed to cooperate with the European Union's anti-fraud agency. In 2021, the legal anti-corruption framework was further weakened by the narrowing of the application scope for public procurement rules. The government has taken no specific measures to limit corruption in the context of the COVID-19 pandemic during which special procurement rules have applied.

Citation:

European Commission (2021): 2021 Rule of Law Report. Country Chapter on the rule of law situation in Hungary. SWD(2021) 714 final, Brussels (<https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52021SC0714&from=EN>).

Good Governance

I. Executive Capacity

Strategic Capacity

Strategic
Planning
Score: 3

The Orbán governments have subordinated all political actions to the goal of consolidating their power and have reacted to problems and challenges on a day-to-day basis, without reference to an over-reaching plan. The economic and fiscal priorities have frequently shifted. While ministries in general, and the Prime Minister's Office and the Cabinet Office in particular have grown substantially, not much effort has been invested in building institutional capacities for strategic planning.

Expert Advice
Score: 2

The Orbán governments have shown no interest in seeking independent and knowledge-based advice and have alienated many leading experts who initially sympathized with them politically. The culture war waged by Fidesz and the growing restrictions placed on academic freedom have further intensified this alienation. The government has invested considerably in creating a network of partisan experts in fake independent institutions that can influence public opinion and has used such institutions to give a voice to government views in the international debates. The reduction of decision-making to an inner circle and abstaining from broad advice evidently leads to groupthink and low quality of decisions, often detached from societal reality.

Interministerial Coordination

GO Expertise
Score: 7

The Orbán governments have steadily expanded the competencies and the resources both of the Prime Minister's Office and the Cabinet Office. The division of labor between the two offices, both of which are now led by a minister, is somewhat artificial. The Prime Minister's Office is central in policy coordination and makes sure that policies are as close in line as possible with the prime minister's policy preferences and Fidesz's ideological rhetoric. The Cabinet Office, headed by Antal Rogán, is primarily responsible for

Line Ministries
Score: 8

government communication.

Under the Orbán governments, line ministries have mostly acted as executive agencies that follow priorities set by the core political executive. This is a complete turnaround as compared to most earlier governments in post-communist Hungary, when ministers were more representatives of ministries in the government than representatives of the government in the ministries. Today, orders come from above and ministerial activities are subject to detailed oversight by the Prime Minister's Office (PMO). The PMO makes sure that policies are as close in line as possible with the prime minister's policy preferences and the ideological rhetoric. However, the pivotal role of the PMO has also meant that it has sometimes become a bottleneck in the process of policymaking. In this structure, the core executive may intervene in the preparation of policy proposals by the ministries at any time.

Cabinet
Committees
Score: 5

The Orbán governments have occasionally set up cabinet committees, but such committees have played a subordinate role only in interministerial coordination, as the number of ministries has been limited and as there has been strong coordination from above. During the 2018–2022 parliamentary term, there were three committees: an economic cabinet, a cabinet on strategy and family issues (a mixed shop committee for various issues), and a national security cabinet.

Ministerial
Bureaucracy
Score: 5

Due to the limited number of ministries in the Hungarian government and consequently the huge size of many ministries, interministerial coordination has, to some extent, been replaced with intraministerial coordination, especially within the Ministry of Human Resources (EMMI), the largest of the superministries. In some cases, these superministries are black holes where the most important issues disappear, like the COVID-19 crisis management in the Ministry of Interior or EU affairs in the Ministry of Justice. In addition to policy coordination by the Prime Minister's Office, senior ministry officials meet in order to prepare cabinet meetings.

Informal
Coordination
Score: 10

The strong formal role of Prime Minister Orbán and his Prime Minister's Office is complemented by informal coordination mechanisms. As the power concentration has further increased in the fourth Orbán government, so has the role of informal decision-making. Orbán regularly brings together officials from his larger circle in order to give instructions. In a way, formal mechanisms only serve to legalize and implement improvised and hastily made decisions by the prime minister.

Digitalization for
Interministerial
Coordination
Score: 6

As the government has sought to enhance the competitiveness of the Hungarian government through technological modernization, the newly created Ministry of Innovation and Technology (ITM) has set more ambitious goals with respect to digitalization. Moreover, the oligarchs around the government have realized new business opportunities and have purchased firms in this field, especially with regard to EU transfers in the next

Multinational Financial Framework. However, the use of digital technologies for interministerial coordination has just begun.

Evidence-based Instruments

RIA Application
Score: 4

Upon coming to office, the second Orbán government amended the provisions on RIAs. In practice, RIAs have suffered from sluggish and selective implementation (Brenner/ Fazekas 2020; Corruption Research Center 2017; Staroňová 2014). This has not changed following a further amendment to the 2010 Act on Lawmaking in March 2019 (OECD 2021).

Citation:

Brenner, D., M. Fazekas (2020): Legislative Effects of Regulatory Impact Assessment: A Comparative Event History Analysis of Modifications of Law in France, Italy, Hungary and the UK. Government Transparency Institute, Working Paper 2020-3, Budapest (<http://www.govtransparency.eu/legislative-effects-of-regulatory-impact-assessment-a-comparative-event-history-analysis-of-modifications-of-law-in-france-italy-hungary-and-the-uk/>).

Corruption Research Center (2017): Report on the Quality of Hungarian Legislation – 2011-2016. Budapest.

OECD (2021): Hungary: Indicators of Regulatory Policy and Governance 2021. Paris (<https://www.oecd.org/gov/regulatory-policy/hungary-country-profile-regulatory-policy-2021.pdf>).

Staroňová, K. (2014): L'institutionnalisation des études d'impact en Europe centrale et orientale, in: Revue Française D' Administration Publique 149(1): 123-143.

Quality of RIA
Process
Score: 2

The quality of the RIA process in Hungary has been poor (OECD 2021). Substantial stakeholder participation is normally lacking, since the very idea of consultation has been alien to the Orbán governments. There is no independent evaluation of RIAs, and findings are rarely or only partially made available to political actors on the special website for RIAs (hatasvizsgalat.kormany.hu). Likewise, the annual report on RIAs prepared by the Prime Minister's Office is not publicly available.

Sustainability
Check
Score: 2

The Hungarian parliament passed a National Sustainability Strategy in March 2013 and afterwards the parliament's environmental committee was transformed into the Committee of Sustainable Development (consisting of parliamentarians) and supported by the National Sustainability Council. However, the National Sustainability Strategy and RIA processes have not yet been coordinated, and sustainability checks do not play a major role in RIAs.

Quality of Ex
Post Evaluation
Score: 3

In Hungary, there is a legal framework for carrying out ex post evaluations since 2011. In practice, however, such evaluations are rarely carried out (OECD 2021).

Citation:

OECD (2021): Hungary: Indicators of Regulatory Policy and Governance 2021. Paris (<https://www.oecd.org/gov/regulatory-policy/hungary-country-profile-regulatory-policy-2021.pdf>).

Public
Consultation
Score: 2

Societal Consultation

The Orbán governments have only rarely and selectively consulted with societal actors. Trade unions and social and environmental groups have enjoyed little weight in the policy process. The two main exceptions have been the representatives of big multinational firms, upon which the Hungarian economy depends, and the churches, which have cuddled up to the government. In addition, the government has organized so-called national consultations, which are fake referendums based on letters to citizens with misleading and manipulated questions. The real function of these letters is to mobilize Fidesz voters on a permanent basis, in part by making it possible to compose lists of those who have answered these letters.

During the COVID-19 pandemic, the government has occasionally consulted societal actors, but has continued to do so selectively and without transparency. In the case of the elderly, a group particularly hard hit by the COVID-19 pandemic, the government has refrained from talking with the traditional interest associations that represent the elderly, but has referred instead to “negotiations” with the Council of the Elderly People, a body consisting of 12 members loyal to Fidesz and chaired by Prime Minister Orbán himself. Violating the European code of conduct on partnerships in the framework of the European Structural and Investment Funds, the Hungarian government also refrained from consulting societal actors in a meaningful way when drawing up its National Recovery Plan for the European Commission (Civilisation Coalition 2021). Instead of uploading the original full-length texts involved with the consultation to the website, it provided summaries without exact numbers and details. Stakeholders were often not informed or were called upon at short notice, and just before public holidays. The end effect was that no real dialogue took place. Likewise, the government did not consult business organizations before adopting its controversial October 2021 decree that gave employers the right to make it compulsory for employees to be vaccinated against COVID-19. The subject of much discussion and interpretation by legal practitioners and commentators, this decree resulted in a substantial chaos and was eventually silently withdrawn by the government.

Citation:

Civilization Coalition (2021): The Hungarian government is set to spend over 51 billion Euro, but forgets to consult with stakeholders. Budapest, February 11 (<https://civilizacio.net/en/news-blog/open-letter-consultation>).

Policy Communication

Coherent
Communication
Score: 6

The Orbán government has radically streamlined policy communication. Most Fidesz politicians avoid journalists. At public events, they do not give interviews, but confine themselves to reading out texts written by the Cabinet Office, the government's central lie factory. The government also seeks to control the agenda by launching new topics to divert public attention away from problems raised in the media that can reflect poorly on Fidesz. Government communication is not designed to communicate information, it is a propaganda instrument aimed at bringing public discourse in line with the prime minister's and governing party's will. To achieve this goal, it uses fake news and manipulative strategies.

Implementation

Government
Effectiveness
Score: 4

The Orbán governments have been quite successful in consolidating political power, centralizing policymaking and weakening the remaining checks and balances. At the same time, they have largely failed to meet broader goals such as fostering sustainable economic growth or increasing productivity and innovation in the private sector. The low degree of government efficiency has been illustrated by frequent policy changes in all policy fields and by the lack of coordination of the key policy fields, caused by selection of personnel based on party loyalty, not on merit, and by putting ideology over problem solving. A central problem has been the poor implementation of new bills and regulations. Overhasty policymaking has led to incoherent and contradictory laws and regulations, making things very difficult for local and county administration units.

Ministerial
Compliance
Score: 10

Under the Orbán governments, Orbán's strong and uncontested position as party leader and prime minister, as well as the strong capacities of the Prime Minister's Office (PMO), have ensured a high level of ministerial compliance. Ministers see themselves, and are seen by the PMO, as representatives of the government in the ministries rather than representatives of ministries in the government. The radical reshuffling of the cabinet after the 2018 parliamentary elections has been aimed at raising ministerial compliance by bringing in committed ministers and by sending a strong signal that everyone is replaceable.

Monitoring
Ministries
Score: 10

The Prime Minister's Office has successfully monitored line ministries in all stages of the policy process, enforcing obedience to the political will of the central leadership. As all core executive figures have been Fidesz party stalwarts, control has functioned largely through party discipline.

Monitoring
Agencies,
Bureaucracies
Score: 10

The Orbán governments have adopted a hands-on approach and have closely monitored government agencies' implementation activities. They have closely controlled the appointment and activities of the heads and core executives of all state agencies at the national level. The centralization of state administration in county-level government offices has extended the government's control over all subnational agencies, since they have been concentrated in these county offices. The existing civil service legislation has made it easy to dismiss public employees without justification.

In 2021, the government established the Supervisory Authority for Regulated Activities (SARA). In addition to being in charge of regulating and supervising gaming and the tobacco trade, as well for other concession contracts, the new authority has been responsible for overseeing other government agencies. Its first president, a member of Orbán's closest personal team, was appointed by the prime minister for nine years and is practically irreplaceable. Thus, the establishment of SARA has been widely interpreted as an attempt by the government to entrench its power with a view to a possible change in government after the 2022 parliamentary elections.

Task Funding
Score: 2

In the 1990s, Hungary reformed its public administration, and established a multilevel structure that provided extensive and meaningful rights in the policymaking process to all levels of administration. Since 2010, the Orbán regime has reversed this trend toward subsidiarity and has created a strict top-down state administration. The transfer of competencies from the subnational to the national level has gone hand in hand with an even stronger reduction in subnational governments' revenue sources. As a result, the latter have fewer resources for the remaining tasks than before. As financial resources have been curtailed, many municipalities have lacked the financial resources to carry out basic functions. Moreover, central government grants have been discretionary and unpredictable. Municipalities and counties with an influential Fidesz leader have been in a better position to get additional funding; the other have been confronted with the newly introduced "solidarity tax" imposed upon rich municipalities.

Constitutional
Discretion
Score: 3

The second Orbán government initiated a far-reaching reform of local governments, which aimed to tackle the persistent problem of inefficient subnational governance. It has established new tiers of state administration at the county and district level that were given some of the functions previously exercised by local and other subnational self-governments. As a result, the autonomy of the latter has decreased. Since Fidesz lost control over Hungary's major cities, including the capital, and a large proportion of smaller settlements in the municipal elections in October 2019, it has declared war against municipalities and has sought to further disempower them. The Orbán government has instrumentalized the COVID-19 pandemic in continuing this war. Drawing on the state of emergency, it has further curtailed the

competencies of the municipalities. It has deprived them of important revenue sources, including the vehicle tax, car parking fees and business taxes, and has prohibited them from raising taxes as a means of coping with the hardships of the pandemic. The government has also canceled a number of local development projects, most of them in opposition-led municipalities, and has misused anti-crisis legislation providing the possibility of “special economic areas” for transferring tax revenues from opposition-led municipalities to Fidesz-controlled counties. Some observers have called the attack on opposition-run municipalities, “the real COVID-19 coup in Hungary” (Györi et al. 2021:31). While the government’s measures have hit opposition-led municipalities most strongly, Fidesz-ruled settlements have also been affected, so that even Fidesz-loyal leaders have protested against the bleeding of local public administration.

Citation:

Györi, G. et al. (2021): Hungarian Politics in 2020. Budapest: Friedrich Ebert Stiftung/ Policy Solutions (<http://library.fes.de/pdf-files/bueros/budapest/17181.pdf>).

National
Standards
Score: 4

In Hungary, the quality of subnational public services has suffered as a result of the reorganization of subnational governments, since the state administration’s new subnational tiers have only gradually gained experience in providing services. The provision of those public services that have been left with subnational self-governments has in turn suffered from self-governments’ lack of financial resources and administrative capacities as well as from conflicting legal norms and the complexity of some regulations. The central government has exercised strong control and, as a result, national standards have often been undermined, especially in the fields of healthcare, education and social services. Still, as some administrative tasks were taken over by central deconcentrated authorities and the tasks of smaller villages were bundled with those of smaller cities, national standards have been strengthened to a certain extent.

Effective
Regulatory
Enforcement
Score: 3

In general, Hungarian government agencies can enforce regulations. However, given the capture of the Hungarian state, agencies have acted with bias when the interests of important oligarchs have been involved. The latter’s special treatment can be illustrated by hundreds of “high public interest” decrees, in which the firms of regime-friendly oligarchs have been exempted from existing regulations, including environmental ones.

Adaptability

Domestic
Adaptability
Score: 4

Save for ensuring the absorption of EU funds, the Orbán governments have paid little attention to the adaptation of domestic government structures to international and supranational developments. In public, Orbán has stressed Hungarian independence, and has argued that his government is waging a

International
Coordination
Score: 3

freedom fight for national sovereignty against the European Union. Major institutional reforms have even reduced the fit of domestic government structures with international and supranational developments. The radical reduction in the number of ministries in the third Orbán government, for instance, has created huge problems with regard to EU affairs, as the ministries' organization no longer matched that of other EU member states or the structure of the European Union's Council of Ministers. In general, the centralized and erratic policymaking typical of the Orbán governments has been at odds with the more sectoral policymaking at the EU level and in most EU member states.

Since the beginning of the EU refugee crisis, Prime Minister Orbán has looked for an international role for himself and has increasingly been elevated to one of Europe's "strong men" in the Fidesz press. He has intensified cooperation within the Visegrád group, especially on migration policy and has boasted about his good relationship with Putin and China (Mészáros 2021). However, all these activities have further undermined his standing with other European leaders and have contributed to a "self-peripheralization" (Hegedüs 2021) of Hungary in the European Union. The Orbán government has sometimes been able to block or to delay agreements, but has lacked the capacity to set the agenda.

Citation:

Hegedüs, D. (2021): Ungarns Selbstperipherisierung in der Europäischen Union: Hintergründe und Aussichten, in: Ellen Bos, Astrid Lorenz (Hrsg.), Das politische System Ungarns: Nationale Demokratieentwicklung, Orbán und die EU. Wiesbaden: Springer VS, S. 191-208.

Mészáros, T. (2021): As Hungary lauds its 'Eastern Opening' policy, statistics fail to show benefits, in: Euractiv, May 12 (<https://www.euractiv.com/section/ec-economy-jobs/news/as-hungary-lauds-its-eastern-opening-policy-statistics-fail-to-show-benefits/>).

Organizational Reform

Self-monitoring
Score: 7

Under the Orbán governments, there has been no regular formal monitoring of the institutional arrangements of governing. However, there is strong and rather comprehensive oversight of the working of the state apparatus from the top down, measured against the political will of the leadership, and the government has been quick to change any institutional arrangements it has deemed to be politically dangerous.

Institutional
Reform
Score: 2

From time to time, Prime Minister Orbán has reorganized the functioning of his government with an open effort to get rid of managing smaller issues and promoting rivalry in the top elite to weaken them, but without improving the strategic capacity of government. The institutional reforms introduced since the 2018 parliamentary elections have not been concerned with government effectiveness but with increasing its concentration of power and managing the

fourth Orbán government's new technocratic modernization project. By creating the new Supervisory Authority for Regulated Activities (SARA), the Orbán government has tried to limit the strategic capacity of a possible opposition-led successor government.

II. Executive Accountability

Citizens' Participatory Competence

Political
Knowledge
Score: 4

Citizens' policy knowledge has suffered from the government's biased information policies and the lack of transparency that characterizes Hungarian policymaking. The failure of the democratic opposition in the 2018 parliamentary elections initially led to political apathy. Since the municipal elections in October 2019, however, the political interest of many citizens has increased. Fidesz-fatigue has nurtured a thirst for independent news. The primaries held by the opposition parties and the real prospect of voting the Orbán government out of office in the April 2022 elections has increased political mobilization.

Open
Government
Score: 3

The Hungarian government is certainly not an open government, since access to relevant information is very difficult even for members of parliament and much more for ordinary citizens. Hungary quit the Open Government Partnership in late 2016 because the Hungarian government had been heavily criticized for its lack of transparency and its treatment of NGOs in this forum. In December 2016, the Orbán government approved a White Paper on National Data policy that called for strengthening efforts to make public sector information available as open data. As it stands, the datasets available at the central open data portal www.kozadat.hu are limited and difficult to use. The lack of transparency was a major issue in the municipal elections in October 2019. The Hungarian government has provided information on the COVID-19 pandemic in a very selective manner. Vital data on case numbers by regions and municipalities have not been published in a consistent and reliable manner.

Legislative Actors' Resources

Parliamentary
Resources
Score: 5

The Hungarian parliament has a good library and even a small research section. The members of parliament are provided some funds for professional advice. However, since these funds are apportioned according to the share of seats in parliament, the democratic opposition parties receive only a small amount of money. This has made it difficult for the opposition to monitor the

government's hectic legislative activity. However, the key obstacle to effective monitoring of the government is not the lack of resources but the behavior of the Fidesz majority in parliament and its committees.

Citation:

Nikolenyi, C. (2020): The Decline of the Hungarian Legislature since 2010, in: I. Khmelko, F. Stapenhurst, M. Mezey (eds.), *Strong Executives and Weak Parliaments: Legislative Decline in the 21st Century*. London/ New York: Routledge.

Obtaining
Documents
Score: 5

Traditionally, parliamentary committees in Hungary enjoyed far-reaching access to government documents. However, the new standing orders of the Hungarian parliament, as adopted under the 2012 Act on Parliament, do not regulate the access of parliamentary committees to public documents. The Orbán governments have used their parliamentary majority to restrict access to public documents, even for discussion within parliamentary committees.

Summoning
Ministers
Score: 5

The standing orders of the Hungarian parliament stipulate that ministers have to report personally to the parliamentary committee(s) concerned with their issue area at least once a year. However, they do not guarantee parliamentary committees the right to summon ministers for other hearings as well. Moreover, ministerial hearings suffer from heavy time restrictions, with individual members of parliament having only two minutes to speak. Overall, the number of interpellations is sinking. In 2013, 267 interpellations took place, while there were 219 in 2017 and only 150 in 2021. The number is sinking both in governmental and opposition-induced cases, which shows that even the opposition is losing trust in the instrument.

Citation:

Országgyűlés Hivatala: Összehasonlító sztatistikai adatok 2013, 2017, 2021 évek, p. 11; <https://www.parlament.hu/documents/10181/56582/%C3%96sszehasonl%C3%ADt%C3%B3+adatok+az+Orsz%C3%A1ggy%C5%B1%C3%A9s+2013.%2C+2017.%2C+2021.+%C3%A9ves+munk%C3%A1j%C3%A1r%C3%B3l.pdf/8a9904c0-8aec-9371-95ed-063e451efed4?t=1640083243221>

Summoning
Experts
Score: 8

According to the standing orders of the Hungarian parliament, all parliamentary party groups can invite experts, and the sessions of the committees are open to the public. In practice, however, Fidesz's overwhelming majority and the hectic pace of legislation have reduced the involvement of experts to a mere formality. While the rights are there and there are few legal obstacles to the summoning of experts, the consultation of experts does not play a major role in the policymaking process.

Task Area
Congruence
Score: 4

Ever since the 2010 reduction in the number of ministries, there has been a strong mismatch between the task areas of ministries and committees. The fact that ministries have been covered by several committees has complicated the monitoring of ministries. Moreover, the real decision-making centers, the Prime Minister's Office and the Cabinet Office are not covered by any parliamentary committee at all.

Media

Media Reporting
Score: 3

Fidesz's increasing control over the media has gone hand in hand with a decline in the quality of media reporting. There is relatively little in-depth analysis of government decisions in the state-controlled public media, or in those private outlets close to Fidesz. Instead, the pro-government media have waged a permanent war against the opposition, accusing the opposition of being traitors to the nation. This war has included the systemic "personality killing" of all kinds of actors on the opposition side. Since 2017, the government-controlled media has lost about 300 court cases for publishing fake news about opposition actors, while independent media outlets have lost only seven court cases for criticizing the Orbán regime.

Parties and Interest Associations

Intra-party
Decision-Making
Score: 6

After the 2010 elections, the former party system collapsed, and a new party system characterized by the co-existence of Fidesz and a plethora of smaller opposition parties emerged. In the 2014 and 2018 elections, the fragmentation of the opposition facilitated the victory of Fidesz. Since the 2018 elections, the six major opposition parties – the Democratic Coalition (DK), Jobbik, the Hungarian Socialist Party (MSZP), Dialogue (P), Politics Can Be Different (LMP) and Momentum – have intensified their cooperation. At the end of 2020, they agreed to hold primaries for both the prime ministerial candidate and the candidates for all 106 National Assembly districts. These primaries have led to an activation of party members, and have expanded the say of party members and supporters in decision-making. In contrast, Fidesz is still characterized by very centralized internal decision-making. Only a few party members, sometimes even the prime minister alone, make decisions on personnel and issues.

Association
Competence
(Employers &
Unions)
Score: 4

Domestic business associations, especially the Hungarian Chamber of Commerce and Industry, have been capable of formulating relevant policies, but have proved loyal to the government. The trade unions have recently adopted a much more critical position toward the government. However, as their membership is small (somewhat below 10%) and they suffer from fragmentation, they are weak and lack the resources to conduct thorough policy analysis.

Association
Competence
(Others)
Score: 3

The Orbán governments have created a big, lavishly financed pro-government network of fake civil society associations and foundations. In public life they have presented themselves as independent and autonomous organizations, although they clearly support government positions and provide a democratic façade for the government. A series of scandals have arisen as it has become clear that these organizations have received financing from state-owned

enterprises. By contrast, Hungary's genuine civil society has suffered from decreasing financial support and increasing legal restrictions. This has clearly infringed upon their capacity to formulate relevant policies. Nonetheless, a number of interest associations with extensive expertise exist.

Independent Supervisory Bodies

Audit Office
Score: 4

The Hungarian State Audit Office (ÁSZ) is accountable only to the parliament. The Orbán government has used its parliamentary majority to take control of this body by appointing a former Fidesz parliamentarian to head the institution, and also by replacing other top officials. In its campaign for the 2018 and 2019 elections, the government instrumentalized the ÁSZ by bringing it to investigate the finances of some opposition parties, so as to decrease their campaign capacity. The ÁSZ has done little to monitor the government's often opaque financial activities and has not protested the channeling of state funds to oligarchs close to Fidesz. Compared to other state institutions, however, the ÁSZ still has a relatively large amount of independence.

Ombuds Office
Score: 5

Hungary has an ombudsman for basic human rights, elected by parliament. Under his lead, two vice-ombudspersons deal with the rights of national minorities and with future generations. In 2020, a special board dealing with complaints about the police has been established within the Ombudsman's Office. The Ombudsman's Office (Alapvető Jogok Biztosának Hivatala, AJBH) has been rather busy in small individual legal affairs, but it has not confronted the government about serious violations of civil and political rights. Unlike their much-respected predecessors, the two ombudsmen elected by Fidesz-controlled parliaments since 2010, László Székely and Ákos Kozma, have not served as effective checks on the government and have not become important public figures. While the COVID-19 pandemic has led to an avalanche of complaints, including those regarding the restricted choice among vaccines and about the troubles of going abroad because of missing or delayed vaccination documents, the advocacy role of the AJBH has remained limited.

Data Protection
Authority
Score: 3

The National Authority for Data Protection and Freedom of Information (Nemzeti Adatvédelmi és Információszabadság, NAIH) is responsible for supervising and defending the right to the protection of personal data and freedom of information under the Act CXII of 2011. So far, the office has not played a major role in the public debate, and there is still little experience with the new European regulation in the field. The NAIH has challenged the government in some COVID-19 related cases. For instance, it has criticized the fact that the sensitive data required to register for a vaccination are

collected and saved not by the government, but by a Fidesz-friendly firm (IdomSoft Zrt). However, the NAIH has failed to speak out against the misuse of public data for the use of Fidesz's election campaigns and has not addressed the Pegasus surveillance scandal.

Address | Contact

Bertelsmann Stiftung

Carl-Bertelsmann-Straße 256
33311 Gütersloh
Germany
Phone +49 5241 81-0

Dr. Christof Schiller

Phone +49 30 275788-138
christof.schiller@bertelsmann-stiftung.de

Dr. Thorsten Hellmann

Phone +49 5241 81-81236
thorsten.hellmann@bertelsmann-stiftung.de

Pia Paulini

Phone +49 5241 81-81468
pia.paulini@bertelsmann-stiftung.de

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<https://doi.org/10.11586/2022098>

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