

(Mis)Judgement on Hungary

This writing presents an evaluation of the situation in Hungary, with the aim of restoring the balance of opinions prevailing outside the country at the end of 2011 and at the beginning of 2012. It represents the opinion of the Batthyány Society of Professors (see the end of the text). Our organization is non-political, but admittedly shares the political ideas embraced by the present government. Nevertheless, we do express our reservations of the content and style of its governance. For example, we have criticised the recent financial and economic course that the government has chosen to follow.

Preliminaries

In spring, 2010, Hungary elected a conservative government, with a convincing majority. The larger party in the two-party government is Fidesz, which is the only political force among those which emerged in the peaceful democratic turn in 1989-90 that has neither compromised itself nor has eroded in any other ways. The tenure of this government was preceded by a thoroughly corrupt government, which had led the country into a debt crisis well before the world crisis. In 2006 it retained its power for a second election cycle by concealing the real situation of the country and buying the favour of many people at the expense of future generations.

To explain the massive turn of the people's will in 2010, an episode of the rule of the previous, socialist-liberal, government should be mentioned. After winning the 2006 elections prime minister Gyurcsány, then head of the Socialist Party, delivered a speech to the Socialist Group of MPs, which was later leaked inadvertently. He admitted he had been unable to govern the country, moreover, he had been lying to the people and deceived the EU by 'hundreds of tricks' throughout. In response, demonstrations and street riots broke out, which the police was unable to contain. The police took revenge on peacefully celebrating innocent people a few weeks later on the 50th anniversary of the Budapest uprising against the Soviet dominance in 1956. They beat up and seriously injured many people, including a Fidesz MP, they rounded up, detained and tortured several dozen bystanders. The police terror was backed by an orchestrated action of the state prosecution, which was only gradually eased later in the ensuing legal procedures. But up to now, no one has been found responsible for and guilty of the misdeeds of the authorities.

Criticism on the recent developments in Hungary

The elections in 2010 brought a tremendous relief to most people in the country. But at the same time an intense campaign was launched against the new government and, indeed, against the country both in and outside Europe. It reached its summit, for the time being, during the Hungarian presidency of the EU in the first half of 2011. While the treatment of European affairs by the Hungarians was broadly acknowledged, heavy criticism was raised against the conduct of our own affairs by the left in the European Parliament and in the Commission. That would still look normal were it not for the sharp contrast with their leisurely overlooking of the misdemeanour of

the previous government even after their deceptive practice towards the EU and IMF had been publicly admitted.

The reproachful attitude towards Hungary has spread in the meantime. For example, the American government recently expressed its disapproval of the legal reform. Contrary to the charges, this framework grants a higher degree of independence to Justice than before. For instance, contrary to other countries, including the United States, the chief judges are appointed not by Government but, after a nomination by the President of the Republic, by Parliament. Another recent development is that the credit raters devalue the state debts of Hungary just when, with immense efforts, she is stabilizing her fiscal balance with apparent success.

Explanation

Do we imply that the politicians and institutions of the world collude in doing injustice to this country? Well, not exactly. In fact, it is pretty sure that all false allegations spread from within this country, and all bear the stamp of the interpretation of the domestic opposition. Unfortunately, hardly any influential foreign journalists understand the Hungarian language, and what they write about Hungary mostly reflects a distorted image drawn by their Hungarian informers. And the politicians' and international organizations' interpretation of events is very much influenced by the press.

One should be aware of the fact that the Socialist Party is a direct descendant and inheritor of the Socialist Workers' Party, whose power was reinstated by the Soviet Union in 1956 and sustained up to 1990. To illustrate this assertion, we mention that up to 1990 Mr. Gyurcsány had been a leading figure in the communist youth organization. He married the grand-daughter of an arch-Stalinist, Antal Apró, who served as Politburo member with brief interludes from 1946 to 1980. He was partly responsible for the death sentence of Imre Nagy, premier during the uprising in 1956.

The interests of the leftist press are intertwined with those of the former communists. During the period of goulash communism, these people developed strong links with their colleagues in the western press and other institutions (perhaps even to intelligence services), and they are still able to use these links to serve the interest of their political side.

More about the history of the last years

Let us sum up briefly what has actually happened in the last one and a half years in Hungary.

The most urgent action of the government was to fend off the looming financial bankruptcy of the country by restoring the fiscal balance and to curb the growth of the mounting state debts. The first measures brought immediate relief, and proved to be viable alternatives to paralysing restrictions, but are not substitutes for a thorough restructuring of the national economy and administration, which inevitably involves painful steps. During the socialist rule the banks were encouraged by the government to lure masses of people into borrowing large sums in Swiss francs. The indebtedness of the citizens has grown enormously with the exchange rate of Swiss francs up by some 40%, which is a most dangerous legacy for the national economy as well. The non-orthodox measures of the government to treat the financial problems con-

flicted with the interest of the banks owned mostly by international companies and with other large companies. They acted angrily, they sent their reports denouncing the government to the EU, but by the end of 2011 a compromise was set up between the government and the Banking Association, in which both parties acknowledge their partial responsibility for what had happened, and declared that they coordinate their actions to restore normality in finances.

A new constitution (Fundamental Law) was passed in spring, 2011. Its text includes parts that may be said to be pompous, but we believe it provides a firm foundation for a democratic state ruled by law and order. Most criticism is targeted against this belief. It is claimed that there is not enough guarantee against the misuse of governmental power while the government has a two-third majority in Parliament. Well, yes, the nature of politics in democratic Hungary (as well as elsewhere) is such that the majority uses its constitutional power as much as it can, but it is fallacious to declare democracy dead. For instance, in 1994 the two-third majority adopted an election law that ensured landslide victory at the local elections for the left. Similarly, the borderlines of constituencies for the parliamentary elections had been set in 1989 so as to favour the left, while now the new borderlines (to be re-drawn because of the reduction of the number of constituencies) will slightly favour the right.

The real danger for the misuse of power lies in the unfair application of any law, however perfect it is. The most typical case of that was the police terror applied by the socialist government in 2006. One should understand that the ruling parties are tough now, after the horrific period that we underwent under the rule of the present opposition. Good taste and civil self-restraint cannot be imposed by law, but will prevail in concrete cases when fairness demands it.

But we do not mean to say that recent legislation has been perfect. There are more than two dozen cardinal laws that complement the Fundamental Law, such as the law of citizenship, law of the Constitutional Court, the election law, media law etc., and all these were formulated and passed in 2011. In addition, there are a great number of other important new laws, such as the public education law. Although most of them have predecessors to rely upon, it has been tremendous work to perform the necessary modifications and to unify the system of laws. This legislation frenzy did certainly go with a great number of mistakes, which is not uncommon in Hungarian legislation anyway. The frenetic style of legislation has been self-imposed by setting the date on which the Fundamental Law comes into force as near as 1st January, 2012. One can question the point of this hurry, but it is sure that no irreparable damage has been inflicted. The legislation process is able to correct itself, and it will do it if necessary.

A good example of that is provided by the media law. The leftist press alarmed the world and the European Parliament with the news that the freedom of press was to be suppressed in Hungary even before translations of the bill were available. But the experts of the European Commission found only two technical flaws, which were corrected in no time. At the end of 2011 the Constitutional Court completed its thorough revision, and found a few points that could potentially cause uncertainty in jurisdiction, and these will also be corrected. But the quality of a piece of legislation is eventually shown by its performance. The rules have become more transparent but the audience and the readers notice no difference. The media and the press are as critical as ever, there are no examples of political retaliation, and the law is functioning normally.

In the course of socialist rule governance became chaotic, and corruption prevailed. Towards the end many politicians, all belonging to the then ruling parties, faced prosecution, but the machinery of justice has always been very slow in this country. The

elaboration of the new constitution has been going hand in hand with a reform of the legal system, which reinforces law and order. The prosecution of all corrupt politicians and officials has gained impetus. In terms of the number of convictions, the result has been meagre so far, but at least nobody can say that there is a danger of forged cases. But, of course, there are angry protests whenever charges are raised against politicians.

The government started restoring the financial matters of the country without resorting to the help of the IMF. But it has simultaneously bumped into too many and too mighty opposing interests, which, with the euro crisis in the background, impede disentanglement from the debt trap. In addition, there has been a long-standing hostility between the government and the governor of the National Bank. No matter how much the fiscal balance has improved, no matter how positive the balance of payment is, in this hostile environment the debt rating agencies keep on devaluating our debts, and, in turn, the national currency gets also devaluated and the state debts enhanced. In this vicious circle the financial difficulties are more and more acute.

Conclusion

To sum up this evaluation, the present Hungarian government is doing its job in a strong headwind blown mostly by the noisy internal opposition, but reflected from abroad in an amplified form. Ironically, its middle-of-the-road approach, heavily criticized by the extreme right, is branded as extreme right from abroad. In the meantime, its measures that are denounced as populist are introduced in many countries without invoking international protests. The criticisms are widely publicised in the country, and yet the popularity of the ruling parties is only eroded very slowly, without any substantial gain by the opposition. Thus the governing forces would still be able to gain a majority of two thirds today.

We accept that it is difficult to understand Hungarian politics without knowing the undercurrents in the society, which, in turn, is intertwined with complicated history. The prejudices projected onto present-day Hungary by the manipulators are so attractive for the mainstream political thinkers, and it is so cosy to accept them. With these prejudices the situation looks temptingly simple, and a false judgement is burnt onto the image of the country ineradicably. For this to be avoided, we plead with the critics for good faith and empathy, and urge more openness to alternative interpretations.

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Governing Board, Batthyány Society of Professors

The Batthyány Society of Professors was founded in 1995. Its objective is to provide a framework for the activity of university professors who are strongly committed to traditional European social virtues and are willing to act for a better society. The aim of the Society is to give intellectual stimulation to the Hungarian nation thereby contributing to its spiritual and economic development. The Society seeks long-term solutions to current problems. It holds meetings to discuss questions of both national and international interest, to form opinion and to publish its conclusions. Relying on the knowledge, experience and reputation of its members, the Society offers moral and intellectual support to creditable political parties and politicians who work for a 'civilised' Hungary. Today the membership is about 220, which overlaps substantially with that of the Academy of Sciences.