# The Challenge of Autocracy in Hungary

- An Offer You Cannot Refuse -

I am not surprised at anything except at those who are surprised.

Nothing has happened since the Parliamentary elections of April 2010 that could not be anticipated by those who followed the previous period when Fidesz was in power (1998-2002). Nothing has changed, neither the intention, nor the objective, only the circumstances: with their two third majority in Parliament the institutional restrictions of exercising power have practically been abolished. After the party, where, for a long time now, everything and everybody has depended on Viktor Orbán, now the state is also under the control of one single person. He applies the same techniques of forcing everyone to obey in the whole of society as he has within his own party.

After 2010 Hungary only gets what Fidesz already got earlier.

## Getting the party under control and developing a system of vassals

18 December 1999. Team spirit - that was the caption on the memorable cover of the journal HVG (Weekly World Economics) under a drawing of gentlemen in suits and soft felt hats standing around another gentleman also in a suit and soft felt hat sitting in an armchair: the Boss. According to the graphic artist's intention, we see a team like one from the Chicago of the 1930s. Viktor Orbán, the one sitting in the armchair, is the determining figure of the picture but all the others are also the members of the party elite. There is not only a boss but there is also a circle of leaders around him.

A decade has passed and today there is no longer the team but only the Boss. The members of the one-time team have been expelled from the innermost circles of power. Several have been sent to Brussels, others have become mayors or judges of the Constitutional Court or the Speaker of Parliament, and some have found a niche in the private sphere close to Fidesz. No doubt, the venues of the "goulash-archipelago" are sweeter places of exile than the "labor camps" of the personal power concentration we witnessed decades ago. Those concerned have no reason to complain and they do not.

What has happened in Fidesz during the past decade? What happened in Hungary? In my article published ten years ago (Magyar polip - The Hungarian Octopus - The Organized Upperworld. Magyar Hírlap, 2001. 02. 21.

<u>http://www.magyarhírlap.hu/velemeny/magyar\_balint\_magyar\_polip\_a\_szervezett\_felvilag.</u> html)

I wrote about their first period in power that the network of institutions of liberal democracy could still restrict the construction and operation of the "organized upperworld". I called organized upperworld the new Hungarian phenomenon, where, contrary to the oligarchic

organization of the Socialists, the power operating within the framework of a network of democratic institutions extended its fields of operations downwards, using Mafia methods and state support. In the organized upperworld the state is not an instrument of the Mafia, but it is the Mafia itself. I classified its various tools as follows: spending public money unrestrained, its withdrawal from the control of Parliament, building private companies with public money, transforming public property into private property, government blackmail to achieve that goal, "pinching" private wealth with government help and building up a system of cronies also greased with public money.

In other words, the "Hungarian octopus" progresses in a topdown direction contrary to classical cases we see in movies, where the organized underworld tries to build contact and acquire influence upwards, to reach the world of politics. "The organized upperworld uses the full arsenal of state power in order to assert its political and economic interests. The phenomenon conjures up visions of the third world. But while there this is usually coupled with political dictatorship or "operetta-democracy", Hungary has not gone to such lengths yet. Here an Orange Republic (orange being the symbol of Fidesz) is being built. The institutions of democracy are continuously maimed but it is yet to be seen if the executive power manages to crumple the independent branches of power and institutions completely" - I concluded my article ten years ago.

The road to the grinding up of the state leads through the grinding up of the party.

First they did away with the representatives of the alternative liberal line, which opposed the Fidesz's swing to the right. Not much later the party chairman's candidate had to disappear without a trace because he did not notice the new realities and his candidacy for the post of chairman was considered as unforgivable disloyalty. Then came the reshuffle of the organizational structure of the party to match the system of constituencies, where the key figures of the local party elite are appointed by the chairman of the party. From then on Orbán alone had the right to handpick the party candidates and party lists for Parliamentary elections as well. The symbolic confirmation of those changes was the decision that the candidates before the latest elections were obliged to go on a pilgrimage to Orbán's mansion house in the country and swear allegiance. Just like in Coppola's "The Godfather".

The logical continuation of the process was that during the latest municipal elections simple loyalty to Fidesz was not enough any more, one had to be a crony of the leader. Fidesz members know all too well that there is no point in questioning, defaming or rebelling against high-level decisions since as little as a slip of the tongue may mean the end of a political career. Only loyalty brings protection. Disobedience will result in expulsion and existential ruin. And there is no expiry date. Those in Hungary who first learnt that "these guys are not joking" were the Fidesz members themselves. The rumpus of the children can only last until the father's verdict.

His closest mates have disappeared from around the chairman of Fidesz, who was depicted as a godfather on the cover of the weekly HVG. They have been replaced by generations of new "nasties". They are not the individual knights of political tournaments any more but terminators of communication commandoes. Although they may retire to some quieter political backwater with their well deserved reward. However, they may still be called up as reserves from time to time for some character eroding services. What the founders got as punishment, the new generations receive as reward.

#### From godfather to autocrat

After the two third majority victory of Fidesz in 2010, the road towards deconstructing liberal democracy and the institutionalization of the autocratic political system opened up. But are there any obstacles in the way of the accomplishment of this autocratic role?

To accept **inherent self-control and unwritten laws** would be a sign of weakness. The winner takes it all: like some kind of "volatile matter", Fidesz tries to fill in all political spaces without any inhibitions. Now that they have grabbed power, why would they choose to exercise self-control or adhere to unwritten laws when they never did before, either within their own party or now in power? After all it is no accident that the system is drifting towards an autocratic construction; it is a deliberate move. Maximizing power is the central political principle of their actions.

Hungary is not only suffering from an economic crisis, but also from the lack of **rational political discourse**. For over a decade we have been wriggling in the trap of populism as well. There is a catch here: while there are almost eight million citizens in Hungary who have the right to vote, merely two and a half million people paid personal income tax. The main issue of the three parliamentary elections after 1998 concerned promises made by the two major parties as to how big a share of the taxpayers' money should be given to those who did not pay taxes. Both Fidesz and the Socialists, the two powers with a chance to win, have used populist rhetoric and when in office conducted a largely "distributing-looting" (a cyclically repeated benefits-curtailment) policy.

The march of Fidesz from a liberal set of values towards one of a right wing character meant systematically walking down the road from political discourse based on rational arguments towards populism. In the beginning they distinguished themselves by adding the "national" attribute to liberalism from the set of values and arguments used by liberal democracy and free market economy and symbolically strengthened "national" rhetoric. The result was ambiguous: although national populism was enough to establish a wide and unified right wing political block, it was not yet enough to gain a majority. As the defeat of Fidesz at the 2002 elections showed, "many was not enough", as Orbán put it. This experience was further confirmed by the 2004 referendum on dual citizenship, which can be described as a conflict between social and national populism. Afterwards, by offering to mix national and social populism, Fidesz deliberately and without any self control did everything to try and win the mostly left wing voters as well, who felt nostalgia towards the safety of the soft dictatorship of late socialism. This recognition was not only indicated by the mantra that "we live much worse than four years ago" but also by external signs: thus the elegant dark suits Fidesz leaders used to wear were replaced by purple striped shirts, no tie and gray checkered terylene jackets. From then on their targeted audience was "ze people" and no longer the citizens.

The common denominator of national and social populism has been casting the blame for our fate on somebody else: the Hungarian nation that has been "long torn by ill fate" (quoted from the Hungarian National Anthem) and the existentially defenseless man-in-the-street can hug each other in their common complaint. The end result was that facing up to our past and exercising self-reflection were systematically expelled from Hungarian political culture. However, a person or a nation incapable of fair deliberation, rational reasoning, self-reflection and, what is more, self- irony has not yet come of age. The incapability of learning and being reborn that stems from a lack of self-reflection is an insurmountable disadvantage both for the individual and the community in our competitive world. A person or a nation that renounces

responsibility for themselves and entrust themselves to the care of the state cannot live without a fable-like narrative about who and why ruined their lives and stole their fortune. From uncontained self- acquittal there is a straight road towards passionately trying to find a scapegoat: the alien-hearted, the commies, bankers, oligarchs, offshore-knights, liberals, Jews, homosexuals, Gypsies, or anyone, even the nonexistent Pireses (whom two thirds of the Hungarian population have serious prejudices against according to a survey conducted in 2007 by TÁRKI public opinion research institute). They all can be blamed for our misery. And if the political elite, instead of deliberately counteracting this instinct of self-acquittal present in all of us, strengthens it, sometimes loudly, other times with connivance, the culture of reasonable speech and conduct, which is critical but also fair, will disappear from both politics and public life.

Fidesz recognized the force hiding in self-acquittal and converted psychology into politics using it as a ruse to apply. Its leaders are not xenophobes, racists or anti-Semites but cynics. If the road leading to power must be paved with those emotions, they will do so. From 2002 the communication of Fidesz not just occasionally but systematically resorted to character murder and a search for scapegoats (i.e. the stigmatization or criminalization of their adversaries). These were tools for removing the obstacles in the way of utilizing populism. Verbal aggression became the everyday routine of political communication. They played on negative instincts and vulgar emotions with the benefits in mind while the extreme right was racist and anti-Semitic with a visceral and heart-felt abandon. Fidesz made presentable these emotions while the extreme right verbalized them in the rudest terms. And while the expectations raised by social populism are impossible to fulfil, the search for scapegoats, stigmatizing and prosecuting people with political motivations have by now become indispensable accessories to governance. The potential voters are held together by hate-campaign and revenge controlled from above: they are the audience at the séances of centrally organized ritual lynching. If they can decrease neither the price of petrol nor the burden of debtors, at least let it be possible to lead the victims of hate-campaigns on chains - virtually or in reality - down the catwalk of criminal shows.

In the Hungarian legal system the corner stone of checks and balances was the **two third majority constraint before 2010**. Its purpose was to guarantee that through a coercion of consensus among the government parties and opposition parties, the principle of power sharing, typical of liberal democracies. The 1990 agreement between the right wing MDF (Hungarian Democratic Forum) and the liberal SZDSZ (Alliance of Free Democrats) diminished the number of laws needing a two-third. The dilemma was clear: on the one hand from the mid1990s the two third majority constraint increasingly hindered the implementation of the necessary reforms, while on the other hand, as a result of the weakness of political culture and unwritten laws, it provided vigorous protection for the institutions of liberal democracy. This reflects the predicament of political life in Hungary after the 1989-1990 political changes: the two third majority constraint created a culture of blackmail and "tripping up" instead of trying to arrive at consensus. If one of the opposing parties was willing to go all the way sabotaging consensus in an effort to grab power, the system became inoperable after a while.

The act of filling the leading positions at institutions independent of the government was done mostly on the basis of the two third majority principle. In these bargainings, which sometimes lasted for years, in the case of contradictory interests, it was never Fidesz but the Socialist party (MSZP) who gave way to avoid a possible crash. While MSZP was burdened with an inferiority complex due to being the successor of the communist party, it also feared the

undue influence of the liberals and, worse still, with its oligarchic structure it had a limited scope of action. Thus Fidesz usually won the fights regarding the allocation of important positions, because, when in government, they declared bodies with insufficient number of members operational, while when in opposition, they obstructed their operation. The result was that while in the completed bodies the representatives of Fidesz behaved like loyal and disciplined droids, the delegates of MSZP, in order to survive, often ignored not only the moral and professional ideals of the position, but also their own party. The difference between the behavior of the two nominating parties, as early as the first cycles of position allocations, the great majority of the "independent" bodies aligned themselves under Fidesz. The two most important bodies during the period before 2010, which in spite of the existing system of power-sharing Fidesz forced under its own influence, were the Chief Prosecutor's Office and the Constitutional Court.

The unexpected resignation in 2000 of the blameless and well-respected Chief Public Prosecutor, who has chosen to keep silent until now, reminds us of Greek tragedies of destiny. Since then the influence of Fidesz in the Chief Prosecutor's Office has been unbroken regardless of the government changes. If we decided to judge the question of corruption in Hungary based on the operation of the prosecution in the past period, we might be led to believe that it is nonexistent in the governmental and municipal areas controlled by Fidesz. The Chief Prosecutor's Office became an active participant in the Fidesz election campaigns and its materials selected for campaign purposes were sent in due course to Magyar Nemzet, the right wing newspaper and through it to the public. Let us compare the activities of the two "anti-corruption and accountability commissionaires". It may seem that earlier the socialist commissionaire wanted to bring only innocent people to trial, but the Chief Prosecutor's Office, a devoted law-protecting organization, stopped them in every case. On the other hand, the reports of the "anti-corruption and accountability commissionaire" of Fidesz, who started his career at the communist military prosecution, pass through prosecution without any hindrance and is likely to end up in court. The activity of the anti-corruption and accountability commissionaire and the political expectation towards him does not follow the cultured and technocratic patterns of the self-controlling processes of state administration in an established democracy but more like those of the Inquisition. People who have been systematically incriminated can be destroyed even without a legal sentence and their moral and professional capital be ruined.

The confrontational personnel policy of Fidesz has not left even the **Constitutional Court** untouched. Initially the judges were elected mostly from among the well-respected and committed conservatives. Later the candidates of Fidesz loyal party hacks while Socialist candidates, with modest professional careers, holding eclectic views became defectors; liberals seldom made it to the court. The fact that the prohibition of the prolongation of the long (9-year) mandate of the judges was left out of the regulations usually resulted in the Socialist candidates adapting to the expectations of the Fidesz as well. A good example is the initiative for a referendum where citizens had to decide whether they wanted to pay  $\in$  1 for every visit at the doctor's surgery, and whether students should pay  $\in$  400 tuition fee per academic year, which the Constitutional Court allowed to pass.

**The lack of social "embedding"** also limited the stabilization of the positions occupied with the help of techniques of power grabbing used with ever so masterly a skill. In vain did Fidesz become by far the most popular party by the early 1990s, for lack of local structures they were not able to exchange that for votes. Their catastrophic failure at the 1994 elections made that

weakness even more obvious. Contrary to the Socialists who were "embedded" in traditional networks or social strata (work places, trade unions, public employees, pensioners, former Communist party members, etc.), the only established infrastructure which could be mobilized was the Church. This largely contributed to the victory oft Fidesz 1998. Their defeat in 2002, however, showed that this archaic structure was not enough to mobilize the whole of society. That is why the movement of the so called "citizens' circles" was born, later followed by protest actions as well as collecting signatures and address lists for possible referenda. They established networks for reaching the voters directly, which were technically more up-to-date but carried traditional values and populist messages. Today, conquering their previous ideological aversion to modernity, they have already entered the world of the internet as well.

#### Institutionalizing autocracy - "one-stop-shops"

The two third majority which the Fidesz won with 53 percent of the votes in 2010 made it possible to systematically deconstruct the system of checks and balances characterizing liberal democracy. Favorable conditions were created for the godfather to have his position, unlimited within his own circles but limited outside Fidesz, grow into an autocratic one. In fact, the steps of the new government have been completely subordinated to the logic of power. The measures, which might look as improvisations, obviously represent the varying answers to situations where they are stopped by a wall they must pull down or some obstacle they have to walk round.

The composition of the **government** shows an unprecedented strengthening of the Prime Minister. Higher government positions are filled with persons who come from three categories: former communists and/or those who can be connected to the former secret services, "friends and relations", or political "lightweights" who can be gotten rid of whenever convenient. The first category can be blackmailed, the second has been part of the organized upperworld, while the third, short of support within the party, can be replaced any time. The only exception is the Minister of Law and Public Administration. Although the Prime Minister would have preferred to bring back his previous ministers into his new government, he decided to reinstate only those who do not have political weight or background within Fidesz. (That is why he didn't give any role to two former ministers featuring on the cover of the weekly HVG.) No doubt, the Prime Minister can enforce his will both within the government and in his parliamentary faction. All internal squabble will be silenced at his command.

Deconstructing the constraints that stemmed from the division of power is nothing else but the institutionalization of autocracy. Orbán can force the MPs selected at his mansion house to accept any law. When he speaks about certain decisions as not his own but as those of the Parliament, he finds it very hard to suppress an ironic smile. Now any political concept of his can take a constitutional, legal or edictal form. The **Parliament** only serves to legitimize the autocratic decisions retrospectively. We can travel back to the past with laws of retroactive effect, and equality before the law has been replaced by legislation, tailoring, with the precision of the surgeon's scalpel, laws to persons, groups or political adversaries. That is how certain laws are named by the Hungarian vernacular after the person or company who was the beneficiary. The lex Deutsch has been followed by the lex Szász, lex Borkai, lex Mahir and lex CBA as the situation required giving privileged positions to Fidesz politicians and companies friendly to Fidesz. Thus this game is like a football match where the captain of one team has the right to change the rules he does not like, appoint the referee and the

assistants, select the ball, modify the size of the goalposts, define the dip angle of the pitch or send the players of the opponent team off the field.

The first "staple right" of the laws is that of the **President**. He can send back the laws already accepted by the Parliament or pass them on to the Constitutional Court. Prime Minister Orbán suppressed all attempts to re-elect former President László Sólyom, loyal but still sovereign to some extent, or János Áder, former Speaker of the House and Parliamentary Fidesz faction leader, who had been caught "conspiring" within Fidesz. He wanted a President who every law passes through "like a hot epee through butter". (That is why he selected as President the former member of the Olympic champion epee team, the secretary general of the Hungarian Olympic Committee in the past regime, the sport diplomat and hotel manager, the enthusiastically obedient Pál Schmitt.)

The next obstacle in the way of a law can be the **Constitutional Court**. However, that body has also almost completely been brought to heel by now. The appointments of new members that do not comply with the legal regulations, the narrowing of the authority of the body after an unfavorable decision, and finally the anticipation of the decision regarding the private pension funds - "It would be futile to give the impression that.... even with a verdict of the Constitutional Court the present situation could be changed. The Hungarian pension system is a two-pillar pension system" (Orbán), is nothing else but the signing of the Constitutional court's death certificate.

The resolution that dismissing government officials without offering an explanation is unconstitutional was formulated in a way to appease the Fidesz but also to make sure that the Constitutional Court would remain in office. While the potential losers of the unconstitutional dismissal were defended by the CC, the possibility of applying this practice was extended by three months in case Fidesz had not had enough time to finish their planned purging process. As if a competent forum's answer to the complaints of the citizens of an occupied country against free violence and robbery would be that the invaders could continue their disgraceful practices for another three months and legal order would have to be reinstituted only afterwards.

As a result of the Blitzkrieg being fought parallel, by winter 2010 Fidesz had captured the rest of the independent institutions, e.g. the National Audit Office, the Fiscal Council, the Competition Authority and the public media. In the spring of 2011 the National Bank also fell with the complementing of the Monetary Council experts loyal Fidesz.

The extension of the system of government authorities reporting to the Ministry of Justice and Public Administration means a constraint on the autonomy of **local governments**. Establishing county government offices results in a significant curtailing of the public administrative competences and authority of the local governments. The next step is expected to be the setting up of similar offices at lower levels. And there is already a debate in progress concerning the partial takeover of educational and medical institutions by central government from local authorities.. The world of executive council secretaries subordinated to the government, recalling the "soviet" system of the communist period, may return where the right to appoint the official elite resides at government level. A "one-stop-shop" is created where vassals of the autocrat will face the citizen in every shop.

# Erosion of the fundamental laws of freedom - an attempt to lay the foundations of power in concrete

In a representational democracy, in order for the citizens to be able to choose and articulate their choice through political action, what is necessary are freedom of speech, the right of assembly and association as well as an electoral law that can transmit the will of the voters in a fair way. Fidesz's actions are directed at the confinement of those rights, with the intention of making the enforcement of the political rotation more difficult.

The **new media law** has placed the public media under total Fidesz control while they depoliticize the private media and force them to exercise self-censorship. With the sanctions that may be imposed on the basis of the "arbitrary" regulations, Fidesz can deprive the media of their frequency, exclude them from tenders or cause them other inconveniences. Apart from the media law, Fidesz may "advise" government or private advertisers to abandon a given medium the power does not like, thus putting out disobedient media from the market through seemingly economic means. They also limit other forms of voicing criticism, e.g. the **right to strike**.

One of the direct means of laying the foundations of power in concrete will be the changing of the **parliamentary electoral law**. A glance at the modification of the local government electoral law reveals the technique of the solution: maintaining or even increasing disproportionate representation. Decreasing the number of MPs to 200 as well as a "first past the post" election, where the individual mandates can be acquired by relative majority, is favorable for the relatively strongest party. In 2009 Fidesz refused to support any modification of the electoral bill designed to establish a 200 strong parliament, because the bill was intended to increase proportional representation. The changing of the bipolar political construction, which also involves the appearance of the extreme right (Jobbik) and the impossibility to cooperate with the Socialists, who have amortized themselves in the past decade, excludes the possibility, both in terms of structure and the system of values, to add up the votes against Fidesz. In vain should the voters' intention change, in vain should a new party appear to claim the hesitants' votes, the new electoral law, as a result of Fidesz's central political position, may keep them in power in spite of a significant loss of popularity.

Fidesz, which is susceptible to symbolic political discourse, believes that the new system, the "election booth revolution", should be reinforced by a new Constitution, which demonstrates their distancing themselves from the "troubled decades" of democracy (Orbán). Autocrats who do not legitimize their power by succession are "obliged" to stylize the beginning of their power as the beginning of a new historic chronology. Thus the purges of Carnival Time will be followed by drafting a new constitution at Lent. The fact that the new Constitution is planned to be shorter than the existing one and will be greatly studded with ideological elements (the Holy Crown, "God bless the Hungarian", the first line of the Hungarian National Anthem, Christian heritage) means that the new measures serving the new power structure will be formulated in archaic wording and will be dressed in old Hungarian ceremonial attire. The dates of the symbolic beginning of the debate about the new Constitution (March 15, the anniversary of the 1848 revolution and freedom fight) and of the proclamation of the new constitution (Easter) indicate a complete confusion of roles and proportions. Only epigones are inclined to borrow legitimation for their one-party Constitution from the national holiday, which is the most important and meaningful one for the widest layers of society. To time the proclamation of the new Constitution for Easter, however, is downright blasphemy: as an atheist, I naively think that a person who is a true believer does not use the date of the resurrection of Jesus to celebrate his own earthly power.

#### The changing form of existential defenselessness

In order to maintain the concentration of power, the citizens must be compelled to obey or at least forced to remain silent. The means of stifling criticism is intimidation based on existential defenselessness.

First of all we must understand that two decades after the 1989-1990 political changes, the nature of defenselessness fundamentally differs from what was experienced during the last few years of the socialist soft dictatorship. In those years once you had a flat, the rent, public utility charges and travel expenses were low, which made it possible for you to support yourself even with a low income. Moreover, because of the egalitarian wage conditions differences in wealth and income compared to those of today were minimal. In the late period of soft dictatorship intellectuals were not imprisoned for political reasons, only a few dozen of them belonging to the democratic opposition lost their jobs, and political reprisals resorted mostly to hindering promotion, banning publication, withdrawal of passports, and harassment by the authorities or secret services.

Today the content of existential insecurity has changed. The "little but safe" has been replaced by "maybe more, but uncertain". It is an apparent contradiction that in spite of growth, the feeling of existential uncertainty has become much stronger. In vain has the number of private telephone lines grown from a few hundred thousand to over 10 million (cell phones included), and the number of private cars to 3 million. In vain can a much larger proportion of young people move into their own flat or study at university today than before, in vain can about half a million Hungarians afford to spend summer vacation on the Croatian beach, when at the same time a massive, often hopelessly long periods of unemployment involving several hundred thousand people, has emerged. Wide strata of the society have run up huge debts as a result of the economic crisis, and a great number of small and medium enterprises have gone bankrupt. Today the majority of people have something to lose, and many can get into a desperate situation overnight. Losing a job or a state or local government business deal can ruin a stable existence or prospering enterprise in no time. And in a society where positions and business deals controlled by the state (most of the Fidesz local governments included) are abnormally numerous, this gives an almost unlimited possibility for the government to pursue their own political goals by any means.

There is a lot at stake for both parties: when the leader of Fidesz declared that "a nation cannot be in opposition", he claimed that any other political force is ineligible to govern. What he said in his infamous speech at Kötcse (Kötcse a small village in south-west Hungary) about his intention to maintain power for at least 15 or 20 years is a logical follow-up. His goal is clear: to stay in power as long as possible.

The defeat of Fidesz in 2002 was due to two causes. The party violated two tacit agreements established in the late period of the soft dictatorship. One was that in return for power, they would leave the private sphere alone and would not wish to mold people's minds. The other tacit agreement was that while they would not reward their adversaries, no policy of persecution and reprisal would be adopted against them either. Since Fidesz disregarded the above aspects, the opposition was able to mobilized enough energy of discontent which led to the unexpected defeat of Fidesz at the elections. The vanquished learnt their lesson which was that they would have to create circumstances favorable for fulfilling their goals. In order to keep their camp together, they vindicated the right to tell who is a good patriot, a good Christian and a good family mother, etc. since Orbán identifies the nation with himself. By

the same token, he believes it is also his right to break his adversaries for good.

The citizens today can not only lose their slowly accumulating fortune and promotion prospects as was typical of soft dictatorship but, if they get into a conflict with the power, they may lose their jobs, wealth, capital, professional and moral credibility, and even more. For them resistance may seem hopeless for fear of potential reprisals and blackmail.

#### The instruments of intimidation

The culture of blackmail and being prone to blackmail by the secret services has remained almost completely untouched. A part of the old and the new political elite came into contact with each other as "customer" and informer before the 1989-1990 political changes. Others, Fidesz among them, recognized the advantages in the preservation of old files, organizations and networks. Among the post-socialist countries it was in Hungary that the union of those who were interested in the prevention of giving full publicity to the files of the old secret service seemed to be the strongest. The only exception were the leaders of the liberal Alliance of Free Democrats (SZDSZ), most of whom came from the old democratic opposition. But their political weight, in spite of repeated attempts (1990: Demszky-Hack bill on lustration and opening the files; 2002: identifying the socialist prime minister, Péter Medgyessy as the D-209 agent), was not enough to break the silent coalition of MSZP, MDF and Fidesz, whose interest converged in this case. In the fall of 1990 we did not understand why Fidesz set as number one condition of electing Gábor Demszky as mayor of Budapest that he renounce his position as the president of the National Committee for National Security in Parliament in favor of a leading Fidesz politician. The almost peculiar activity of the blackmailed people in the Parliament and in other fields of political life indicated the active survival of that culture. The differentiation by Fidesz, according to which "my informer is a patriot, your informer is a traitor", is especially dissonant on the part of a political party whose ideology rests on implacable anticommunism. Keeping those "patriots" in various political positions and roles has not ceased ever since. Beyond blackmailing and/or employing the ex-agents, one of the least clarified questions was the influence of the secret services which employed members of the former political police in the Hungarian arena of politics after the 1989-1990 changes. The emergence of UD Zrt., a company which had close connections with Fidesz, as a quasi private secret service, indicates the importance of this field for Fidesz and makes it understandable why the violation of the "I report both ways" status (i.e. to the socialists in government and also to Fidesz in opposition) resulted in a war with almost inconceivable consequences between the formal and informal secret services. Fidesz now is in a position to make public all the files of the political police of the past system. However, the fact that the committee chaired by János Kenedi, an activist of the old democratic opposition, was dismissed, or the absurd announcement of the Secretary of State for Justice ("everybody can take home the files that refer to them") indicate that a way is prepared to have the files, so far stored on magnetic tapes untouched, i.e. not selected according to political interests, "accidentally destroyed". The way political blackmail survives is unique in Eastern Europe. Moreover, the possibility for collecting data for political purposes is extended to various groups of citizens under new pretexts. All such steps strengthen the government's controlling-blackmailing potential over the citizens.

Nevertheless, the twenty years of democracy were not enough to draw a clear and accepted dividing line between political and professional positions within the **government and local government machinery**. Thus at times of government changes it became customary to cross the dividing line to an ever greater extent when appointing new staff members. This escalating

process contributed to the fact that the governments have become ineffective even in everyday matters of administration and bureaucracy. Distributing lower level positions in governance as political rewards practically destroyed the Max Weberian ethos of nonpartisan public administration.

The 2010 government change brought a new element into the process. The subjects of purging lost their jobs not only in the "mother institutions", but were placed under a quasi employment ban in the state sphere or the private sphere close to it. The "we will not stop half way" policy of Fidesz systematically strives to break up the solidarity networks and prevent the members of the elite of public service from keeping their heads above water. According to reports, when tracing the enemy in hiding, they even turn for help to data on Facebook. It is no accident that concerns have been voiced about providing data to state workplaces of the "rebels" remaining in the private pension funds. If they want to retain their jobs, Civil servants are forced to acknowledge that they may be watched by the secret services. Staff replacement was temporarily made easier by dismissal without explanation and the proliferation of "black lists" still makes it impossible to find another job in the public sphere. When dismissing the complete (nonpartisan) staff of experts of the Fiscal Council, a ministry instruction ruled that they must not be employed by any other institution belonging to the ministry. Such messages help establish a situation in which the doors close on the face of people stigmatized by the power. Contrary to the practices of western democracies, the exposure of such techniques of the power strengthens fear, alignment and submission in Hungary.

The recruitment process of the "new national" political elite and that of the public services is also going through major changes. The secondary schools run by the Church have continuously gained ground in the classical elite education since the 1990s. In the past few years the Pázmány Péter Catholic University was almost the only place which provided professionals for the institutions of power controlled by Fidesz. And now that they are in government the time has come for them to establish a special educational institution to satisfy the demands of the career models of the public sphere. This goal is designed to be achieved by merging the Public Administration College, the College for Police Officers and Academy of National Defense into the new National University of Civil Service. To avoid even the shadow of a doubt about the spirit of the new institution, it is to be housed in the Ludovika, the building of the pre-war military school of the Horthy regime, after the Museum of Natural Sciences has been evicted.

During the first Fidesz government between 1998 and 2002 the **replacement of elite in cultural positions** was hindered by the multicolored nature of local governments as well as that of the universities and research institutes. But while at that time the struggle was fought for the leadership of one or another institution or a cultural placement of order from the state, the intention has clearly changed today. The aim is to systematically conquer the positions in the various spheres of culture. After the 2006 local government elections mostly candidates nominated by Fidesz were appointed to be the directors of theatres outside Budapest. In the case of Hungarian films, they did away with the system of public tenders, the operation of which was often questionable, but at least it was a system controlled by professionals. It is now the government or its representative who makes the decisions about the allocation of financial support. The time of films sponsored by the established political order with huge support may return. The aim is to produce historical films which herald the glory of the nation, made partly by the courtier-directors of Fidesz.

The **attack against the philosophers** is being carried out as a heckle permitted or orchestrated from above. The show trial form of action is proved by the technique of selecting the samples. It is only against philosophers who are or are considered to be liberal. Other subjects supported with grants have been left outside the scope of "denunciation". Similar actions are being conducted **against contemporary creative artists**, within the framework of the process investigating the PPP (public private partnership) investments in higher education. The only difference is that while the buzzword for virtual lynching of the philosophers is "liberal", the latter is labeled as "non-figurative". This is not surprising after the removal and destruction of the monument of the 1956 revolution designed by László Rajk (an outstanding opposition figure, the son of the executed communist minister of internal affairs in a show trial by Rákosi in 1949) for the city of Veszprém and the following conceptional police procedure.

The "Kulturkampf" concerns not only the pretext of wasting the taxpayers' money on such trivia (stressing the contrast with the tastes of "ze people"). The philosophers and artists are labeled as criminals, confidence tricksters and thieves. At the instruction of the Counter Corruption and Accountability Commissioner, who used to be a communist military prosecutor, legal experts will investigate if the best value for the allocated money has been achieved.

In the destructive zeal of "What's this blah-blah or doodling for?" the pressure of those underdogs who are frustrated for various reasons meets the suspicions of the Fidesz leaders against the cultural elite who represent a western set of values. Ignorant and fearful, they smack of populism, a mixture of bad taste and envy. They share the "frustration and hurt feelings" of "local woodcarvers" towards the "globalized non-figuratives". In the world of the holy trinity of sausage filling, home pálinka distilling and football favored by the leader and stylized into a political image, there is no room for independent, liberal and secular urban culture.

## The marriage of the center forward and the Christian middle class

At the time of the 1989-1990 political changes Fidesz, rooted in non-urban culture but with a westernized taste, wished to rise above the century-old "rural-urban" conflict of cultures. However, with their about face to the right they not only failed to rise above this conflict but stepped into the vacuum left open by the collapsing "folkish" (rural) side. But while the "folk classics", as György Konrád called them at a party, contrasted the world of the "innocent" peasant culture with that of the urban, secular and free-lance intellectuals, the anger of "new folkishness" of Fidesz stems from the ever suspecting and frustrated attitude of the small or middle cadre secondary school boys towards their peers who have come from Budapest intellectual families for several generations.

Fidesz, like the youngest son in folk tales, was driven by its zeal to set out and find the golden bond which brings wealth. However, the boy could not find it anywhere because the wicked "commies" and the wicked "multis" had already pinched it. During his wanderings he met and married the historically Christian gentlewoman who had been cheated out of her possessions during communism and was also disappointed by the political changes. They decided to do justice to themselves and get what is due to them - at any cost.

They were right: the political changes on the one hand destroyed the power monopoly of the

communist party and created a parliamentary republic based on a multi-party system as well as a market economy by privatization. But while those who had been excluded from political power in the old regime could now get in in an almost natural way as a result of democratic elections, it was not possible for everyone to be a winner of privatization. It was the former communist political elite who got their hands on privatized government property by mobilizing their political and social capital, through the employee share ownership and management buy-out programs on the one hand, and big foreign companies on the other. As time passed after the political changes, the scope of properties still available became smaller and smaller. However, it was the common historic experience of the youngest son and the gentlewoman that marriage without money is passing glory. Money must be had. In the lack of government wealth this can only be achieved by means of redistributing private properties. Such a step, however, is almost impossible legally.

During Fidesz's first period in government there was still some state wealth left which companies not possessing solid capital could lay their hands on underpriced through their political connections and with long-term state credit covering most of the price. The other possibility was to build giant companies by sweeping the foreign competitors off the market through government regulations and thus acquiring mega-contracts. However, the treasures of the first option are being depleted whereas the second option is rather bothersome to implement.

#### Replacing the economic elite - an offer you cannot refuse

The partial replacement of the economic elite does not work according to the logic of the traditional, established manners of corruption, which may even be organized into systems and operates almost as precisely as taxation. Two prototypes could already be witnessed during the first period of Fidesz in government. One was the case of BÁV Rt. (a chain of antique and pawnshops). First it was renationalized with the help of the police and the Hungarian Development Bank, then it was privatized again and sold to "friends and relations". The attempt to acquire the gas business of the Hungarian Oil and Gas Company (MOL), which they tried to carry out with the help of keeping the official price low and the Hungarian Development Bank, miscarried only because of their defeat at the elections of 2002.

The essence of the new technique is "take-over", when the organized upperworld takes over already existing companies through semi-legal means, instead of pushing out private companies and building up new ones. Possible future research about the ownership changes of profitable companies, which play a leading role in their market segment, may give us a picture of the extent of this deliberate and centrally controlled elite change. The strengthening of the new Hungarian middle class coincides, with the authenticity of a folktale, with the establishment of a new group of owners which may even reach into the sphere of politics. In order for the organized upperworld to be able to make an offer you cannot refuse, it should have at least four menacing potentials: (1) unlimited control over the legislative power, (2) prosecution and police loyal to Fidesz, (3) loyal tax authorities, and (4) complete control over government orders and tenders.

The offer may refer to the partial or complete takeover of a company, depending on the cooperation or "blackmailability" of the owner, at market price or at the value in the books. Should somebody try to resist, the force of the Parliament can be thrown in, which, with a sudden amendment, can make the company disappear from the market. They may also rule, after a natural disaster, for example, that almost any private company can be taken under

government control for an unlimited period of time because of emergency. But to achieve their aim, they may also mobilize prosecution, the tax authorities or the Government Accountability Office. Any one of those threats is able to render a completed business deal annulled. And since a significant number of entrepreneurs also move in the gray zone of the economy (as a result of the East-European social development, among other things), many of them can be blackmailed to a greater or lesser degree. Such legal reprisals can extend from a fine to imprisonment. And the politically motivated and selective interest of the already mentioned government organs ensures that there is enough convincing power to carry out the businesses successfully.

There is a great variety of solutions: some may paradoxically even increase their income by losing part of their properties, through obtaining regular government orders and/or winning tenders. Others are paid a market price or less but they are allowed to retain their other businesses. Some renounce their businesses or a part of them in return for free withdrawal. And since in the new era when everyone is expected to be a football fan (football being the leader's favorite pastime), one may be compelled to adopt a football team – it is debatable whether it is a reward or a punishment. Business between politics and economy is kept bustling by the hyper activity of the prosecution and the tax authorities. The example of the arbitrary selection among those who can be lawfully accused of corruption, and those who are stigmatized groundlessly, only reveals the readiness of the organized upperworld and the economy for cooperation. All the more so, because they know all too well that "those guys are not joking". The dilemma whether the tycoons of the economy hold politics in their hands or the other way round had already been decided to the benefit of the latter. Would it be too far-fetched to imagine that Hodorkovsky haunted the dreams of the scared Hungarian tycoons?

For the loyal small and medium enterprises, just like ten years ago, the Széchenyi plan, which supports economic enterprises, can give an opportunity to strengthen and grow. However, even in the case of that plan political goals overwrite economic considerations.

#### Ransom as economic policy

The social vision is none other than the creation of a new layer of "national owners" and a middle class from tycoons down to small entrepreneurs. Orbán's life-experience is an army of people held together by order and faith, who have aspirations, who like order and are "exempt from any deviances". This targeted group, which gives the backbone of the policy of Fidesz, is indeed easier to hold together with the values of "God, homeland, family" than with the old alterative liberal ideals. The spree in the capital the college boys went for is considered a youthful error or debauchery. It would be a misunderstanding, however, to look upon their rhetoric as simple glaze or mimesis, which still can be cynical. Their individual growth harmonically fits into this social vision, and deep down in their soul where they see themselves as "poor lads getting their due", it is even well justified. Of course, it was easier for the youngest son to win half the kingdom in the fairy tale because his job was not made more difficult by certain incongruity rules.

It is only possible to interpret their "economic policy" in view of the above. The cycles of the socialist economic policy before 1989 were represented by the alternation of sprinkling distributions and lawn mowing restrictions. Distribution which was not supposed to stimulate the economy but to gain more votes exhausted the sources of sustainable growth. The restrictions without reforms did not serve the establishment of effective and rational economic patterns. You can count on the fingers of one hand those areas where comprehensive reforms

have been carried out in the past fifteen years: the establishment of private pension funds, the reform of higher education and partly of public education, as well as the abolishment of compulsory military service.

The economic policy pursued by Fidesz subordinated to political considerations is characterized by the duality of targeted support and collecting ransom. In the economic policy of the socialists the beneficiaries and the losers both appeared as neutral, quasi social statistical categories: when they can afford, they will give to everyone, when, however, they are obliged to take away, it is caused by the dire outside and impersonal circumstances, and the belt-tightening measures are generally directed against institutions rather than individuals. In the case of Fidesz the benefits and curtailments are controlled and communicated on ideological and moral grounds. The benefits (tax allowances, old and new Széchenyi plan) serve the "healthy growth of the nation", the strengthening of the historical Christian middle class, etc. Curtailments, which are supposed to ensure the balance of the budget, appear as ransom saturated with ideology. Fidesz's economic policy is nothing else but a continuous and anthropomorphized struggle between nation building and nation destroying forces: the levy of extra taxes on the banks with the aim of skimming their extra profit, on the telecommunication and energy companies, on multinational companies stowing away their profit abroad and on "hamburger producers" distributing unhealthy food to "ze people". These actions enjoy wide social support because the experience of the men-in-the-street after the 1989-1990 political changes has been that while the great systems of oppression (one party system, state monopolies) have been abolished, the small systems of oppression and defenselessness survive. If possible, the citizens are even more defenseless today than before against bureaurocracy, public utility companies and banks. This uncertainty and frustration can lead to an anger legitimizing force which may support the exploiting measures of the central government, while the people do not realize that the ransom money the government collects does not strengthen consumer protection, does not help those who are hopelessly indebted, but serves to fill in the holes of the central budget and, naturally, it will be paid from the pocket of "ze people".

When they are obliged to withdraw significant resources from public services mostly financed by the government, in order to prevent the articulation of feudal resistance of public servants and employees, the anti-corruption and accountability commissionaire checks in to launch "an overall investigation to reveal suspicious financial transactions". This is precisely what happened recently when  $\notin$  140 million austerity measure in higher education was announced.

If the money taken from large public services is not enough, then the robbing of private savings begins based on ideologized arguments. If the government wants to steal the savings from the private pension funds, it may influence public opinion by saying that "they gamble away your money on the stock market". Should this propaganda still not be enough, they blackmail the members of the private pension funds and by making it technically impossible for them to remain members and by intimidating them, and thereby they make sure they can grab the majority of their assets worth  $\in 1,1$  billion. The specialty of siphoning the private pension funds lay in the fact that for the members their loss was much more direct and easily perceived than in the case of other, indirect money-grabbing forms.

The logic of the market raises obstacles in the way of realizing those voluntaristic aims, and the customers will be charged with the expenses of the ransom by roundabout means so that the pain does not immediately hurt. This provides a good excuse to continue the ideology-saturated national freedom fight against the players of the economy, and dozens of institutions have been created for the arbitrary involvement of politics. A "price commando" has been set

up to prevent multinational companies from raising prices, a "wage and tax action group" has been established to force private companies to compensate their employees for the decreased value of their wages incurred by the newly introduced personal income tax, while the Government Accountability Office unlawfully besiege the already ransacked private pension funds. The more absurd the planned action is and the less it conforms with the logic of the market, the more it assumes a moralizing-criminalizing character. Attempts at scapegoat finding and systematic character murder have become integral parts of the economic policy of Fidesz.

Their effort to seize the National Bank is aimed at devaluing people's savings and revenues in an impersonal by means of a looser inflation policy should the revenues described above be not enough.

And to those from whom they can take nothing away, they want to give less. "Up above" they try to drive out the "nation-alien" intellectual and economic elite, while "down below" they wish to reduce to obedience the poor, who are not considered to be part of the nation.. Here, also, their plans and measures fit into the feudal world view. They reduce the length of the unemployment benefit period to 90 days, significantly diminish the amount of the benefit and those who are granted it can be forced to any kind of communal work regardless of their qualifications. And if the one million new jobs promised by Fidesz do not materialize, the new, more severe punishment policy should help likely to lead to an increase number of people in custody and in prison. The prospect for unprivileged children us is similarly grim: the age limit of punishability has been lowered to 12 years of age; at six years of age children are forced to go to school, their segregation may start in the so called "catch up" classes, the possibility to fail 1st-3rd graders has been reinstituted; it has been made easier to qualify children as "private students" (which means giving the school a to get rid of "inconvenient" pupils) and the age limit of compulsory school attendance has been lowered from 18 to 15. God bless you! - that is what you call the educational policy of Christian compassion and empathy. Call it the "Taigetos plan" where those who survive the fall will be greeted by a policeman at the bottom of the ravine. All these measures allow a glance into the real world of values of the government's Roma strategy worked out for our EU presidency.

#### Autocracy and autarchy

Politics using brutal force against the world of economy (let us remember the experiment of "socialism in one country") can work even in secluded and big systems, even if only to a limited extent. Hungary with its "post-Trianon" size has irrevocably become an integral part of the **globalized markets.** While communist regimes could close down the borders and thus prevent their citizens from voting about the system with their feet, now that Hungary is a member of the EU, no political intervention can stop the enterprises from taking their capital or the people from taking their savings abroad in response to such experiments.

The adequate economic framework of autocracy would be autarchy, since it does not really tolerate the economy within its political reign to operate according to a logic other than it dictates. That is why an endless number of campaigns are continuously waged to rein in the players of the ideologically criminalized economy and force them to be obedient. That is the first real constraint on the autocratic political change carried out with a two third majority in Parliament. Autocracy may compel the civil servants obey peremptorily but it is unable to control the disobedience of the stock markets either by order or with mantras. The institutions of the world market reach beyond its legislative power: no matter how many holes it wishes to

fill in with feudal, extra-economic means and raise obstacles to the logic of the market, the market will break through the dykes of the extra-economic restraints at more and more places. Autocracy fights against the globalized world economy as a national freedom fighter. However, the "laws" of the world market cannot be defeated, they can only be used to our benefit.

Moreover, the European Union does not condone the specific rules of "political autarchy" of a disobedient member state, as the reverberations of the measures directed at curbing the autonomy of the media and other institutions show. However, in vain are we a member state, the EU does not wield the power to sanction the violation of democratic principles. Nevertheless, the Hungarian example sheds some light on a weak point of the European Community, namely that there is no common system of values to be taken seriously without common law and order to sanction its violation. We must see clearly that this limits the scope of possible answers of the EU even when a member state violates the democratic system of institutions. Moreover, the restraints of the political community limit the development of future economic cooperation as well. And although the extending Europe has taken the first steps to avoid a fate similar to that of the 17-18th century republic of the Polish nobility, we are far from becoming an effective and prospectively competitive community compared to the U.S., or the rising powers of China and India. The question is also a matter of identity: what is the relationship between the Hungarian and the European identity? If the former is the exclusive point of reference, the EU can only be a platform for parasitism, from which we should squeeze out as much for ourselves as we can and give back only as much as we absolutely must.

There are three alternatives for Europe. The first one is that it remains a hostage of a system of petty blackmail where national interest is a law above everything else, and international and EU solidarity is an expected duty under all circumstances. The second alternative is that the leading political and economic powers of the union decide to move into the direction of a two-speed Europe, where the "grown-ups", leaving the unmanageable children in the children's room, withdraw into the drawing room to discuss serious matters ("nicht for dem Kind"). Merkel's and Sarkozy's recent remarks about a "pact of competitiveness" point towards that option. The third alternative is a definite move towards a federal Europe. A prerequisite for that, however, would be that the national and European identity of the citizens should carry the same weight in their respective souls and minds. The forest of flags among which there is not a single flag of the EU among those of Hungary when the Prime Minister delivers a public speech, clearly shows the governing elite's views on this question.

Although globalized economy and the EU weaken the chances of success for the autocratic experiment, it depends on our internal forces how far they will be able to curb its potential.

#### Instead of a happy ending

Although Fidesz vehemently presses for establishing an autocratic establishment, the responsibility of the former socialist-liberal government for the landslide victory of Fidesz cannot be neglected. On the one hand, the socialists did not have the courage to implement radical reforms, their governance proved incompetent and they allowed corruption to proliferate. On the other hand the liberals had doctrinaire political views and fostered incompatible expectations. All this led to the fatal loss of credibility concerning the socialists, and the self-elimination of the liberals. Today the socialists as the major opposition party carry not only the burden of the discredibility and dividedness, but also of the lack of

innovative ideas. The slogan "this is not what they promised to the people" is the same old dismal song, recalling social populism. The "antifascist struggle" slogan does not work any more as a left wing ideology for legitimizing the opposition when the howling of the wolves can already be heard from around the corner. The voters who have any kind of affinity towards liberal values are almost hopelessly left without political representation.

The green party (LMP) is unable to recognize and utilize the opportunity offered by their situation that they were not involved in the dirty business of politics, Short of this they cannot become a strong challenger of Fidesz. To make matters worse, their ideology is too eclectic and confused and their leaders are amateurs. They have no idea how to sail between the Scylla of the united antifascist front and the Charybdis of the seemingly elevated courtier opposition of Fidesz. Their situation is similar to that of the former communist reform intellectuals: if we look at them from the inside, they are out, if we look from outside, they are in.

In order for a new liberal or left center power to appear on the horizon, it is not only a critical mass of discontent that is needed but also an intellectual attitude that can break away from a pattern of visceral and populist answers. However, further conditions for the success of a new movement should be safeguarded: a handful of charismatic personalities and expertise, as well as predictability, so that those who vote can be certain who and what they support. At present it cannot be told whether the spontaneous protests, which will become an established routine against further grievances (e.g. limiting the freedom of the press or robbing private pension funds), will produce the right persons to represent a new political power. However, it is more than probable that new faces must emerge on the political scene. Not because of the silly populism of "let the new generation come along with their pure souls" but simply because in the culture of political character murder neither those wrongfully stained nor those worn out can be deployed in the hope of success. How would it look if Mercutio after Tybalt had killed him were to return in the next act saying that he hasn't finished his job yet?

**Bálint Magyar** sociologist; member of the Democratic Opposition (1979-1989); one of the founders (1988) and leaders of the liberal party, Alliance of Free Democrats (SZDSZ); member of the Hungarian Parliament (1990-2010); Minister of Education and Culture (1996-1998, re-appointed Minister of Education and Science, 2002-2006); currently a member of the Governing Board of the European Institute of Innovation and Technology (EIT) and a Strategic Consultant of the Financial Research Plc. Budapest.