

#### **ANALYSIS**

# "It's about credibility, not values"

Social democratic values in Hungary

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- Since the parliamentary election held on the 8th April 2018, the Hungarian left has got into a deeper crisis than ever before. During the current period of evaluation and drawing the lessons of the election results, factors such as the political strategies of the opposition parties, efforts made at organizational development and the capacities of political leaders have been called into question. Policy Solutions considers it as an absolute priority that at the beginning of the new parliamentary term the conclusions on which the opposition can establish its strategy for the next years should be made on the basis of facts and figures. "Social democratic values in Hungary", the joint publication of Policy Solutions and Friedrich-Ebert-Stiftung aims to contribute to this process by surveying the public acceptance of the key pillars of social democratic values in Hungary.
- We believe that it is not enough to be aware of which leftist values and policy proposals are strongly embedded in Hungarian society and which ones are more divisive, but it also should be known how credibly the different political parties are able to represent them. Accordingly, following the analysis of public support for some key values and policies of social democracy, in the second part of the publication we examine what proportion of the Hungarian society deems each political party the most credible in separate issues. Focusing on the latter aspect is essential as it shows which social groups consider the parties positioned to the left of Fidesz credible, and it also indicates which segments of the society should be convinces by these parties that they represent social democratic values the best.



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#### 1. Overview of the research project

The publication is based on an opinion poll completed between the 28th March and 5th April 2018 in cooperation with Závecz Research. During the research, 1000 people - who represented the whole of the adult population of Hungary by age, gender, education and location – were asked. In the compilation of the questionnaire we considered as starting point the most prominent elements of the "The Programme of Social Democracy" by the social theory journal "Új Egyenlőség" (New Equality). This document summarized the main principles and policy initiatives which would make Hungary a more equal society, independently of the electoral strategies of the political parties. The main topics covered in our research thus include inequalities, the tax system, work and labour issues, housing, living conditions, fundamental public services, gender equality, protection of the environment and social mobility. Our goal is to contribute to an evidence-based understanding of voter attitudes in Hungary, and thereby to the redesign of opposition politics in the 2018-2022 parliamentary term.

# 2. Popularity of social democratic values in Hungary

It can be concluded from the examined values and policy proposals that the fundamental problem is not the level of support for social democratic programme elements, but the credibility of parties located on the left-liberal side of the Hungarian party system. In our analysis, the social democratic position was almost always backed by the majority of the society, but there was not a single issue in which the aggregated support for the leftist and liberal parties (MSZP-P, LMP, DK, Momentum) in terms of credibility exceeded 37%. As a consequence, the greatest strategic challenge for the left-liberal opposition in the next few years will be to associate with themselves the popular social democratic issues, and persuade voters that they represent these issues in the most credible way.

The figures indicate that this will not happen if left-wing parties cannot persuade people who voted for Fidesz or Jobbik in 2018, and who even regard these parties as the most credible representatives of leftist values. In a political environment where xenophobia, nationalism and conspiracy theories have high mobilisation potential, regaining left-wing credibility concerning economic and social topics is not in itself necessarily a guarantee for a win at the elections. However, it can be concluded without doubt that if left-wing parties cannot recover their credibility in the key pillars of their identity, there is no chance of establishing a viable alternative against the Fidesz-government.

Concerning the future of social democratic politics in Hungary, it is essential that 81% of the respondents agreed with the statement that "it is the state's task to reduce inequalities within society". Moreover, the majority of supporters of each party shared this opinion — even 75% of Fidesz voters agreed on that. Those who are in the best and in the worst situation within society agreed primarily that the state must decrease inequalities: higher than average support was found among the highly qualified urban groups as well as among older, low-skilled voters. On the other hand, reducing inequalities is less approved by young and middle-skilled voters (however, it still enjoys majority among them).

The refusal of the flat tax system of the Orban government is clear in Hungary. Three-quarters of voters would prefer a progressive tax system (including 70% of Fidesz supporters), and only 20% agreed that one tax rate should be applied to all persons regardless of their income. There are considerable regional differences: in wealthy Western Transdanubia only 60% of inhabitants support progressive taxation, while in one of the poorest regions, Northern Great Plain, 92% agreed that those who earn more should contribute more to the public budget.

The support for luxury wealth tax in Hungary is unanimously high: 87% of interviewees responded that the government should levy a tax on high-value properties. Despite some

nuances, the vast majority of the Hungarian society would tax the very rich people, regardless of gender, age, education or location.

77% think that the government should prefer the local small and medium enterprises, and only every fifth voter believes that the government should favour multinational companies. The support for preference of multinational companies is the highest among DK voters, and it is also higher than average among Momentum and Jobbik voters. However, Jobbik's policy proposals clearly prefer domestic enterprises, therefore they does not necessarily match with their voters' preferences. Fidesz voters - whose party attacks multinational corporations in its communications, but its economic policies support MNCs - supported the preference of local businesses by 4 points above the average, so no outstanding refusal of MNCs can be observed. The most anti-MNC voters are LMP supporters.

At the same time, Hungarian society is deeply divided regarding the length of unemployment benefits: 54% would prolong the current 3-months period, given that it is not enough time to find a new job, but 39% would not change the current regulation. DK voters and undecided voters would like to prolong the length of the payment the most, while Fidesz supporters would like to preserve the current regulation by the largest share (only half of them would like to change the law). It is important to note that the less a region is affected by unemployment, the more its inhabitants support the prolongment of the length of unemployment benefits. In such wealthy regions of Hungary as Western Transdanubia or Central Hungary 65% support the proposal, while in regions where unemployment is significantly higher, it is less accepted: in Northern Hungary 44%, in Northern Great Plain only 38% would extend the current 3-months period.

The proposal to increase the sum of unemployment benefit to the level of minimum subsistence has greater support than the prolongation of its length: 73% of the respondents agreed that active job seekers should be entitled to a benefit

worth HUF 90.000. Solidarity for unemployed persons is correlated mainly with location: the rise of the amount of unemployment benefit is more popular in the developed regions, first of all in Budapest, while villagers (especially in Eastern Hungary) are less supportive of the proposal.

The idea of a minimum living allowance also enjoys a majority in Hungary. Two-thirds of the voters agreed with it, and only 27% think that everybody should fend for themselves. Ensuring the minimum subsistence is the most popular among Jobbik voters (82%), but also higher than average among MSZP supporters (77%). The proposal is the least supported among undecided, Fidesz, LMP and Momentum voters. The poorest regions' inhabitants refuse the proposal the most. In South Transdanubia 63%, in Northern Hungary 60%, and in the Northern Great Plain only 54% of inhabitants support the proposal of a minimum living allowance.

Regarding work and labour issues, 61% would strengthen the right to strike in the law, and only every fourth Hungarian thinks that the strengthening of the law would cause difficulties in the productive operation of corporations. The right to strike is more popular in urban areas. Inhabitants of Budapest support the statement in much greater proportion (76%) than villagers (52%). More than half of the Hungarians (59%) would extend the scope of beneficiaries of the 1% of personal income tax to trade unions, but 25% think that trade unions should get by on membership contributions and state subventions. There is a division between the supporters and the opposition of the government: only 52% of Fidesz voters prefer the extension, by contrast, two-thirds of LMP supporters and three-quarters of DK, Momentum and Jobbik voters would permit to extend the scope of regulation to trade unions. Although the supporters of the proposal are in majority, due to the low response rate we can conclude that many people do not appear to know the positive consequences of the proposal. The low share of supporters in Northern Hungary, a traditional industrial region, is a good example of this, where 31% could not or did not want to answer this question.

An unambiguous and solid majority supports the idea that the state must close the gender pay gap: according to 86% of the respondents, men and women should receive the same wages for the same work. The battle for equal pay for women is in majority among each parties' supporters. The lowest support for equal pay among Fidesz and LMP voters, but it is still above 80%, and almost the whole electoral base of MSZP, Jobbik and Momentum supports the proposal.

As it emerged already in the "social referendum" of 2008, Hungarian society overwhelmingly refuses to pay for the health care services provided by the state. Nine out of ten respondents think that health care should be free, and only 7% of Hungarians would prefer to pay for a health service of good quality. We can't observe differences between the different electoral groups as almost everybody agrees on the free health care system. Only DK voters' support is a bit lower than average, which is supposedly in relation with the fact that the Gyurcsány-government introduced doctors' visit and medical fees over a decade ago.

The share of respondents who thinks that the state should provide housing support only for needy citizens (64%) is two times bigger than those who think that the state should subsidize the housing of everybody regardless of their financial situation (29%). Although the support for general housing policy among Fidesz voters is a bit higher than the average, the opposing position still has a huge majority. What is interesting about it is that the Orbán government's Family Housing Allowance (CSOK) is available for everybody, but in reality gives help mainly for the middle and upper classes. Related to housing, more than two-thirds of Hungarians are opposed to the eviction of families who can't move elsewhere. Only every fifth voter agreed that the eviction can be justifiable even if the families do not have anywhere to go. Opinion on eviction is correlated with location: in Budapest, where social housing is the most common in the country, 84% of the inhabitants dismiss this kind of eviction, which is significantly higher than the average.

The protection of environment in Hungary is almost unanimously supported, when it comes to ecological taxation: 89% of Hungarians would tax polluting companies. Just as among the voters of the green LMP, there is a consensus among Jobbik, MSZP and Momentum voters about the levy on ecologically harmful companies. The vast majority of every socio-economic group would regulate polluting companies, but the urban and highly qualified voters are especially wary of environmental pollution.

In our research, there was only one issue in the whole survey where the social democratic position had no majority, and this was the social inclusion of Roma people: only 36% of Hungarians think that the government should be concerned with the social inclusion of Roma people as a high priority, but according to 56% of the voters it is not necessary. There are significant differences between the electoral bases of parties. DK has the only electorate in which the proposal has a majority (53%), but MSZP, Momentum and LMP voters are also more supportive than the societal average. Support for the proposal is clearly in minority among Jobbik voters (24% vs. 72%), which is no surprise as the party was strengthened previously by harshly attacking Roma communities. Emphatic support for better integration of Roma people is unlikely to become more popular in the future either, since the proposal is backed by only 32% of young voters in contrast to the 39% of the over-60s.

3. Social democratic values and the credibility of Hungarian political parties

Regarding popular opinion on the credibility of Hungarian political parties, it can be stated that no party can radically exceed its electoral base. If one compares the results of the 2018 parliamentary election with how the credibility of individual parties was rated in questions of social democratic values and public policy, the following is found. Fidesz, getting 47% of the votes from within the borders of Hungary, is said to be the

most credible party, depending on the issue at hand, by 40-46%. Jobbik, acquiring 19% of the votes at the elections, is rated as the most credible party by 18-24%. In certain questions, MSZP-P is deemed the most credible party by 10-12%, LMP by 10-16%, DK by 8-11%, Momentum by 3-4%, corresponding to their respective 12%, 7%, 5%, and 3% reached at the 2018 general election.

It is worth noting that LMP and DK is considered twice as credible in several aspects as their election results would suggest. Nevertheless, in absolute terms it's Fidesz-KDNP that has the highest credibility rate. The real problem for MSZP is that in the fifteen aspects examined in the survey (from reducing inequalities through progressive taxation to health and education) the Socialists are considered less credible than their last election results indicate (their highest result is 12% in two issues: pensions and housing).

There are significant regional differences in the "leftist credibility" of parties. Interestingly, MSZP enjoys the credit of only 5-7% of the inhabitants of Southern Transdanubia. In the same region Fidesz is always invested with the confidence of around two-thirds of local people. LMP is especially credible in Western Transdanubia and in some questions it is the most credible opposition party there. On the Great Plain, the confidence in Jobbik is often higher than in Fidesz.

MSZP gets the highest credibility ratings in Central Transdanubia and Northern Hungary, while DK is especially strong in Central Hungary which includes Budapest, and Momentum is potent in the traditionally developed Western Transdanubia.

When it comes to the credibility of parties, it is outstanding that party preference determines voters' opinion. In spite of that several policies of Fidesz-KDNP are clearly opposing social democratic values, their voters still find them the most credible political formation in those questions as well. There was not a single issue in which Fidesz's credibility would fall below 40%. This is the result of their voters' faith, and their confidence is sometimes independent even of the party's policies: in most social democratic issues, 85-90% of Fidesz voters choose their favourite political formation as the most credible. Education is closely correlated with the credibility of Fidesz: higher qualification means less confidence in Fidesz's commitment to social democratic values like decreasing inequalities or providing a minimum subsistence for everyone. Finally, it is important to emphasise that as long as Fidesz voters do not recognise or consider it important that their favourite party is working against these values and processes, it will be extremely difficult for the left to win a political majority in Hungary.

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