

Regime change, democracy and Hungarian society

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September 2016

Friedrich-Ebert-Stiftung, Budapest



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- Concerning the legitimacy and public perception of democracy, following 1990, the Hungarian political elite has consistently underestimated the importance of welfare issues. For the majority of Hungarians democracy held out the promise of economic prosperity and social protection. Hungarian society's negative assessment of the systemic changes is attributed for the most part to rising unemployment, diminishing social mobility, deepening social disparities and an erosion of social stability. After 2010, this state of affairs has made it all the easier for Fidesz to fundamentally restructure the Hungarian democratic system, allowing the rightwing party to implement radical changes without facing effective public opposition.
- Hungary's example may also serve as an important lesson for other European countries. Growing inequality, increasing and ignored social tensions may undermine the foundations of democracy and spark a revolt against the elite that, in turn, may prepare the ground for the resurgence of anti-establishment forces with the agenda of eradicating the status quo.
- Rebuilding of public confidence in democracy in Hungary hinges primarily on improvements in living conditions and welfare programs. In the eyes of Hungarian voters, having a say in political decisions and fundamental freedoms are no match for a promise of existential security, material well-being and a guaranteed job. An overwhelming majority of the Hungarians believe that the quarter century following systemic changes has been a fiasco in respect to these bread-and-butter issues. Potentially, this negative perception may be reversed through a political vision and policy initiatives that – in line with public expectations and hopes – reduce inequalities, improve opportunities for social mobility and create a more equitable society in general where jobs and livelihoods are more secure than in the past 25 years.
- The extremely low level of trust in politics in general is a major obstacle to improve the general acceptance of democracy. 25 years after the regime change, the majority of Hungarians continue to expect the state to improve their living standard, while simultaneously they have no trust in politicians and institutions that should provide all the above benefits. The expectations towards the political elite are high, but the people are not convinced that they can deliver.

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1. Executive summary

Policy Solutions' study aims to present Hungarian public attitude concerning socio-economic changes twenty-five years after the regime change and also tries to explain how shifting perceptions on the systemic changes, capitalism and democracy laid the foundation for the implementation of illiberal domestic policies following 2010. Wherever possible, international value-research data (World Values Survey, European Social Survey, Eurobarometer) have been used to analyze Hungarian social attitudes in relation to the regime change. These have been supplemented with the most relevant Hungarian survey findings.

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

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

In combination with a strong demand for the welfare state, mistrust in state institutions betrays Hungarian society's highly unusual and ambivalent attitude towards the state. Based on research data, even 25 years after the regime change the majority of Hungarians continue to expect the state to improve their living standard, while simultaneously they have no trust in politicians and institutions that should – at least in their opinion – provide all the above benefits. Research clearly



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shows that Hungarians demand strong state intervention primarily involving job creation and social protection.

In light of the Hungarian population's hopes in respect to the regime change and democracy, it is evident that following 1990 the Hungarian political elite has consistently underestimated the importance of welfare issues. For the majority of Hungarians democracy held out the promise of financial improvement and social protection. Hungarian society's negative assessment of the systemic changes is attributed for the most part to rising unemployment, diminishing social mobility, deepening social disparities and an erosion of social stability. While this mindset and disaffection with capitalism and democracy have not made dictatorship popular, it should be a warning sign that today one third of the population no longer cares whether the country is run as a dictatorship or a democracy, for it no longer believes that democracy could bring real change in their life. After 2010, this state of affairs has made it all the easier for Fidesz to fundamentally restructure the Hungarian democratic system, allowing the party to implement radical changes without facing effective public opposition. Hungary's example may also serve as an important lesson for other European countries: growing inequality, increasing and ignored social tensions may undermine the foundations of democracy and spark a revolt against the elite that, in turn, may prepare the ground for the resurgence of anti-establishment forces with the agenda of eradicating the status quo.

Since the subjective problem-chart of the Hungarians continues to be dominated by poverty, labor issues and the deficiencies of the social welfare system, it is safe to say that a rebuilding of public confidence in democracy in Hungary hinges primarily on improvements in living conditions and welfare programs. In the eyes of Hungarian voters, having a say in political decisions and fundamental freedoms are no match for a promise of existential security, material well-being and a guaranteed job. An overwhelming majority of the Hungarians believe that the quarter century following systemic changes has been a fiasco in respect to these bread-and-butter issues. Potentially, this negative perception may be reversed through a political vision and policy initiatives that – in line with public expectations and hopes – reduce inequalities, improve opportunities for social mobility and create a more equitable society in general where jobs and livelihoods are more secure than in the past 25 years. In short, there is an urgent need for creating conditions for economic prosperity and a wider distribution of wealth across all social sectors as to make sure that in a constantly changing world an increasing number of people see themselves as winners rather than losers.



Information box: The Hungarian transformation process

The frameworks for a peaceful change of regime in Hungary were established at the "trilateral negotiations" comprising the Opposition Round Table, the mass organizations, and the party-state leaders in 1989. An agreement and codification of the agreement laying the basis of a constitutional state ruled by law took place in the autumn of 1989, and shortly afterwards the Republic of Hungary was proclaimed on 23 October 1989, changing the country's official old name (Hungarian People's Republic), a move which symbolically expressed the **essence of the change of regime**: the regaining of the country's sovereignty, and the replacement of the central plan command management and state-party system with a market economy and a multi-party democracy. Besides the opposition forces, reformers in the Hungarian Socialist Workers' Party contributed as catalysts in this process, but it was only in the last stage that they decided, by drawing the consequences of events, to formally dissolve the state-party and form a new party under the name Hungarian Socialist Party (MSZP) with a social democratic program.

The years of regime change can be divided into three phases:

1. The crisis of the regime, which started several years before the first democratic election, held in 1990. Political developments of these crisis years contributed to a smooth and peaceful transition, especially compared to other countries in the region.
2. The democratic transition, which was a relatively quick process, and it brought radical changes both in terms of the political and economic system of Hungary.
3. During the 1990s, the democratic system showed signs of consolidation. The democratic institutions were built up and provided stability in the early years of Hungarian democracy.

The euro-atlantic integration of Hungary was a unanimous goal of mainstream parties after the regime change. Both the leftwing and rightwing governments contributed to the fact that Hungary could join the European Union in 2004. Despite the fact that Hungarians have become more critical with the direction of the EU than before 2004, and the political elite is not united anymore about the European Union, public support towards Hungary's EU membership is still high.

2. Hungarian society's value structure – main features

Policy Solutions' study aims to present Hungarian public attitude concerning socio-economic changes twenty-five years after the regime change and also tries to explain how shifting perceptions on the systemic changes, capitalism and democracy laid the foundation for the implementation of illiberal domestic policies following 2010. As a



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first step, Policy Solutions reviewed the major components of Hungarian society's value structure and public expectations in respect to the regime change. Subsequently, we analyzed changing perceptions in Hungarian society regarding the socio-economic transition and factors accounting for the negative assessment of various aspects of the regime change. Finally, we examined in what way the Hungarian political elite underestimated the consequences of the transition and what could be done to improve perceptions of the regime change and democracy in Hungary. Wherever possible, international value-research data (World Values Survey, European Social Survey, Eurobarometer) have been used to analyze Hungarian public attitudes in relation to the regime change. These have been supplemented with the most relevant Hungarian survey findings.

Ronald Inglehart developed a two-dimensional model for the analysis and cross-cultural comparison of societies' value systems that serves as a benchmark in the study of countries' specific socio-economic-cultural values. One dimension of the model positions countries according to collective values and ranks them along the scale of modernization/ secularization. The dimension, called by Inglehart the traditional/secular-rational axis, refers to religion, family and national identity, respect for traditions and the level of control exercised by the community over the individual. The second dimension of the model approaches the issue from the point of personal values and positions in countries under review along the survival/well-being continuum, examining to what extent, beyond material needs, the values of personal fulfillment and self-expression are accepted in a given society. Among others, the latter classification shows the levels of tolerance and trust, the need for having a say in political decisions, commitment to individual rights and the strength of civil society.

Within these dimensions and based on the longitudinal survey findings of an empirical and comparative World Values Survey (WVS) value research, along the **traditional/secular axis Hungary is characterized by surprisingly high values typically seen in developed Western countries, i.e., it shows a distinctly rational and secular way of thinking. However, the second personal fulfillment axis referring to individual values features low scores that, in this context, imply closed thinking.** This unique duality leaves Hungary between Eastern and Western states on the two-dimensional value chart although, compared to Western countries and most East- Central-European post-socialist countries in the region, it has more in common with the value systems of Eastern countries steeped in Orthodox culture. In fact, this set of values has proven to be quite stable and has not changed in the 25 years following the regime change.¹ **Researchers**

¹ <http://www.worldvaluessurvey.org/WVSContents.jsp?CMSID=Findings>



generally agree that the major components of this value structure may be described in the following terms: rational yet closed thinking, a relatively weak commitment to democracy, distrust, a lack of tolerance, norm confusion, a sense of injustice, as well as demand for a strong state.²

2.1. Lack of trust

Hungarian society's low-level trust is perhaps the most glaring finding of the World Values Survey. **In general, Hungarians have extremely low confidence in institutions wielding political power.** An absolute majority of the population is distrustful of executive and legislative power, as well as political parties, pointing to a widespread disappointment in politics. Based on WVS data, in 1998 support for the government stood at 42% and only at 16% in 2009, while the number of those having lost confidence increased significantly from 55% to 82%. 10 years after the regime change, close to 60% viewed parliament with suspicion, as opposed to 37% of those who continued to have confidence in the elected legislative body. By 2009 the credibility of the institution had fallen further to a rate similar to that measured for the government, i.e., over four-fifths of the population no longer had trust in parliament.

Even the government and parliament's woeful confidence-index is surpassed by an overall confidence or, to be more precise, an almost total lack thereof in political parties. In 1998 already three-quarters of the Hungarians were suspicious of organizations aspiring to exercise power, and by 2009 their confidence index sank even lower when the rate of skeptical citizens increased to 90%.

On top of bringing an economic crisis, 2009 was also a year of a political debacle in Hungary; in this context, current political developments could also have had an impact on the hugely disappointing findings of the WVS survey. However, the latest Eurobarometer data collected in the fall of 2015 show that **distrust in political institutions continues to be a decisive factor in Hungarians' value structure:** 61% is still distrustful of the government, 64% of parliament and 77% of the political parties.

At the same time, lack of confidence in institutions is far from limited to political organizations. Hungarians place little trust in other forms of state and civic organizations and, in fact, similar to the above, in most cases the trends point to further negative developments. In 1998, over half and in 2009 already close to two-

² <http://mek.oszk.hu/13400/13433/13433.pdf>



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thirds of the population viewed large corporations with suspicion. The media also suffers from a high confidence deficit; in 1998 two-thirds, and ten years later well over three-quarters of the population expressed its distrust. When it comes to the military and the police, Hungarians are strongly divided. Back in 1998 still close to half the population had confidence in law enforcement agencies and armed organizations, although by 2009 those lacking confidence were already in the majority. Of all state institutions only the courts and the legal system have a confidence-rating of over 50%, showing relative stability over time, although even these are seen as having credibility by only slightly over one half of the Hungarian population.

Hungarian value research examining changes over the past 5-6 years show the continuation of trends seen in the third and fifth WVS waves,³ and 2015 findings show an extremely low level of confidence in institutions, with public perception of parliament declining the most precipitously between 2010 and 2015 where, along a 10-grade scale (1= total lack of confidence, 10= total confidence) average confidence dropped from 4.3 to 3.7 points. Distrust of politicians remains the highest, measuring 3.2 points in 2010 and only 3 points in 2015 on a scale referred to above. Public perception of the legal system declined as well, where a score of 4.5 points also shows a slight slip in confidence. The highest level of trust is placed in the police, the only organization that managed to improve its confidence-index over the past five years, although a score rising from 5 to 5.3 points is also a sign of considerable public ambivalence.

Similar to institutions, the level of confidence placed in fellow citizens is also low. In 1998, less than a decade after the regime change, only slightly over one-fifths of the Hungarian population believed that most people can be trusted, and according to three-quarters one cannot be sufficiently circumspect in this regard. 10 years later, by 2009 there was no significant change, although the situation improved slightly: well over one quarter of the respondents claimed to trust their fellow man, although 70%, the majority continued to be characterized by mistrust. According to a Hungarian study on changing attitudes regarding trust in others, between 2009 and 2013 Hungarians' confidence in each other has not changed to any significant degree and, based on the 2013 survey, on average Hungarians believe that only one in two persons can be trusted.⁴

A general lack of confidence seen in Hungarian society is harmful not only for having a negative impact on the political system and democratic institutions (if

³ http://www.socio.mta.hu/uploads/files/2015/poltukor_online.pdf

⁴ http://www.tarki.hu/hu/research/gazdkult/2013/2013_zarotanutmany_gazd_kultura.pdf



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citizens have no trust in elected officials, they will have no stake in participating in the democratic process); distrust will also hamper the development of such fundamental social values as tolerance and solidarity. And all this, aside from eroding social cohesion, also eliminates opportunities for economic improvement, i.e., a lack of trust has a detrimental effect on all aspects of public life.

2.2. Demand for a strong state

A dominant role played by the state had been fundamental feature of state-socialism in place before the regime change. However, despite the systemic changes, transition to a market economy and a period of privatization, demand for state intervention, coupled with the desire to escape existential uncertainty, remained key preferences for the Hungarian people. **The vast majority of Hungarians continue to expect the state to improve their life and taking personal responsibility is far from typical, as reflected in WVS surveys.** Relevant attitudes were examined along the 10-grade scale to measure whether there is more demand for the state taking care of people or for personal responsibility. In 1998, close to 40% of the respondents opted for strong state intervention and only one-tenths or 4% emphasized personal responsibility, roughly two-thirds of the respondents took a more favorable position regarding state intervention, and only 12% supported greater personal responsibility. 20 years after the regime change “strong-state sentiments”, while slightly decreasing, continued to remain significant with 10% and 3%, respectively, of the respondents placing themselves at either end of the state-care vs. individual responsibility continuum, and on the whole close to 50% continued to express support for state intervention, while one quarter would have encouraged a strengthening of personal responsibility. In a value survey conducted by Hungarian researchers in 2015, 13% of the respondents placed themselves at each end of the continuum, and on the whole 36% supported state intervention, while 30% preferred taking individual responsibility.⁵ In short, by today the gap between the two opposing positions continues to narrow; the number of those putting their faith in personal responsibility increased further, even though Hungarian society continues to be dominated by people favoring state intervention. Another Hungarian survey conducted in 2013 points in the same direction, although in this case, in addition to general trends, the study also tried to identify areas where the population would like to see more state intervention. **For the most part, strong state intervention is expected when it comes to job creation and social benefits; on average, on a**

⁵ http://www.socio.mta.hu/uploads/files/2015/poltukor_online.pdf



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10-grade scale Hungarians gave these issues a score of over or close to 7 points, although education and farming also generate strong paternalistic sentiments with an average score of over 6 points.⁶

In respect to operating business ventures, towards the end of the 1990s Hungarians were slightly more pro-market, although issues involving privatization/nationalization had divided public opinion at that time as well. However, by 2009, aside from providing care for citizens, those wishing to see a stronger government presence in the economy had formed a distinct majority: 42% were in support of nationalization and 23% of a free market economy, which means that many years after the abolition of state-socialism, instead of decreasing, demand for some aspects of left-wing economic policies has actually increased.

In addition to the demand for a strong state, views on income distribution also shed light on income inequality and the problem of a subjective sense of justice, for in this area as well Hungarian society is characterized by an attitude tied to a fear of all uncertain factors. **Hungarians would clearly prefer to see smaller differences in income, as opposed to an incentive system that rewards outstanding performance with higher compensation.** 10 years after the regime change six-tenths of the Hungarians took a position in support of making income more equitable, three times more than those calling for more income differentiation. In 2009, half the population was still egalitarian, while the group seeing a need for more differentiation did not expand, i.e., an egalitarian attitude continues to define public expectations related to income. Based on the findings of the 2013 Hungarian survey referred to above, by the 2010s, while significantly decreasing, **the number of those perceiving excessive income differences remained considerably high (above 80%) and the vast majority – some 70% – still expects the government to narrow the income gap and provide income to the unemployed.** In contrast, a significantly lower number of the respondents, around 20%, would prefer the state reducing welfare benefits to the poor.

In combination with a strong demand for state intervention, mistrust in state institutions, as described above, betrays Hungarian society's highly unusual and ambivalent attitude to the state. **Based on research data, even 25 years after the regime change the majority of Hungarians continue to expect the state to improve their living standard, while simultaneously they have no trust in politicians and institutions that should – at least in their opinion – provide all the above benefits.**

⁶ http://www.tarki.hu/hu/research/gazdkult/2013/2013_zarotanutmany_gazd_kultura.pdf



2.3. Public attitudes to democracy

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

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

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

⁷ http://www.socio.mta.hu/uploads/files/2015/poltukor_online.pdf



percentage believes it makes no difference under what form of government the country is run.

Based on the findings of empirical studies, it may be concluded that **Hungarians consider economic well-being and financial security as much an integral part of democracy as free elections, the institution of the popular vote and civil liberties.** While the component parts of the latter institution tend to vary less than economic performance, from the point of evaluating the quality of democracy they play a similarly important role in the eyes of citizens, which explains why in times of economic downturns and crises popular confidence in democracy noticeably declines. In light of Hungarian attitudes, it is safe to assume that in this context a positive assessment of Hungarian democracy becomes highly tenuous.

Based on the findings of the Autumn 2015 Eurobarometer research, Hungarians ranked basic values as follows: peace (45%), respect for human life (41%), individual freedoms (33%) and human rights (32%). Democracy and equality were ranked by every fifth Hungarian among the three most important values, solidarity (15%) and tolerance (14%) were seen as less important, while the rule of law (9%) and respect for other cultures (4%) received little weight in their value preferences. **Based on the above, Hungarians give the highest priority to existential and individual values, they are less attached to democracy and especially the rule of law, and give a low preference for values that strengthen social cohesion, such as solidarity and tolerance.**

The Eurobarometer survey has also revealed that **in Hungary people are most worried about inflation and the rising costs of living (27%), household finances (24%) as well as health and public safety (20%), although significant numbers consider low pensions (17%) and unemployment (15%) as the most urgent challenges they may have to face. In other words, Hungarians' subjective problem chart is determined primarily by issues related to existential, social and financial security.**

2.4. Ideological self-identification and party preferences

Based on a self-definition along a rightwing/leftwing continuum, Hungarians tend to pull to the middle; in 1998 43% and in 2009 47% placed themselves in the middle range of a 10-grade scale. Of those positioning themselves at either side of the political divide, at the end of the 1990s the leftists were in the majority, with every



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fourth Hungarian placing him/herself on the left, and 17% on the right. By the twentieth anniversary of the regime change the trend has been reversed, and of the two camps those positioning themselves on the right were in the majority: around one quarter of the respondents placed themselves on the right of the political spectrum, while 15% remained on the left. Based on another type of ideological classification – first introduced in the WVS survey in 2009 – less than half of the Hungarians would identify with a major political ideology. Of those, the majority described themselves as social democrats (17%), 10% each identified with Christian democracy and liberalism, and 9% with the greens concerned with the environment.

Based on recent findings of the 2015 ideological self-definition survey conducted by Hungarian researchers, most Hungarians continue to place themselves in the center, although this time twice as many positioned themselves on the right than on the left. On the right-left scale 38% of the respondents put themselves in the center, 11% firmly placed themselves on the left and 17% said they were strongly committed to the right.⁸ In other words, the trend seen in the fifth wave of the WVS is also evident in the mid 2010s – **along with a crowded center, a right majority continues to prevail at the opposing poles of the political spectrum.**

At the same time, Hungarian studies examining factors determining party identification also point out that in other European countries self-definition along the right-left ideological spectrum is a form of expressing political affiliation, i.e., sympathy for specific politicians and parties. However, in Hungary it is rather common that identification with the left or the right, **instead of following genuine social and value-based fault lines, is more often a function of sympathy for a specific party.**⁹ A choice based on specific policy issues is also uncommon among Hungarians and, due to intense partisanship, **voters choose a party not based on policy preferences; on the contrary, they tend to adjust their own preferences to positions taken by their favorite party on specific issues.**

On the other hand, views on the state of the economy are an important election issue in Hungary strongly influencing voters' party preferences, typically expressed by demanding the accounting of ruling party politicians and voting in protest. This is not surprising if one considers that, as demonstrated above, demand for paternalism is at the foundation of Hungarian society's value structure, and the concept of democracy is identified with economic prosperity. The public's peculiar understanding of economic policy is so strong as to cut through parties' ideological fault lines. **As**

⁸ http://www.socio.mta.hu/uploads/files/2015/poltukor_online.pdf

⁹ <http://www.valasztaskutatas.hu/kiadvanyok/toressek-halok-hidak/politikai-tagoltsag>



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decades after the regime change popular demand for government support and a dominant role played by the state in the economy have remained extremely strong, and typically right-wing economic policies based on vigorous free-market competition could not win popular support and have been relegated to the platforms of some marginal political organizations, even parties subscribing to a firmly conservative rightist ideology have adopted essentially leftist economic programs.

3. Hopes attached to the regime change and the social consequences of transformation

In Hungary the regime change, unfolding in 1989 and 1990, led to fundamental changes in the political system, as well as in the country's social and economic structure. The one-party state was replaced by a pluralist democracy, there was a shift from a planned to a market economy and the privatization of state property also got under way. Changes in the economy had an effect on the labor market and employment, resulting in a rapid rise in unemployment and a shrinking of the working population. The structure of society also changed: a new class of domestic plutocrats emerged, the number of small- and medium-sized enterprises increased, while the size of the underclass and those living in poverty increased significantly faster, leading to widening social disparities. Compared to earlier relatively widespread equality, Hungarian society essentially split in two. The relatively well-off made up 12-15% of the population, while the majority was poor or on the way to poverty.

Based on a 1989 survey¹⁰ Hungarians generally believed that the most salient features of democracy included social welfare, freedom and participation, at that time marked primarily by independence from Russia, the freedom of expression, popular sovereignty, general welfare and a more equitable distribution of wealth. In other words, along with the process of democratization, the population also expected the regime change to bring economic prosperity and material improvement even as, from an economic point, public experience was in conflict with the requirements set for the new regime. However, it must be also mentioned, that expectations related to material improvement were clearly too high, and made it almost inevitable that for many, the years following the regime change would bring more disappointment than satisfaction.

¹⁰ http://www.poltudszemle.hu/szamok2/1995/1995_1szam/simon.pdf

3.1. Assessment of the regime change

Winners and losers

Of all social groups, winners of the regime change came primarily from among the captains of industry and top political leaders (27%).¹¹ This is explained by the fact that those with sufficient capital prior to the regime change were in a position to participate in the privatization of state-owned factories and agricultural cooperatives. The percentage of winners and losers among small businessmen and employees shows a varied picture. The number of so-called 'false' self-employed businesses increased when those left without a job tried to turn their previous second jobs into viable business operations. **The biggest losers of the regime change were skilled workers and laborers (69% and 72%, respectively).** This came about when heavy industry was replaced with less labor-intensive operations, and in many cases the new business owners rationalized the labor force or shut down factories.

There were similar tendencies in respect to education backgrounds. **The largest number of winners (27%) was among those with a university degree or diploma, and there were also fewer losers (48%) in this group.** The largest number of losers came from among those with the lowest level of education. 70% of the people with a primary or vocational education fall in that group, and the lowest number of winners is also found in this category (5% and 15%, respectively). In terms of income, not surprisingly the percentage of losers is high among the poor and low among the rich. The composition of the group of winners and losers is also determined by age. The number of winners gradually declines with age, with a simultaneous loss in confidence in the future.

The social impact of the regime change is evident at the regional level as well. **Inequality increased between residents of Budapest and other urban centers, and the rural population. So-called backward regions emerged, primary in some rural areas of the Great Plains, Eastern and Northern Hungary.** Concomitant to the economic regime change, a social class emerged that lost its job in urban-based industries and, without marketable skills, it found securing a job more and more difficult. These people became permanently unemployed and tried to

¹¹ <http://www.tarki.hu/adatbank-h/kutjel/pdf/a896.pdf>



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survive relying on a variety of social welfare benefits. Unemployment became a mass phenomenon, with 41% of those without a job having no more than a primary-school education.

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

Shifts in the public assessment of the regime change

As a result of radical social reforms and temporary hardship, Hungarian society's assessment of the regime change is considerably more negative with a deeper sense of loss than in other Visegrád countries, despite the fact that Hungary was seen as leading the region. **A 1995 survey¹² revealed that 51% of the Hungarians claimed the new regime was inferior to the old one. 26% believed it was much worse and barely every fourth respondent thought the new system was for the better** – reflecting the most pessimistic view in the whole region. **Disillusionment in the regime change is explained in part by changes in income levels, and in part by deteriorating living standards.** Inflation, a drop in income, structural changes in homeownership and the healthcare system were major contributing factors. For the majority of the population **government plans to cut the level of redistribution and leave more responsibility with the individual created much anxiety, while citizens continued to believe that decent pension benefits, job guarantees and reliable healthcare services were state responsibilities.** It is also important to emphasize that besides the economic and social reasons, for many Hungarians another factor behind the disillusionment was that the first years of the new era did not bring enough “justice”, when it came to the consequences of being part of the previous regime. The widespread feeling – especially in conservative circles – that this was a “transition without consequences” could also contribute to the decline of trust in democratic institutions.

In a 2000 survey on the assessment of change¹³ conducted by **Tárki, a research institute, to the question whether** the socialist system caused more harm than good, 20% of the respondents said that it caused more harm, while a significantly

¹² http://www.tarsadalomkutatas.hu/kkk.php?TPUBL-A-271/publikaciok/tpubl_a_271.pdf

¹³ <http://www.tarki.hu/adatbank-h/kutjel/pdf/a859.pdf>



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larger number, 50% said the same about the new regime. **In other words, in addition to having ambivalent feelings about the regime change, even at the turn of the millennium many continued to entertain nostalgic feelings for the previous regime.**

In the survey, Hungarians described freedom of expression and foreign travel as the most positive changes, and associated the most negative changes with employment, declining public security and living standards. This also means that from the point of the extension of individual rights they saw the changes in a positive light, although in all other respects they perceived things as going from bad to worse. Also, when it comes to an assessment of the democratization of the country, those satisfied were in the minority and only every third Hungarian was satisfied with the daily workings of democracy. Here it may be noted that those with less education held a more pessimistic view on the subject than those with university degrees or diplomas.

Tárki's 2014 survey¹⁴ also reconfirmed this correlation, demonstrating that those with **more education were the most satisfied with the regime change, i.e., the higher the level of education, the higher the rate of satisfaction.** 46% of those with a diploma, 20% with a primary education, 27% with a skill and 29% with a high-school diploma considered the current regime superior to the previous one. In a 2014 survey 26% of the respondents said that residents of Hungary are better or much better off than prior to the regime change, and 20% saw no difference. **A relative majority of the respondents, 44% thought Hungarians were in a worse situation than before the regime change. At the same time, slightly more agreed on the need for change: according to close to half (47%) the regime change was worth it, while four-tenths said it was not worth it.**

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

¹⁴ http://www.tarki.hu/hu/news/2014/kitekint/20140224_rendszer.html



3.2. The assessment of specific aspects of the regime change: capitalism, democracy and nationalism

Capitalism

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

Even as the majority of the Hungarians basically except economic changes tied to the regime change, surveys conducted in the past 25 years also show that **on the whole the population believes that in economic terms the country is worse off than under socialism**. According to the findings of a PEW Survey,¹⁵ while in 1990 there was general enthusiasm (80% in support) for a transition to capitalism in Hungary, by 2009 only 46% of the respondents approved of the changes, i.e., in two decades support for the economic changes dropped by almost 50%. **Of all former Eastern Bloc countries Hungary is the most dissatisfied with the current capitalist system**; in 2009 72% believed that the country was worse off economically than under the socialist regime. It is worth noting here that in 2009 Hungary experienced a period of deep economic and political crisis that may also account for the overwhelmingly negative attitudes.

As part of the assessment of capitalism, it is worth noting how experiences gained in the previous regime shaped attitudes to free competition. **In 2009 Eurobarometer asked citizen¹⁶ to what extent they agree with the statement that competition between companies drives down prices. Within the EU, with 27 member states at the time, Hungary took the least pro-market position with only 62% of the respondents agreeing in full or in part with the statement**, as opposed to the EU's 83% average. Hungarian opinion also differs somewhat concerning the statement that more competition offers more choices to consumers. In Hungary 16%

¹⁵ <http://www.pewglobal.org/2009/11/02/end-of-communism-cheered-but-now-with-more-reservations/>

¹⁶ <http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Survey/getSurveyDetail/yearFrom/2008/yearTo/2016/surveyKy/754/p/6>



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fewer agree with that statement than in the EU on average. While an overwhelming majority expressed its consent, 20% of the respondents (a high percentage within the EU) maintained that the establishment of a competitive environment at the state or European level would not bring any benefits to consumers or society in general.

Democracy

While there is more popular consensus when it comes to an assessment of democracy, Hungarians are perceptibly dissatisfied with its performance. People on both the right and the left have a positive opinion of the political regime change, with 77.9% of leftist and 87.5% of rightist voters accepting the birth of a multiparty democracy, although they are far from satisfied with its current operation. **A 2013 Tárki survey¹⁷ reveals that while the credibility of politicians improved by 10 points since 1995, still only 20% think they can trust politicians. In contrast, roughly 50% of the respondents agree that people in politics have no concern for citizens, they are all liable of being corrupted and over 50% are also dissatisfied with the law of the land. Tárki and Eurobarometer data¹⁸ on satisfaction with democracy suggest that in this context there has been no significant change in the past 15 years. Between 1999 and 2015, the number of those dissatisfied with the quality of democracy has ranged consistently between 50 and 60%, i.e., the position represents a solid majority within society.**

To explain this persistent disaffection, it is important to pinpoint components of the political system the majority tends to identify with democracy. The 2013 European Social Survey (ESS) Hungary flash-report¹⁹ provided data on issues considered by Hungarians indispensable in a democratic country. **Among the most important criteria respondents identified the protection of minority rights, and they thought it similarly important that political parties offer clear alternatives and citizens have a direct say in decisions by a plebiscite when it comes to major political issues.** Of all criteria, opinions held by the governments of other European states carried the least weight, potentially attributed to a strong sense of national identity.

¹⁷ http://www.tarki.hu/hu/research/gazdkult/2013/2013_zarotanutmany_gazd_kultura.pdf

¹⁸ <http://www.tarki.hu/hu/research/attitudes/index.html>

<http://ec.europa.eu/COMMFrontOffice/PublicOpinion/index.cfm/Chart/getChart/themeKy/45/groupKy/226>

¹⁹ http://politologia.tk.mta.hu/uploads/files/archived/2398_A_magyar_tarsadalom_demokraciakepe_MTATK.pdf



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It is interesting to note that when it comes to the most relevant democratic criteria, in many cases residents of county seats, villages, Budapest and other cities hold very similar attitudes. With all that, **the highly educated and the well-off consider democratic governance to be more important than people with little education or living without financial security.**

The ESS study also examines criteria considered by citizens to be the most defining features of the political system currently in place. **It is widely held that the media is free to criticize the government, and a majority of the respondents also agree that before elections voters have the opportunity to discuss their decisions with acquaintances, the political parties offer clear alternatives, the opposition is free to challenge the government and the media provides reliable information on the government-- performance.** In contrast, citizens do not have the impression that the government would make any effort to close the income gap or justify its decisions to the electorate, and they see little evidence it would protect citizens from falling into poverty.

Based on a Tárki survey conducted in the spring of 2015 and already referred to the above²⁰, while democracy clearly remains the preferred political system, 7% of the respondents believe that under some circumstances a dictatorship may offer an alternative, and 32% believe that all political systems are alike. **Based on party preferences, Jobbik voters are the most likely to see dictatorship as a potential alternative (16%).** Even as the right-wing populist Fidesz-KDNP government is the one most often accused of having created a democratic deficit, their voters are the most committed to democratic governance, 66% claiming there is no political system superior to democracy. Typically, MSZP voters believe there are little differences between democratic and dictatorial regimes, and 45% of them see no significant differences between the various political systems in general.

In short, Hungarians see no or little deficit in respect to the freedom of expression and information, although they are critical of the government's poverty policy and general living standards, and feel excluded from the decision-making process, all of which explains a persistent frustration with the state of democracy and a sense of loss.

The nation state and nationalism

²⁰ <http://www.vg.hu/kozelet/politika/tarki-erezheto-egyfajta-demokracia-kiabrandultsag-458728>



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In view of current social-economic conditions, aside from the evolution of attitudes toward capitalism and democracy, an understanding of the development of the concept of 'nation state' and resurgent nationalism over the past 25 years also carries a special relevance. **With the ongoing migration crisis, the current trends are plain to see: rising xenophobia and mistrust, exacerbated by Hungarian government propaganda.**

When it comes to national sentiment, it is interesting to consider what residents of the country see as defining features of Hungarian identity. In 1995 Tárki asked people²¹ what makes a Hungarian 'Hungarian' and what, in their view, constitutes "genuine Hungarianeness". **Respondents identified self-identification and a command of the language as the most important criteria, although they also attributed great importance to place of birth and citizenship, while Christianity was considered slightly less relevant.** Hungary's 2004 accession to the EU played a crucial role in the evolution of identity. Each year, Eurobarometer measures the level of national and European identification in member states that offers some interesting information for us as well. In the year of accession 32% identified themselves exclusively as Hungarian, 16% as primarily Hungarian and then European, and for all practical purposes no one in the sample group emphasized a European identity - their percentage came to only 1%. **In 2015 already 10% of the respondents defined themselves as European first and Hungarian second, i.e., a social strata is on the rise expressing strong European identity, although the overwhelming majority, 88%, continues to give national identity priority in part or in full.**

In light of all the above, not surprisingly **Hungarians have also serious reservations about the phenomenon of globalization**, 43% doubting that the process could play a crucial role in maintaining peace and **50% of the respondents believing that globalization poses a threat to Hungarian culture.** In respect to the economy, Eurobarometer data show similar attitudes.²² **While over 50% of the population (58%) believes that globalization could be an excellent opportunity for economic growth, essentially the same percentage (56%) see the phenomenon as potentially harmful to domestic companies.**

One of the potential consequences of nationalism is the rejection of people with a different cultural background; taking a look at the level of xenophobia in Hungary may offer some insight. According to a Medián-report²³ published in April 2016, **78% of the respondents would oppose migrants moving to the neighborhood.** An

²¹ <http://www.tarki.hu/adatbank-h/kutjel/pdf/a891.pdf>

²² http://ec.europa.eu/public_opinion/archives/eb/eb69/eb69_globalisation_en.pdf

²³ http://www.median.hu/kepek/upload/2016-04/antiszemizmus_tanulm%C3%A1ny_sajtt%C3%A1j.pdf



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analysis of Tárki data²⁴ also makes it abundantly clear that, compared to previous years, xenophobia greatly intensified by 2016. While in the past on average 31% of the population was considered xenophobic, by today that number jumped to 53%. **In other words, today already over half the population openly admits to rejecting foreigners.** These numbers are especially stunning when compared to the first available figures from 1992 when only 15% of the respondents described themselves as xenophobic. By now, sympathy for foreigners has essentially disappeared, with only 1% of the population claiming to belong to that category. **In other words, recent research shows a marked rise in xenophobia.**

3.3. Attitudes about the European Union in Hungary

Hungary's 2004 accession to the European Union was a major development in itself, a crucial step for the entire country and society that, in terms of its relevance, matches the regime change itself. As originally intended and similar to the systemic changes, joining the process of European integration represents a potentially huge step towards the consolidation of democracy and economic development, and fits logically in Hungary's modern-day constitutional development. Therefore, it may be useful to take a closer look at issues examined in the present chapter from the perspective of European integration as well.

Pursuant to relevant legal regulations, Hungary's accession to the European Union was preceded in 2003 by a binding referendum, where out of a total of 8 million eligible voters 3 million voted for the EU accession with only around 600,000 opposing the motion. In the period of over 10 years following the accession a number of public-opinion polls were conducted independently measuring Hungarian attitudes to EU membership. Research findings published in the past five years show that the majority of Hungarians continue to see the future of the country within the European Union. **While perceptions of the regime change and democracy declined precipitously in the past few years, Hungarians have remained steadfast in their European orientation. Based on the results of a survey conducted jointly by Policy Solutions and Medián, in 2011 slightly over two-thirds of the Hungarians (69%) would have voted to reaffirm the country's membership in the EU, only every fourth citizen (24%) would have rejected accession, and 8% were undecided.**²⁵ In the fall of 2015, the polling company republished its most recent

²⁴ http://www.tarki.hu/hu/news/2016/kitekint/20160404_idegen.html

²⁵ http://www.policysolutions.hu/userfiles/elemzes/27/euroszkepticizmus_magyarorszagon.pdf (4. oldal)



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research findings, indicating a rise in support for EU membership.²⁶ **In September 2015 already close to three-quarters of the respondents (74%) can be described as supporting membership: half the Hungarians rather, and another one quarter fully support the idea.** According to the latest survey conducted by Századvég²⁷ in the **summer of 2016**, following Brexit, **three quarters of the Hungarians (76%) would continue to vote for 'stay' and only 13% for 'leave'** in a potentially high turnout, with only 5% saying they would not go to the polls. In short, **Hungarian society takes a firm pro-European stance, where a considerable majority sees the country's future as a member of the European Union.**

Based on the Autumn 2015 Eurobarometer data, an overwhelming majority of Hungarians have a positive or neutral view of the European Union. Both positive and neutral positions are taken by 40% of the respondents, and only one out of five respondents take a negative view of the EU. The Hungarian data is also favorable in a regional comparison; in all Visegrád countries the overall reputation of the EU is more positive only in Poland. **Fundamentally, perceptions of the EU in Hungary move consistently in the positive range, although there has been some image erosion and loss of confidence between 2010 and 2015.** However, it also must be also mentioned that despite the many Eurosceptic remarks made by leading politicians in Hungary, the EU membership of the country has never been in the center of any political campaign.

While Hungarians and other Europeans have an essentially positive view of the EU, current Union policies are seen in a completely different light. According to 2015 data, **those maintaining that things are going in the wrong direction in the EU enjoy a relative majority in Hungary:** some four-tenths of the respondents (38%) have an unfavorable view of European policies. In contrast, well under 20% of the Hungarians have a positive view of current developments within the EU.

Issues associated with the European Union

Regarding the most positive contributions of the European Union, **in the eyes of Hungarians the most important advantages offered by the Union are the common market, the free flow of capital, goods, people and services. The maintenance of peace among member states is in second place, followed by student exchange programs.** Compared to the European average, significantly

²⁶ <https://www.facebook.com/median.hu/photos/a.1378324522412809.1073741828.1377199592525302/1690219394556652/?type=1&theater>

²⁷ <http://www.origo.hu/itthon/20160713-eu-tagsag-felmeres-kutatas-szazadveg.html>



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fewer Hungarians (39%) consider the establishment and preservation of peace in Europe as one of the major achievements of the EU, and one-tenth of Hungarians are unable to say anything positive about the European Union.

For Hungarians, when it comes to the EU, the first things that come to mind are **EU citizens' right to travel freely, study and get a job in other member states**, with four out of ten (41%) giving that answer. **Hungarians also commonly associate the EU with the inadequate control of external borders and cultural diversity** – issues ranked in importance in second and third place. **At the same time, it is interesting to note that associations related to economic growth and social protection are extremely rare among Hungarian and other EU citizens alike. The rate of Hungarians believing they have more say in world affairs through the EU is well below the European average. It is also interesting that, compared to the EU28 average, considerably fewer Hungarians make an association between bureaucracy and the EU (15% as opposed to 24% in the EU), and half as many think that the EU-project is a waste of money.**

At the same time, along with a strong criticism of the EU's democratic process, every other respondent believes that the country's interests are not sufficiently taken into account in Brussels. In Hungary, only four out of ten respondents believe that the country's interest are respected within the EU's institutional structure – a number that, incidentally, matches the EU28 average. 55% of Hungarian respondents take the opposite view.

On the whole, Hungarian opinions on further integration follow trends seen across the Union. **Similar to the EU average, Hungarians are also highly supportive of the freedom of movement granted to EU citizens, with over three-quarters agreeing. In respect to a joint energy policy, support in Hungary also corresponds to the EU average:** seven out of ten people agree on the need to harmonize energy policy decisions across member states. **A joint security and defense policy for EU member states is the third most accepted integration objective in Hungary.** In light of the Hungarian government's migrant policy over the past 12 months, it is not surprising that **cooperation on immigration policies receives significantly less support in Hungary** than in the European Union in general. While in the 28 member states demand for a common migration policy is close to 70%, support in Hungary stands at only 55% and the camp of opponents is also relatively high at around 40%.

When it comes to the euro, the common European currency, Hungarians are strongly divided: only every other respondent is in support, while nearly as many oppose its introduction. This represents a slightly lower score than the EU



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average. On the other hand, efforts at promoting integration paving the way for new EU member states, a concept with the highest rate of rejection within the Union, receives substantially more support in Hungary than in the EU as a whole. While in the 28 member states those opposed to the idea account for half the population with only 40% in support, in Hungary the numbers are exactly reversed.

Confidence in the EU

Polls analyzing citizen confidence in European Union and national policies, taken between 2010 and 2015, allow us to draw the following conclusions. First, in the wake of a series of crises over the past five years European citizens lost some confidence in the European Union. Second, **while confidence in the EU has declined in Hungary, Hungarian citizens are still less euro skeptic than the average measured in European member states.** Third, **public disappointment has been more pronounced in domestic politics than in the EU: there has been more erosion of confidence in domestic politicians, both at the EU and the local level, than in EU institutions.**

Over the past five years, in Hungary as well those losing faith with the European Union have come into the majority. Between 2010 and 2015, confidence in the EU dropped from 55% to 41%, while concurrently the camp of euro skeptics increased from 30% to 51%. In other words, one may talk about a significant decline and a turnaround, although the picture is somewhat brighter in Hungary (32% optimists vs. 55% skeptics) than the EU average.

Moreover, as early as 2010 there was a general lack of confidence in political institutions, and Hungarians had less faith in parliament, government and political parties than in the European Union. While only 30% has confidence in parliament, 33% in the government and barely 16% in parties, over 40% place their confidence in the European Union.

Currently neither the European Union nor national political institutions enjoy the confidence of the majority of citizens. Numbers also show that the level of confidence in institutions is not necessarily related to a so-called democratic deficit. **All things considered, one may conclude that many Europeans continue to place more trust in EU institutions than in their respective political leadership,** who, at least in theory, maintain a much closer relationship with citizens. Although perception of the European Union deteriorated in recent months, **considering a similar loss of credibility involving national institutions, this cannot be considered a failure of the European project.** Research findings show that

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alienation from the political elite and declining confidence in the institutional system in place constitute a systemic crisis that is not directly linked to dissatisfaction with the Brussels' bureaucratic decision-making mechanism. A comparison of 2010 and 2015 data shows that while there is a genuine institutional crisis, it is not due primarily to a public perception of EU incompetence and is much rather related to a disillusionment with the prevailing political system as a whole.

4. Conclusions

The Hungarian public's expectations of the regime change and democracy clearly show that following 1990 the Hungarian political elite consistently underestimated the importance of welfare issues. For the majority of Hungarians democracy is identified with financial advancement and existential security. However, the quarter century since the regime change has brought growing social inequality, leaving entire regions behind, increasing the gap between rural and urban populations and, as a result of all the changes, the less-educated and those already struggling being left in even worse conditions. Not surprisingly, the regime change was quickly followed by disillusionment: as early as the mid-1990s, half the Hungarians were of the opinion that the system was inferior to the old one. This perception has not changed to any significant degree in the 2010s, and a relative majority of Hungarians continue to believe that the country is worse off than it was before the regime change. Hungarian society's negative assessment of the systemic changes is attribute for the most part to rising unemployment, declining social mobility, deepening social disparities and an erosion of social stability. While this mindset and disaffection with capitalism and democracy have not made dictatorship popular, it should be a warning sign that today one third of the population no longer cares whether the country is run as a dictatorship or a democracy, for they no longer believe that democracy could bring real change in their life.

After 2010, this has made it all the easier for Fidesz to fundamentally restructure the Hungarian democratic system – involving the justice system, the media, independent watchdog organizations and the electoral system – and also allowed the party to implement radical changes without facing an effective public opposition. Hungary's example could also serve as an important lesson for other European countries: growing inequality, increasing and ignored social tensions may undermine the foundations of democracy and spark a revolt against the elite that, in turn, may



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prepare the ground for the further advancement of anti-establishment forces holding out the prospect of eradicating the status quo. Since Hungarians' subjective problem-chart continues to be dominated by poverty, labor issues and the deficiencies of the social welfare system, it is safe to say that the rebuilding of public confidence in democracy in Hungary primarily leads through improvements in living conditions and welfare programs.

Hungarian society is characterized by a general lack of confidence that, aside from institutions, permeates interpersonal relations as well. Aside from eroding the quality and legitimacy of democracy and the political system, a pervasive lack of trust also hampers economic development and through personal relations has a negative impact on social cohesion. Paradoxically, a lack of confidence in state institutions is combined with a strong demand for government intervention: first and foremost, Hungarians expect the state to guarantee their financial security and well-being. Concurrently, there is a strong rejection of social inequality. In the eyes of Hungarians, economic prosperity and the state's redistributive role are fundamental aspects of democracy's core values. While party choices are little affected by policy issues, voting is strongly determined by perceptions regarding the state of the economy. Demand for a strong state has primed political parties to promote leftist economic policy measures even when they subscribe to a culturally/socially conservative ideology. This makes things extremely difficult for the left. First, because for 12 out of the 20 years following the regime change the socialists were in power, i.e., for the most part Hungarian voters tend to blame them for all the missed opportunities for economic/social improvement and, second, in an ideological space vacated by the left today democratic parties must compete with right-wing parties (the governing Fidesz and far-right Jobbik). This makes reclaiming the credibility of a leftist economic policy an extremely complex task for the Hungarian left.

The general lack of trust displayed by Hungarian society is harmful not only as it undermines the political system and the quality of democracy (if citizens have no trust in elected officials, they will have no stake in participating in the democratic process), and distrust will also hamper the development of such fundamental social values as tolerance and solidarity. And all this, aside from eroding social cohesion, also eliminates opportunities for economic development, i.e., a lack of trust will have a detrimental effect on all aspects of social life.

It must be noted that, an escalation of Eurosceptic propaganda in Hungary following 2010 notwithstanding, voters have not scapegoated the European Union for the difficulties facing the country. Even as after 2010 confidence in the European Union



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declined, trust in Hungarian political institutions plunged even deeper. In other words, there is a system-wide lack of confidence reaching all levels of politics. While for the most part thinking about European integration is consistently positive and there is solid support for the country's continued EU membership, it is worth noting that by now Hungarian voters no longer associate EU membership with economic prosperity and social stability. In the long term, this may undermine confidence in European integration, as well as the assessment of democracy.

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

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Policy Solutions is a progressive political research institute based in Budapest and Brussels. It was founded in 2008 and it is committed to the values of liberal democracy, solidarity, equal opportunity and European integration. The focus of Policy Solutions' work is on understanding political processes in Hungary and the European Union. Among the pre-eminent areas of their research are the investigation of how the quality of democracy evolves, the analysis of factors driving Euroscepticism, populism and the far-right, and election research.

Impressum

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Friedrich-Ebert-Stiftung

Publisher: Büro Budapest

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