# THE EUROPEAN POLICIES OF THE EU MEMBER STATES: **THE CASE OF HUNGARY**

#### We are going to discuss...

## A. Factors shaping the European policies of HungaryB. Why and What Europe

## C. Major crises and Euroscepticism

## A. Factors shaping the European policies of Hungary 1. Place on the map



source: European Union

- Landlocked country in Central Europe
- Borders seven countries : Austria, Croatia, Romania, Serbia, Slovakia, Slovenia, and Ukraine
- Part of its borders forms the **external borders** of the Union
- Strategic position: important for the EU Market and vital for trade
- Placed at a crossroads of major land routes: connects the West with the Balkan Peninsula and Ukraine with the Mediterranean
- Transit country for land **migration** towards numerous EU member-states
- Significant player in energy transit discussions (due to its proximity to Ukraine)

2. Size and Population

Time frequency: Annual Demographic indicator: Population on 1 January - total Time: 2024 the way way have they way that any European Union - 27 countries (from 20... Germany France Romania Netherlands Belgium Czechia Portugal Sweden Greece Hungary Austria Bulgaria Denmark Finland Slovakia Ireland Croatia Lithuania Slovenia Latvia Estonia Cynrus Luxembourg Malta

- population of **9.6 million** (9,584,627)
- One of EU's small member states (population between 5 and 10 million )
- **2.1%** of the EU's total population
- Covers a **93,012 km2 area** ( around 2.2% of the EU's total land area)
- 13th largest EU member state in terms of population size
- Is facing a serious demographic crisis, characterized by a declining population and low birth rates Hungary's
- population will decrease from 9.6 million today to 8.5 million by 2050

Population change - Demographic balance and crude rates at national level [demo\_gind] Source of data: Eurostat - Last updated date: 27/11/2024 00:00 Disclaimer This graph has been created automatically by ESTAT/EC software according to external user specifications for General disclaimer of the EC website: https://ec.europa.eu/info/legal-notice\_en

Population change - Demographic balance and crude rates at national level

#### 3. History

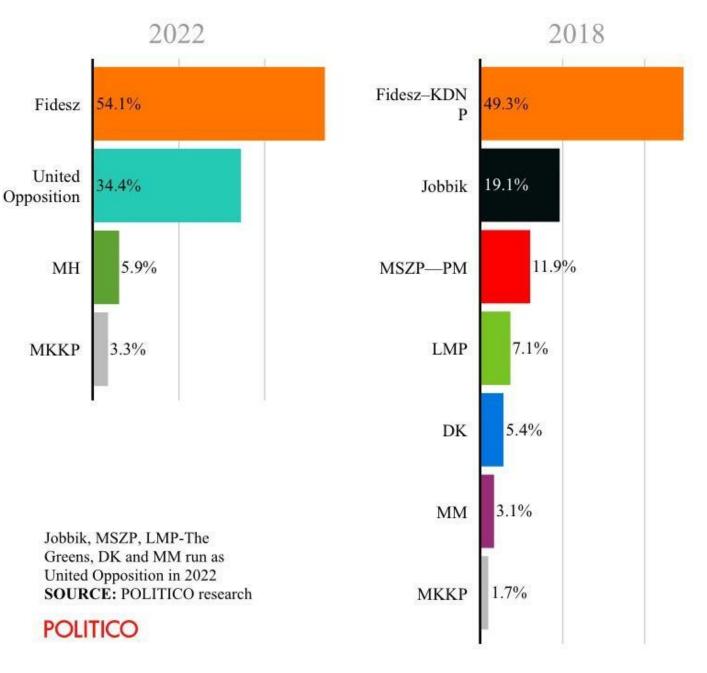
- Was part of the Austro-Hungarian Dual Monarchy (1867– 1918) and had and ethnically diverse population
- After World War I, the Austro-Hungarian Empire collapsed, and the Treaty of Trianon (1920) significantly reduced Hungary's territory and population.
- For that reason significant **Hungarian minorities** exist in Romania, Slovakia, Serbia, Ukraine and Austria
- After World War II, Hungary fell under Soviet control Public
- dissatisfaction led to the 1956 Hungarian Uprising (it was crushed)
- After the collapse of the Soviet Union in 1991, Hungary transitioned to democracy



#### 4. Domestic Politics

- Independent state
- parliamentary republic since 1989 (parliamentary representative democratic republic)
- Prime minister: head of Government (Victor Orban)
- President: head of State with a ceremonial role (Tamás Sulyok)
- pluriform **multiparty system** since it gained its independence
- Legislative power is exercised by the **unicameral National Assembly** (199 members that are elected every 4 years)
- 2022 Elections: Fidesz-KDNP (Hungarian Civic Alliance and Christian Democratic People's Party)- The ruling coalition led by Prime Minister Viktor Orbán holds a 135 seats (54.13%) followed by United for Hungary with 57 seats and Mi Hazánk Mozgalom with 6
- Hungary is divided in **19 counties** (which are split into 174 districts) and Budapest has a special status

#### **ORBÁN SCORES CRUSHING VICTORY**



## Key player in Hungary's domestic politics Mr. Viktor Orbán

- Has won four consecutive terms as Prime
- Minister Used to be liberal
- In power since 2010
- Holds a parliamentary supermajority with his party,
- Fidesz Has transformed Hungary into what the European Parliament has denounced as a "hybrid regime of electoral autocracy"
- Has repeatedly clashed with European Union
  colleagues on migration and the war in Ukraine.
- Big on sovereignty!!!!!!



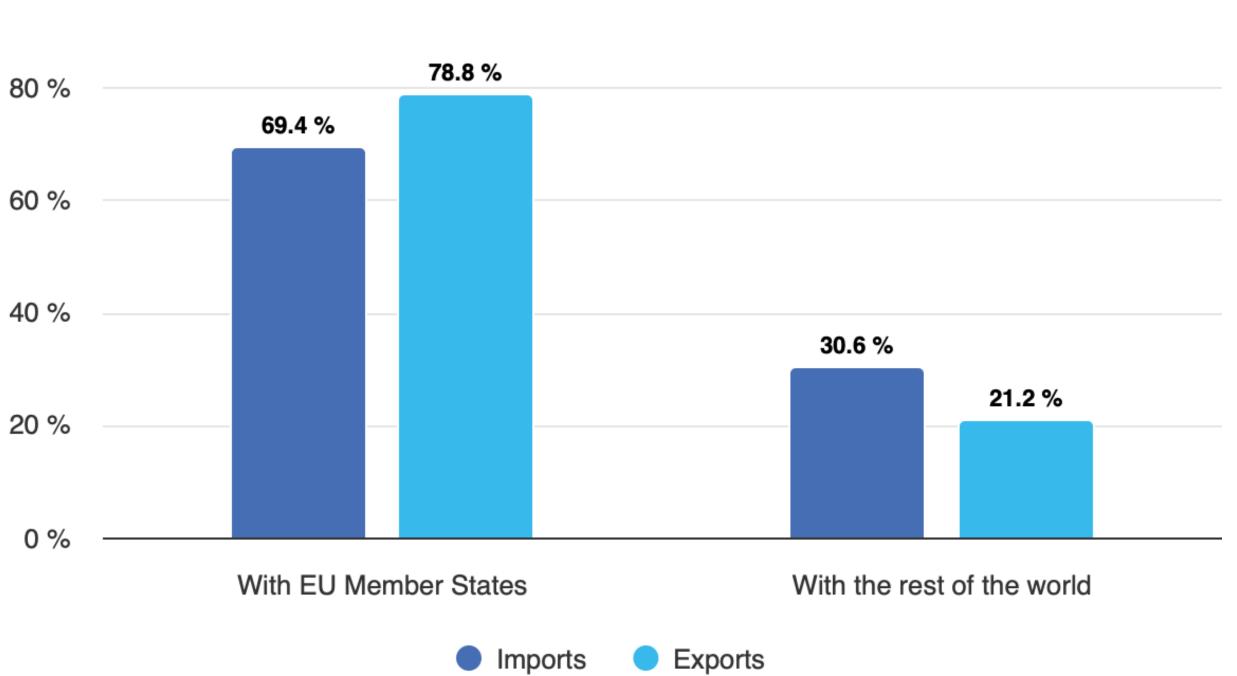
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#### 5. Economics

- GDP per capita: 28.700 euros -ranks bellow EU average 37.600 euros and accounts for 1.2% of the EU's total GDP
- Significant role in international trade/ In 2022 it was ranked as the world's 35th largest exporter In 2023, the majority of Hungary's imports and exports were conducted with EU member states (69.4% of Hungary's imports//78.8% of its exports)
- Trade with the rest of the world accounted for a smaller share (30.6% of imports//21.2% of exports) **Dependendant on the EU market (**75.3% of its total exports and 71.1% of its imports)
- **Germany** is Hungary's primary trading partner
- In 2023, the debt-to-GDP ratio saw a slight decrease, reaching 73.5%
- In 2024, the budget deficit improved, falling to 5.4% of GDP **Unemployment rate** stands at **4.5%**, **lower than the EU average** of 6.6%
- Had major economic support from the EU is the 4th biggest net recipient (€4.4 billion in 2023)

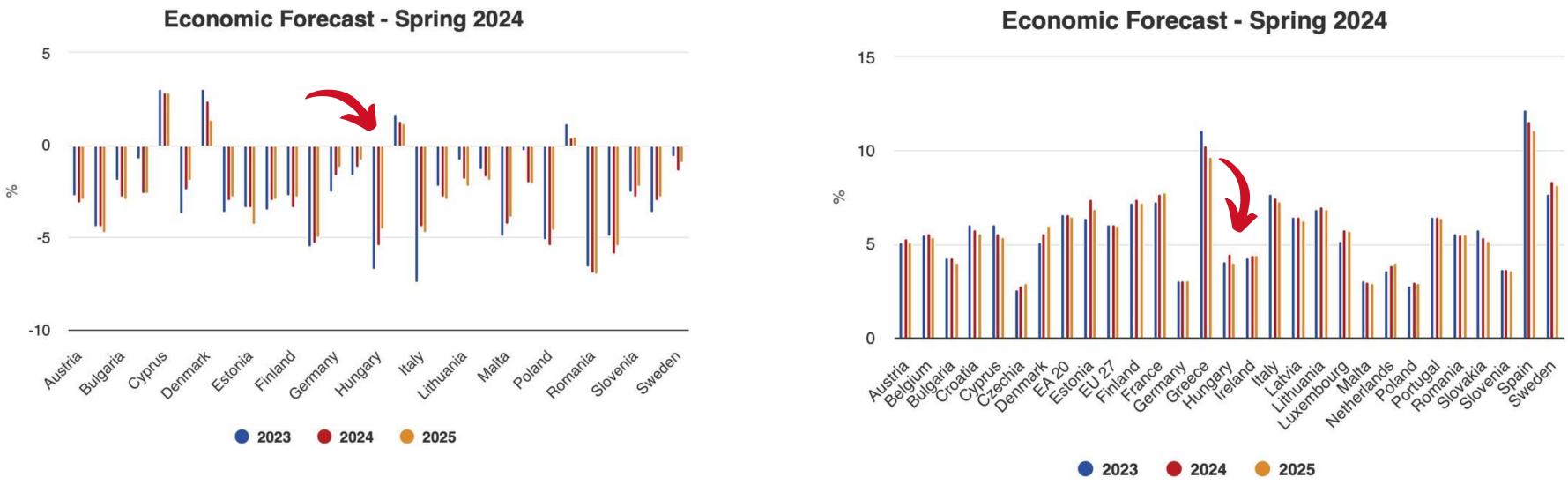
#### Hungary's imports and exports in 2023

100 %



source: European Union

#### **Budget Balance**



source: Spring 2024 Economic Forecast, European Commission

#### Unemployment Rate

#### **B. Why and What Europe**

#### Why did Hungary join the European Project?

- Hungary joined the EU on May 1, 2004, marking a key milestone in European integration
- The process started with an **association agreement in 1994**
- Accession negotiations began in 1998
- **2003 referendum (**84% of voters supported EU membership but low **46% turnout**)
- Hungary prioritized EU membership post-communism as a key foreign policy goal
- **Reasons for joining:** EU membership symbolized **economic growth**, **stability**, and a "security guarantee" in the post-Cold War era.
- Viewed EU membership as a crucial step toward reuniting a Europe

- Supports a strong and stable European Union comprised of sovereign nation-states (In 2023 passed the Act on the Protection of National Sovereignty)
- Hungary is openly anti-migrant > Orban has referred to migrants as "poison" and has stated that "we never let them in"//2016 Hungarian migrant quota referendum//requested to opt out of the EU Migration and Asylum Pact (Oct 2024)
- Claims to be pro-peace > Its Prime Minister has described the country as a strong advocate for peace ("Hungary is pro-peace, we have a vested interest in being left out of the war")
- Against military support to Ukraine
- **Pro-enlargement** but specifically for the **Western Balkans**
- In the topic of security and defense -> supports strengthening European defense cooperation and has expressed backing for plans to establish a common European army (is also a member of NATO since 1999 didn't approve Sweden's application for membership till 2024)

## **Politics on the European level**

- **21 seats** at the European Parliament//2024 European Elections
- The Fidesz-KDNP coalition (Patriots for Europe), led by Viktor Orbán, dominates Hungary's European Parliament representation with 44.82% of the vote (11 seats)
- The TISZA party, led by Péter Magyar, aligns with the EPP and secured 29.60% of the vote (7 seats), making it Hungary's second-largest European Parliament contingent
- DK-IVISZP-P (aligned with the S&D group) received 8.03% of the vote (2 seats) Mi
- Hazánk, aligned with the ESN group, garnered 6.71% of the vote (1 seat)

! TISZA achieved the highest opposition vote percentage since Orbán's rise to power, positioning Magyar as a strong competitor to Orbán (they used to be on the same team) ! Fidesz is a part of the Patriots for Europe group, a new right-wing political alliance formed in June 2024 by Orbán (its leader), Herbert Kickl, and Andrej Babiš (Fidesz left EPP in 2021) (Jordan Bardella (RN) is PfE's president)

## **Presidency of the EU Council (July - December 2024)**

- It was very controversial
- (called it a "peace mission") ( the EU Parliament condemned the meeting > "blatant violation of the EU's treaties and common foreign policy")
- "Make Europe Great Again" campaign (a variation of the infamous MAGA) • On the first week of Budapest's presidency Orbán visited Moscow and met Putin Several EU countries distanced themselves from Hungary, boycotting EU meetings
- **hosted by Budapest**, including the European Commission.

source: Euronews.

## Level of integration

- Hungary is a member of the EU and the Schengen Area but not a member of the
- Eurozone
- It is considered to be preparing to adopt the euro, but there isn't a target date set In 2023 Gyorgy Matolscsy stated that the adoption could take place "perhaps around 2030 or a bit later" and called the Eurozone "club of the rich"

## Hungary and the EU

- strained relationship between Hungary and the EU
- the European Union (EU) and Members of the European Parliament have expressed serious concerns about the actions of the Hungarian government
- in 2018, The European Parliament had called on EU member states to assess, under Article 7 of the Treaty, whether Hungary is in danger of violating the EU's foundational values
- Article 7 of the Treaty on European Union is a procedure in the treaties of the European Union (EU) that can suspend certain rights from a member state
- the European Union has frozen certain funds toward Hungary due to concerns over rule-of-law violations and alleged misuse of EU funds
- In December 2024 it was announced that Hungary will lose €1.04 billion in EU funds **permanently**—the first such case under the bloc's conditionality mechanism—part of €6.3 billion frozen over rule-of-law concerns.

## c. Major crises and Euroscepticism The Rule of Law Crisis

- Democratic Backsliding > Hungary has transformed into a hybrid democraticautocratic regime
- EU officials- Hungary is no longer considered a full democracy but a "hybrid" regime of electoral autocracy" (2022)
- There is a development of a **corrupt electoral system** (the root of the problem)
- Hungary's rule-of-law crisis can be traced back to 2012, when the Fidesz government introduced a reformed electoral system that provided substantial advantages to the ruling party
- Fidesz and Orban: that's where the corruption begins the government is obtaining control of fundamental democratic institutions
- Orban is continually criticized for violating EU values

## c. Major crises and Euroscepticism

### **The Migration Crisis**

- Hungary has a key role in migration due to its geographical position > functions as a transit source and destination country for both regular and irregular migration
- Was heavily affected by the 2015 migration crisis
- In 2015 174.000 migrants applied for asylum -13% of Europe's asylum seekers -1770 first time asylum seekers per 100.000 people in Hungary's population (highest in the EU)
- In 2015, Hungary ranked as the second EU country, after Greece, in terms of irregular migrant apprehensions, with 411,515 crossings recorded
- 72% of Hungarians disapproved of the way the EU handled the situation (Pew Research Center, 2016)
- In order to fight migration Hungary has built **fences** along its southern borders with Serbia and Croatia and has restricted asylum applications
- Hungary's asylum policy caused tension with Germany (Angela Merkel had adopted a more welcoming approach towards migrants)

### c. Major crises and Euroscepticism

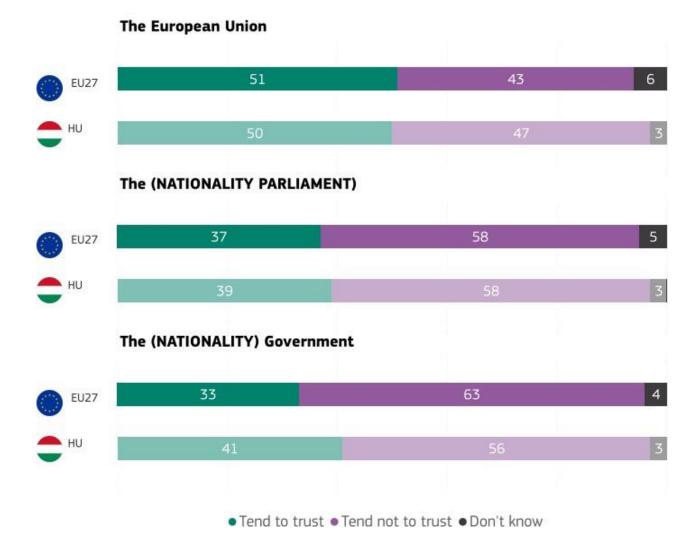
#### The Russia-Ukraine War

- complex and often controversial stance on the war in Ukraine > critical view of Western support for Ukraine
- and an friendly approach toward Russia
- Orbán is regarded as **Putin's closest ally** within the European
- Union Hungary continues to purchase Russian natural gas
- Orbán has repeatedly called for an **immediate ceasefire** and the **initiation of negotiations**
- between Russia and Ukraine
  - Hungary has repeatedly obstructed the European Union's provision of military aid to Ukraine >
- vetoed a €50 billion EU aid package intended to support Ukraine (2023) **Miklós Soltész** (General Parliamentary Secretary for the Prime Minister's Office) stated that Hungary has provided substantial humanitarian aid to Ukraine and has hosted over 1.4 million refugees and has provided
- 98.5 billion forints (239.8 million euros) in aid to Ukraine
- Hungary is affected by the refugee wave the war has caused (around 31.000 Ukrainian refugees) New law threatens to push Ukrainian refugees ⇒ it is estimated that 2,000 to 3,000 refugees will lose access to subsidized housing

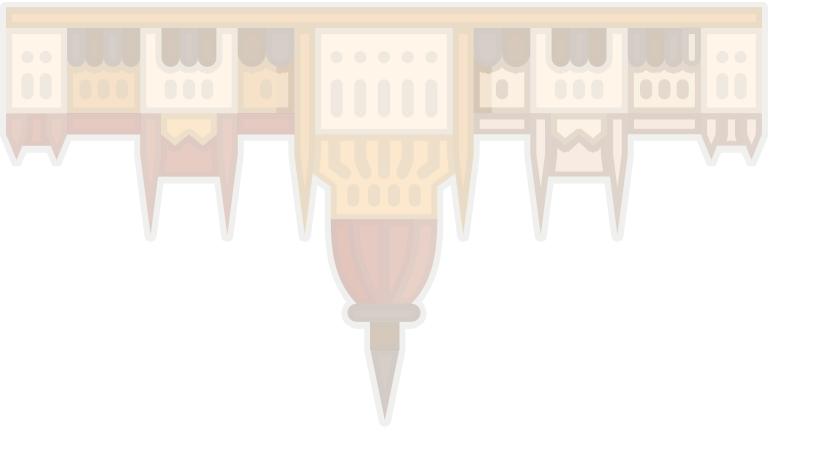
## c. Major crises and Euroscepticism Euroscepticsm

- Since Orban's return to power, Hungary **been considered very Eurosceptic** from everyone (considered to be aligned with its leadership)
- Paradox: Eurosceptic government but pro-European
- people 51% trusts the EU -43% doesn't
- At the same time when asked "How attached do you feel to the EU?", 77% of them answered that they feel attached to the Union leading party and PM are Eurosceptic
- Fidesz/Orban > great example of soft euroscepticism/regime
- **skepticism** // Europe of the nation states
- Also, Jobbik and Mi hazank Mozgalom are Eurosceptic

QA6. How much trust do you have in certain institutions? For each of the following institutions, do you tend to trust it or tend not to trust it? (%)



source: Eurobarometer, Autumn 2024



## Thank you all for being here today



