

# Outlook for Hungary 2023

*Eszter NOVA*



**FRIEDRICH NAUMANN  
FOUNDATION** For Freedom.  
Central Europe and the Baltic States

*The publication is supported by the Friedrich Naumann Foundation for Freedom. The Friedrich Naumann Foundation for Freedom is not responsible for the content of this publication, or for any use that may be made of it. The views expressed herein are those of the author alone. These views do not necessarily reflect those of the Friedrich Naumann Foundation for Freedom.*

## Summary

---

The 2022 elections changed the political landscape not in the sense that a new chapter has opened but by reinforcing the sentiment that the Orbán-regime is fully entrenched in power and can not be removed within his own system.

Since the elections, the regime introduces changes to the system even faster and more unpredictably than before. Governance is conducted increasingly by decrees – unannounced, unanticipated, and without any time to prepare for them, let alone having any public discussion over major changes. It is as if the government explicitly wanted to conceal from the public any plans of future regulations. It raises the question of predictability and stability of the economic, political and legal situation, which makes operating under the regime more difficult and risky, but makes the regime itself more entrenched in power as every harsh, unexpected regulation makes the victims more introspective, battered and preoccupied with survival.

The international political landscape has continued to deteriorate from Orbán's perspective. During 2022 some of his allies got out of power or moved further away from it, like former US president Trump, while others have returned. The balance still seems overwhelmingly negative in his tally of allies.

Orbán's announced plan to lead the country out of the Western sphere of influence and into the East (or at least closer to autocratic regimes worldwide) appears to be more and more ill-conceived – if we look at it from the perspective of the country's interest. Yet, his determination only appears to grow with every stepback for Putin's war and international status – raising the questions whether Orbán is a free agent in this game or whether he has the country's interest at heart. His defense of Putin's interests in Brussels even in lost cases raises the question of his autonomy as a political player.

Orbán's political future and his regime's durability now appears to be completely determined by whatever happens in the global arena – and not at all affected by domestic developments as his opposition is more divided, dispirited, bankrupt and corrupted than ever.

Orbán's fight against the European Union on the rule of law conditionality in exchange for the craved funds will determine whether Orbán wishes to stay in the EU. If not, he has every tool to make the decision himself and he has said that the country should consider leaving once EU-funds dry up. His media and loyal opposition parties are visibly testing the waters on the idea of Huxit and the propaganda machine has cranked up the anti-EU campaign.

The global economic downturn as well as the economic impact of Russia's war have made their presence felt in Hungary in the form of austerity and inflation, but the full impact of the inflation is still inexplicable by only external factors. One must also explore domestic causes of the problems, like the chronic economic mismanagement, compulsive price controls, unannounced and unpredictable regulations and windfall taxes on targeted industries, and the purposely increased dependence on Russia to account for the sheer degree of inflation in the country.

Yet, it might not affect Orbán's power at all. This is the time his decade of preparation (in creating economic dependence and a militantly obedient propaganda media) finally pays off. Keeping a substantial part of the population in the dark about the outside world, peddling his own narrative, and running the twelfth so-called "national consultation" government campaign has enabled Orbán to spin the narrative in his favor and make claims like things may be hard in Hungary but Europe is much worse off economically, or that the hardship is only on account of sanctions against Russia.

He can also make uncontested claims that the situation would be a lot worse without him. And much like victims of domestic abuse who see no alternative and gradually lose sight of their own interests, people soak up any excuse the government offers them to justify the

problems. A substantial part of Hungarians apparently believe Orbán's spin – or at least can't argue against it.

It is difficult to remember what normality looks like after a decade of gradually increasing abnormality and an endless onslaught of blame and hate campaigns, and outrageous things (like major corruption and openly autocratic aspirations) that all went down despite backlash or resistance. At this point every act of resistance, like teachers' ongoing strike and civil disobedience is just another opportunity for the regime to demonstrate its power and teach people a lesson that nothing can be done. Their resistance is futile, if not downright punished. It happened to healthcare a year before, it will happen to education in 2023.

After a brief summary of the events of 2022 the analysis will focus on the state of democracy in Hungary and the possibility of Huxit.

## 2022

---

*The general elections on April 3, 2022 has been a turning point. Not in the sense that Orbán's rule was shaken in any way, but because he had proven to be irremovable within his own system, with his own rules.*

At the time of writing the outlook for 2022 (in January 2022) it was still an open debate whether a united opposition can successfully make a dent on Orbán's rule. The primaries to select the shared candidate of the opposition parties (because they have no chance of running separately under the electoral system) have proven to be a success and broke through into the media that Orbán's party has been dominating for a decade. The new candidate was a black horse – but appeared to have been good at restoring hope in certain segments of the opposition. And despite the resentment of established opposition parties, he managed to create an election coalition that appeared – for a moment – to measure up to Orbán's voter base.

By April 2022 these hopes have been dashed. The opposition sank into barely explicable silence, losing precious months to campaign. According to articles trying to investigate what went wrong, the opposition was bogged down by infighting and maneuvering, lost precious time to negotiate for positions they didn't even have yet, and resented the newcomer more than they resented the system.

It was partly due to the divided nature of the opposition – which is not in itself a bad thing. It is difficult to remember, but there are more than two sets of opinions in the world. There is nothing wrong with the diversity of opinions, only it doesn't win elections in an electoral system that punishes fragmentation and disproportionately benefits a militantly united party whose members are not in for their opinions but due to their loyalism and to take orders.

But this election had nothing to do with opinions (ideology). And their division was the result of a decades-long divide-and-conquer campaign against them by Orbán, who is well known to have used that tactic (called *salami slicing tactic* in Hungarian, or piecemeal tactic when it refers to the same method applied by Stalin or Hitler) to eliminate all other parties on the right. Now he keeps the other side fragmented by the same means.

As a result the opposition approached the campaign fighting each other – not Fidesz. They could only react to Orbán's campaign themes (homophobia), they couldn't push their own agenda (even though the Orbán family's corruption issues, social problems and staying pro-Europe offered them great opportunities). They couldn't even create a campaign theme of the pressing issues of collapsing healthcare and education – two things on which Hungarians are not behind Orbán in majority.

The inexplicable, screaming hiatus of certain issues from the opposition campaign can only partially be explained by the fact that the leader of the opposition wanted a new Fidesz – but with no corruption, i.e. a new right wing, conservative party that could beat Orbán on his own political issues. The truth might be even more alarming than mere incompetence. When Orbán enacted a massive effective tax hike by virtually ending a freelancing tax scheme that more than half a million people used the opposition was suspiciously silent. According to rumors published on news sites, their handlers (members of opposition parties who act as Orbán's men and transmit Orbán's odd messages) told them not to dare trying to create political capital of the issue, on Orbán's command. Of course, such rumors could by definition never be substantiated. But the fact that we need explanations of why the opposition is so incompetent

is telling. Ultimately, the opposition's messages are simply not heard on most parts of the country, so maybe the entire question of messaging and what they say or don't say is moot.

The most interesting development of the election was perhaps the accounts of opposition delegates who made an effort to go into every part of the country and returned in shock to have seen the degree of influence Orbán has even in the smallest of villages. *Especiallly* in the smallest and poorest villages. The deeper the poverty, the stronger the ties of economic dependence, the deeper the penetration of propaganda media and the isolation from the outside world, the easier it is to move voters, physically, if necessary, to the voting stations and have them vote for Orbán. They struggle with serious problems? Activists of the governing party only need to claim that their problems would be *much worse* without Orbán.

The possibility that the 2022 elections might bring change was perhaps best illustrated by Orbán's evident efforts to both win the elections (by the biggest ever election giveaway) and to prepare to lose it (by outsourcing economic and political power into loyalist hands and out of the reach of any future government). Orbán's visible priorities before the 2022 elections have been to squirrel away as much public funds into loyalist hands and under direct and irretrievable loyalist control as possible. Entire industries came into the cross-hairs of cronification and the government also visibly worked to increase and entrench more Russian and Chinese influences in the country and putting them outside of the discretion of any future government.

The result of preparing to lose has been the multi-billion euro funding for a think tank, Mathias Corvinus Collegium (MCC), and its subsidiaries and beneficiaries, whose job is to buy influence in the West by selling Orbán as a Thatcherite, a Reaganite, and an anti-communist, anti-woke icon (while he keeps communist-type price controls, communist-era rhetoric and communist-style propaganda at home and never had a woke problem in the history of the country). It appears to be working as many Western intellectuals have accepted the money and the invitations and now sing the praise of Orbán at home – not unlike their communist-era predecessors, only perhaps for more money – like Fox News host Tucker Carlson, conservative

intellectual John Mearsheimer, US conservative influencer Rod Dreher, or Heritage Foundation president Kevin Roberts, just to name a few.

The other result was the creation of the controversial “public interest-serving foundations” or “public service trusts” (depending on translation) that have nothing to do with the public interest – despite their name. The construction has been created entirely with the purpose of holding assets and cash, gifted by the state, and under a loyalist board, no strings attached.

These trusts became the focal point of the European Unions criticism of the spending of funds in Hungary, as they are under proudly and openly loyalist leadership and they even received a university each (still state funded, but now under loyalist leadership that controls the institutions’ ideological bent). That makes them ineligible to receive EU funds (like participation in the Erasmus and Horizon programs) – a development the government apparently knew but still acted shocked when it was leaked. Keeping high-ranking Fidesz-politicians and ministers on board of these trusts for life created a conflict of interest that the rule of law conditions specifically spelled out. Yet, the government intended to brush it off with symbolic changes like making the politicians in the boards refrain from voting in certain issues they deem to be in conflict of interest with their positions as politicians.

## International outlook

---

The trend of aspiring Western autocrats losing power has continued in 2022 as the political immune system of Western liberal democracies appears to have kicked in against Russian influence operations – even if slowly.

Orbán's international allies have been further decimated. After Yanukovich, Berlusconi, Mubarak, Strache, Trump, Nazarbayev and Sarkozy, Orbán has lost Brazilian leader Bolsonaro from his list of allies in power. At the French presidential elections that took place simultaneously with Orbán's reelection, Orbán-ally Marine Le Pen failed to break through despite Orbán's support. The Polish-Hungarian ideological alliance has also been strained by Orbán's effort for Putin and the Biden-administration surprisingly didn't lose the 2022 mid-term elections as it is customary for incumbents.

On the other side of the balance are the return of Israeli prime minister Benjamin Netanyahu and the election of Berlusconi-ally and fellow right-wing leader Georgia Meloni as prime minister of Italy. The latter is a mixed blessing though as Meloni appears to be opposite to Orbán on the all-important question of Russia – the issue that has kept the united nationalist Internationale from happening for years, to the detriment of Putin who may be using the old communist methods, but ran into the limitations of embracing nationalism in unifying his European allies.

The emergence of Olaf Scholz as chancellor of Germany has also not improved Orbán's situation as Germany appears to have moved away from the habit of desperately appeasing Putin at any cost – even if just a little. With the European energy dependence on Russia decreasing, Hungary will be in an even more desperate and isolated situation, having worked for years on increasing the country's dependence on Russia (both natural gas and nuclear technology) and severing any links to Europe that could reduce it. It didn't help that Orbán

actively alienated every single German party with the exception of AfD, when he announced on an October visit to Germany that he can only cooperate with them. Steps like these bring Orbán's judgment and true priorities on international affairs sharply into focus.<sup>1</sup>

A new supermajority sealed his rule in Hungary and cemented him as the figurehead and the role model for aspiring autocrats in the West. The willingness of US Republicans to emulate Orbán sends an especially alarming message about the state of American democracy. But the question remains whether his success can be emulated elsewhere. Was it luck or was it talent that he successfully subdued the entire state apparatus?

The answer is both. Orbán did prepare a blueprint of state capture but he could not have done it without winning a constitutional supermajority in 2010. And without the money of the EU he could never have stayed for as long as he could. For comparison, in order to sink to Hungary's level, a Trump-like candidate should win a constitutional supermajority in both houses while also getting lucky in the form of unprecedented windfall revenues, like hydrocarbon wealth or development funding, like EU-money was in the case of Hungary. The supermajority would enable the new president to rewrite the basic laws and replace the heads of all independent institutions with people whose ambition does not entail holding him accountable. The money would help him build a loyalty base that is only dependent on him, while pushing out every business interest that is not owned by his loyalist, to stem every chance of rebellion. With an economy the size of the US, however, this sum should be astronomical. And with a private sector the size of the US's, a dissenter can reasonably expect to find livelihood outside of the direct reach of politics and an opposition is more likely to push back having retained a financial background that is not directly dependent on political loyalty.

---

<sup>1</sup> Hungary's Orban Finds Little Meeting of Minds in Germany (by Edit Inotai, Balkan Insight, October 2022) <https://balkaninsight.com/2022/10/11/hungarys-orban-finds-little-meeting-of-minds-in-germany/>

Orbán's position as unquestioned leader might be desirable for his Western followers but the probability to pull it off at the helm of a more wealthy country with a deep private sector is low.

## Rule of law procedure

By 2021 the leaders of the European Union appeared to have finally made up their minds about confronting Orbán as the Russian war cleared confused minds and now there seems to be popularity to gain from it. While they appeared to have waited out the result of the elections in April, Orbán's fourth supermajority seemed to have rebooted the efforts to make him accountable for the corruption and the erosion of the rule of law in Hungary – or at least to stop financing it.

The European Commission has threatened Hungary with freezing 7.5 billion euros in funds over concerns about the rule of law in the country if rule of law conditions are not met. By December 2022 it has been clear that the government only did some cosmetic changes – merely to allow European politicians to report back home that they managed Orbán and let the money flow. It has worked to silence the EU for more than a decade. But this time it did not work. 6.3 billion of the funds remained suspended as the remaining conditions are met.<sup>2</sup>

---

<sup>2</sup> Rule of law conditionality mechanism: Council decides to suspend €6.3 billion given only partial remedial action by Hungary (Council of the EU Press release, 12 December 2022) <https://www.consilium.europa.eu/en/press/press-releases/2022/12/12/rule-of-law-conditionality-mechanism/>

The conditions – if met – would pose some challenge to Orbán’s unmitigated power and maybe even to the corruption mechanisms. But judged by the start, they will be watered down in the end. One of the conditions was the creation of yet another anti-corruption authority in Hungary, even though there are a dozen authorities already that could raise corruption issues – if they dared to. The new entity hasn’t started operation yet but Brussels already accepted the symbolic measure as one of the conditions met. For contrast, Hungary could have joined EPPO, the European Public Prosecutor's Office, whose job is to unravel the misallocation of European funds, but that is unacceptable for a regime built on exactly that. How the rest of the conditions will be fulfilled is thus questionable.

## Domestic outlook

---

Orbán's resounding 2022 victory rendered every previous suspicious elections forgotten. And after the months of failure by the opposition to campaign at an all-important election even the renewed supermajority didn't seem suspicious. It might just be the new normal, when the countryside lives under a different reality, dictated entirely by brutal propaganda, scapegoating excuses, hate campaigns and a constant state of fear and gratitude to Orbán for protecting people from something worse still.

One of the biggest developments in Hungarian politics in 2022 is that nothing has changed. Crises, a war, the biggest ever challenge to Orbán's power, failing healthcare, education, massive inflation and economic problems – none of those made any impact on his standing. It is as if time has stopped in Hungary and Orbán has always been in power and will always be so.

If there is any challenge or change to Orbán's standing it comes from abroad – but even that doesn't really register at home. The biggest slap that came from the rule of law procedure was the eviction of Orbanized Hungarian universities from the Erasmus program because the trusts they were put in are politically run and non-transparent and thus ineligible to receive EU money. But even that was blamed on the EU that is now "punishing our children", and the argument works for those who want to defend Orbán.

The world has changed in 2022 but Hungary appears to be out of time. Not merely sticking to his geopolitical priorities that barely made sense even before Putin's war started to go sour – but it going further still. Orbán appears to be taking the country back in time. The mood

resembles communism, while the terminology and the attitudes are even more archaic, bringing back titles and words last spoken under the Monarchy.

Orbán's public support doesn't seem to be affected even by the record high inflation and the relentless protest of teachers. Learned helplessness appears to be fully internalized, even teachers' strikes is apparently treated as an opportunity to teach them a lesson. If they all resign and leave, even better. No one can prove when exactly an education system collapses if the regime decides to ignore it. The same thing happened to healthcare a year earlier and that didn't shake Orbán's position either, despite a pandemic, record death rates, and visible, quantifiable signs of decline.

## Price controls, inflation, windfall taxes – and unbent popularity

---

*The state of the economy and the cost of living crisis should be at the forefront of politics – if there was still politics in the country. But somehow Orbán manages to blame everything on Brussels and his support appears to be stable.*

Orbán has never before governed through an economic downturn. Indeed, both times he rose to power, he did so on the wave of discontent against its predecessors caused by economic crises, and both times he enjoyed the results of austerity measures his predecessors enacted before stepping down. Such forward-looking and economic foresight (even if belated) is, however, no longer to be expected from politicians. Before the 2022 elections Orbán had proven that he was not about to commit the mistake of leaving a stable economy for his successor. Indeed he overspent so hard and accelerated the privatization of public funds so viciously, he left an empty budget for the next government. It just happened to be his. Now he

appears to be desperate to get his hand on the EU-funds withheld until the rule of law procedure is over.

Heavy-handed price controls in all realms of the economy (price of numerous food items, interest rate caps, fuel price caps, energy price caps, etc.), punitive taxes on targeted industries and the resulting inflation characterized the economy in 2022.

The government, in the meantime, was engaged in communication in the form of a blame game, supported by a costly propaganda campaign. They pointed at Brussels, the sanctions and even retailers, “profiteering” and speculators as possible scapegoats. If the rhetoric sounds like a page out of the communist rule book, the remedy will do so even more. Competition authorities are now investigating *retailers* for increasing their prices, Orbán blames hoarding for shortages, and the minister of economy interferes in the application of central bank interest rates, mixing executive power with the functions of a supposedly independent central bank.

Orbán has been preparing for the next economic downturn since his reelection in 2018. after his reelection in 2018 he announced that age of welfare legitimacy is over and the era of security legitimacy is upon us – meaning that he should now be appreciated not as the guy who makes the country (some people) better off but as the leader who keeps the country safe from existential threats. Talk like that sounded off at the time, it was still years before the economy tanked and Russia started the second invasion against Ukraine.

Orbán may have talked about the downturn for years but he wasted the years of plenty nonetheless without forming reserves – or at least not to the public. After eleven years and with an economic crisis looming Orbán has enacted the biggest ever election spending and taken on historic record debt. In 2022 he was forced to enact massive austerity measures, with massive tax hikes to freelancers, massive, retroactive windfall taxes on singled-out industries, cutting back on public services and shutting down offices countrywide. Schools and offices are barely heated, food price inflation hit 50% - but all of those things could be explained away claiming that the West has it even worse, Germans are starving to feed their children and the

French had to switch off the decorative light of the Eiffel tower to save every scrap of energy they can.

Even energy supply isn't secure to Hungary, despite allegiance to Russia. There is a solid wall of assumption in the West that loyalty to Putin should pay off at least in the realm of energy – but the reality is different. It may be a state secret for how much Hungary bought energy from Russia, but the monthly payments are not and they appear to show that Hungary locked in a massive amount of gas above the peak market price – and even that supply is not secure. The daily Népszava periodically checks<sup>3</sup> publicly available statistics about the amount paid to Russia every month and they found that every single political claim Orbán made about safe and cheap gas in exchange for betraying the West was a lie.

It means that Orbán's successful price cap on domestic energy consumption had to go out the window the moment it was needed. Hungarian price caps on energy did not being in 2022, but in 2014, after Orbán visited Putin and signed the deal to buy a new nuclear power station from Russia, and right when the war against Ukraine started. Since 2014 the price cap has actually ripped off households, as it was above the market price most of the time. And when the going got tough and households really needed help, Orbán had to let go of the price cap. The microregulations as to how exactly the price cap would be phased out and for whom was the topic of the summer and early autumn – yet it failed to turn people against Orbán because his machinery communicated that it was caused by “mistaken Brussels sanctions”, not him.

The Hungarian inflation far outpaces inflation in Europe. It should be the main topic of politics if it wasn't for the government's airtight media control. Food price inflation, in particular has broken every record. In basic food items like bread or cheese the heavy-handed

---

<sup>3</sup> Vlagyimir Putyin a rekorder magyar gázárát is megemelte, az Orbán-kormány a rezsicsökkentett ár hússzorosát fizette az oroszoknak októberben (Népszava, January 2023) [https://nepszava.hu/3180726\\_orosz-gaz-putyin-orban-kormany-rekordar](https://nepszava.hu/3180726_orosz-gaz-putyin-orban-kormany-rekordar)

price caps caused massive unexpected consequences and an 80% inflation rate (according to official data– the daily experience of shoppers is even more shocking).

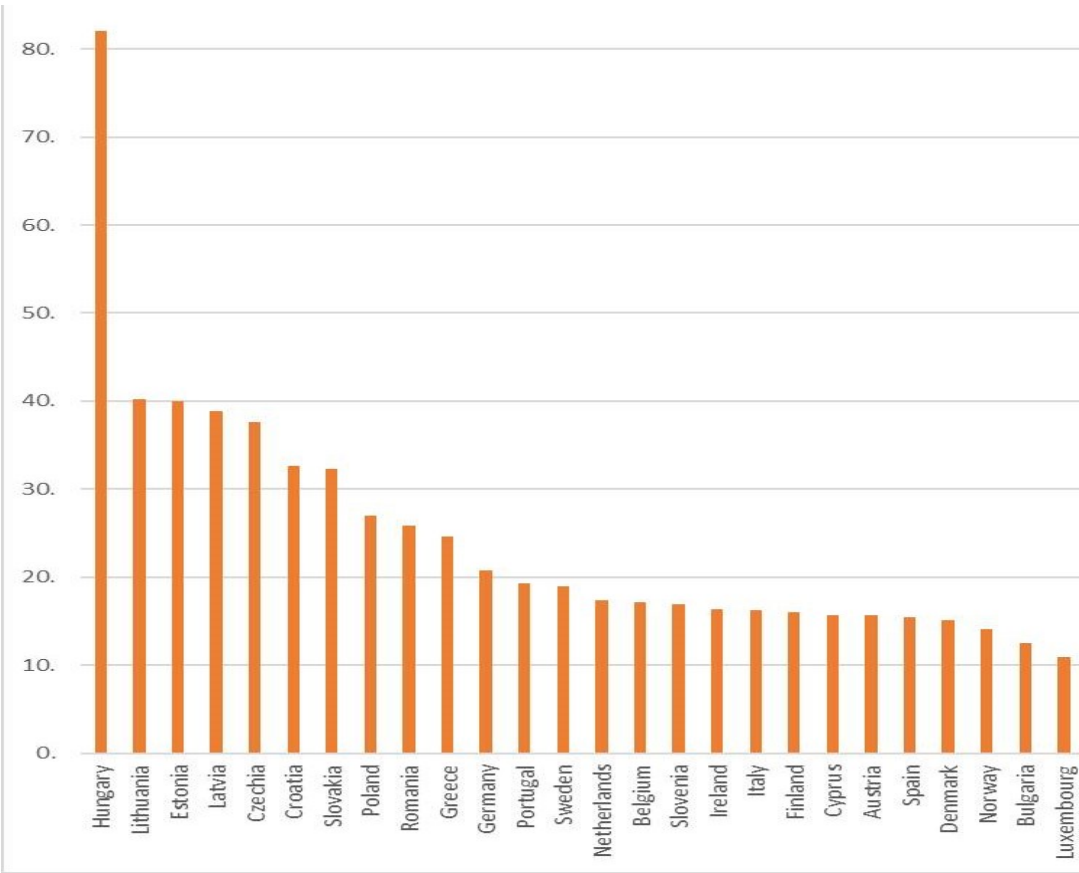
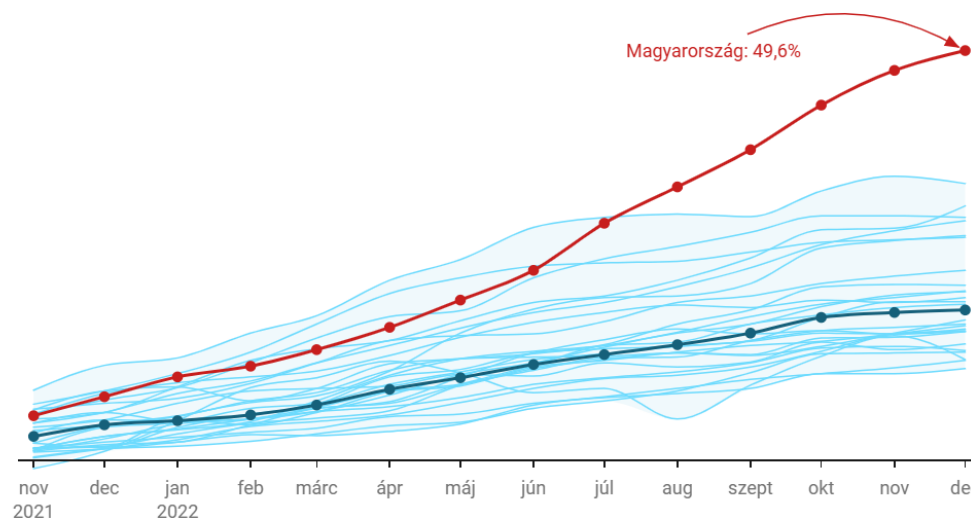


Figure 1: Bread price inflation in the EU, 2022 December, annual (Source: Eurostat)

The Hungarian annualized food price inflation is at record high in the EU, reaching to 50%, despite a range of food products currently under price control, according to Eurostat data.<sup>4</sup>

<sup>4</sup> Eurostat data (December 2022)  
[https://ec.europa.eu/eurostat/databrowser/view/PRC\\_HICP\\_MANR\\_custom\\_3761882/bookmark/table?lang=en&bookmarkId=4ad27e6f-358a-4a3d-82a0-587d69a833eb&fbclid=IwAR0MqG-06hvuVbOthNs7CPjVjqCCq5iyxqDJUiz\\_n9f8LLcPDONh2eIKI88](https://ec.europa.eu/eurostat/databrowser/view/PRC_HICP_MANR_custom_3761882/bookmark/table?lang=en&bookmarkId=4ad27e6f-358a-4a3d-82a0-587d69a833eb&fbclid=IwAR0MqG-06hvuVbOthNs7CPjVjqCCq5iyxqDJUiz_n9f8LLcPDONh2eIKI88)



Grafikon: Telex.hu • Forrás: Eurostat • Beágyazás • Kép letöltése • A készítéshez használt program: Datawrapper

*Figure 2: Annualized HICP food price inflation until December 2022 in EU countries. Source: Eurostat Chart: telex.hu*

Shortages of fuel and price capped food items have dominated 2022, while shortages of non-price capped food items and medicines followed suit. (And that was before the “extra profit tax” was levied on pharmaceuticals’ 2022 revenues, so more of that is to be expected.)

Orbán’s go-to policies in reaction to the inflation<sup>5</sup> have been massive spending – not so much to stimulate the economy, but on sport, prestige, buying up Vodafone and funding his allies abroad and to benefit his loyalists – and price controls. The price of fuel, basic food groups, energy and even interest rates have been capped, then the resulting shortage was banned by new and new decrees, playing central planning whack-a-mole, communist style. Every time an unexpected consequence appears, he slaps a price cap on that one as well. In

<sup>5</sup> Inflation data: [https://ec.europa.eu/eurostat/databrowser/view/PRC\\_HICP\\_MANR\\_\\_custom\\_4592468/default/bar?lang=en](https://ec.europa.eu/eurostat/databrowser/view/PRC_HICP_MANR__custom_4592468/default/bar?lang=en)  
Embed: <https://telex.hu/gazdasag/2023/01/20/hicp-harmonizalt-arindex-elelmiszerar-eu>

December 2022 Orbán simply banned a shortage of price capped items in an overnight decree. Hungary has overtaken the top spot from food price inflation even from war-affected Latvia by December, even as global commodity and energy prices returned to their pre-war levels. And despite the record inflation the government never once mentioned the possibility of reducing the world record 27% VAT to ease the economic pain. VAT revenues skyrocketed as shoppers spent more in stores, buying significantly less than before.

Hungarian inflation is not of external origin. For one thing energy dependence on Russia has been actively nurtured since 2014, up to and including the blocking of the market of renewables in the country by regulatory means. Meanwhile government-financed influencers and ministers have been mocking energy efficiency measures for years as a thing for losers in the West. The currency has been actively weakened, having lost 50% of its value since 2010, making imported goods more expensive, while the government tried to release more debt in their own currency whose printing they control. The amount pushed into crony enterprises to finance industry takeovers in the form of questionable loans has been so great, it has been mentioned as systemic risk in the banking system years ago. The unpredictable, punitive, and often retroactive taxes levied on entire industries make them raise prices, too.

There is the question whether Orbán can maintain his power without EU funds. Orbán had not built his power on the basis of real popularity, much of the incentives to support him were rooted in his strength: the combination of intimidation, combined with his ability to enrich his followers by targeted public procurements and laws written to benefit them. With the EU money lost he will lose some of that appeal. They will, however, still need him to continue securing immunity from prosecution.

## Governance by decrees

---

*In 2022 Orbán has turned to governance by decrees – despite a fully obedient parliamentary supermajority that poses no resistance whatsoever. Governing by decree became so prevalent, even the budget and taxation was announced that way.*

In practice it meant 1446 new pieces of legislation in 2022 (71 fewer than in 2021), out of which 637 were decrees (the number was 800+ in 2021). 267 of these decrees were excused with the state of emergency (we have been in different kinds of states of emergency since 2015, and continually since 2020) and 82 decrees were announced in November and December only, including the budget and new taxes.<sup>6</sup> Decrees based on the state of emergency due to the Ukraine war were also used to varied things like banning teachers' strikes or blocking freedom of information requests about public funds or the pandemic.

To understand the scale of unpredictability, it is enough to take the example of windfall taxes enacted on unsuspecting industries, in decrees published overnight or on weekends. On 11pm December 23, radical windfall taxes were announced on targeted industries, including pharmaceutical companies, clawing back their profits (and then some) for the year. It happened as their business quarter was probably closed and employees were looking forward to Christmas. 13.5% of all published new legislation was published between 27-30 December.

## The state of the opposition

---

*Opposition for a living – not for the hope of power one day.*

---

<sup>6</sup> “2020-at is meghaladó a veszélyhelyzeti jogalkotás mértéke, 1172 jogszabály módosítását tette szükségessé a megyék vármegyékké történő átnevezése” Wolters Kluwer (January 2023) <https://www.wolterskluwer.com/hu-hu/news/2022-jogalkotasi-statisztika>

If it has been mildly pointless to discuss the opposition before the 2022 elections, it has become moot since. The crushing defeat in Orbán's system has proven for them (and for the voters) that Orbán can not be removed within his own electoral and legal system, with the absolute media supremacy, bottomless advertising budget and all the resources of the state put in service of maintaining power and enriching cronies.

It is not a very unpleasant thing to be in opposition though. And many have come to accept that. There is always something to bitch about in Orbán's regime. He regularly throws outrageous things for the opposition to be enraged about. We call them chew toys, issues that predictably incense the opponent, but their rage makes no difference. So an opposition politician always has something to complain about and signal his virtue. And these are not just irrelevant things. Orbán attacking LGBT people or NGOs, accusing the investigative media of being a national security risk are very real problems.

Secondly, an opposition politician always has perks and privileges. A company car, fuel tickets during shortage, immunity, a cushy salary (as Orbán keeps voting in ever greater salaries to loyalists, and opposition MPs also benefit). Bear in mind, however, that these opposition politicians are the last ones who managed to cling to their seats after their numbers dwindled in parliament and leading positions. In other words, they were the best at elbowing others out, in a battle of counterselection.

Do these opposition politicians really want to replace Orbán? According to the prevailing thinking they do not. It is comfortable to be an opposition MP. They won't get dirty rich like the members of Orbán's in-group, but they don't slide into poverty either. Many may not have talents to make it in the remains of the private sector – or more likely abroad as the private sector is really shallow in Hungary. What do we expect from them? Did they really want to unseat Orbán? Did they really want to govern over the rubble that Orbán left behind as he scorched the earth and emptied the state coffers before the election? Many don't believe that anymore – and the behavior of opposition politicians before the 2022 elections seems to prove them right.

Another problem is whether we really want a counter-messiah to emerge, to beat Orbán and lead us out of this? Didn't we have enough of saviors and big personality populists up there? But as things are, this system can not be brought down by a moderate with the country's interest at heart. Division and splitting the country in half is the logical result of the election system Orbán created. One can either galvanize half of the masses or don't even try. That doesn't bode well for the future of the mental state and political beliefs of Hungarian voters – a substantial portion of whom haven't experienced anything but Orbánism in their lives.

The question whether they are His Majesty's court opposition, so to speak, is also settled. Some of them obviously are. Others may or may not be. But the way they play into Orbán's game, speak up when it suits him, shut up when it is better for Orbán, has made people suspicious. Of course, one doesn't need a conspiracy to explain their opportune behavior for Orbán's purposes. Their incompetence and petty egos can also explain those phenomena perfectly – like when the previous populist prime minister and his own splinter party (that he broke out of his previous party, just as Orbán makes his opponents do) just can't shut up and disappear from politics, leaving Orbán to use him as the eternal bogeyman of the past. Again, this can easily be explained by his hurt ego and as a reaction to the attacks by Orbán's propaganda machine.

Whether these parties are really against the system or just against each other – the latter appears to be the case.

Another question is whether a rubber-stamping, ultra-loyalist parliamentary supermajority (the fourth in a row) makes it pointless to even go into parliament for the opposition. In this situation giving little speeches (when the Speaker allows them) and submitting proposals that can simply never go through only act as legitimacy for the regime. Orbán can forever point at his parliament and say it exists, it votes, it has opposition, and they can say bad things about him. Of course, if they don't take up their mandates, they can't get their salaries. Salaries that are getting bigger and bigger these days, while life is getting harder

for folks that are not in parliament. The eternal debate of whether opposition MPs should take up their mandates appears to be settled: they should not. But they will.

The next elections will take place in Spring 2024, when the government made it possible to vote at the local elections and EP-elections at the same time. This is not a promising start, especially since opposition local authorities are relentlessly starved and can not serve their people since they were lost to Orbán in 2019. The lesson that a city must not be in opposition has been writ large and people are feeling it in the form of no energy subsidies, no infrastructure maintenance, definitely no new developments, and the lack of local support. In 2024 that sentiment may make its way into the European Parliament elections and the last few non-Orbánist MEPs who could really hurt him in Brussels may just drop out of the EP. And then the veil of ignorance would once again cover Hungarian affairs and the propaganda could claim anything abroad – just as it did before 2019, and just as it suits Orbán.

Orbán committed many political mistakes, starting with his increasingly more publicized luxury life, or his alienation of international allies – but the opposition failed to create political capital of any of those things. Partly because they can not. In a system where no alternative can be imagined, trying to become the alternative takes more than just a good program – they must show strength first to gain votes. But the opposition was also suspiciously missing from topics on which the country is not behind Orbán. Like the chronic and on purpose starving of healthcare and education to benefit prestige spending and football. And even when they criticize Orbán they still use his terminology and his agenda. One can not defeat a nationalist by proving that he, too, loves his country. One can not defeat a homophobe by talking about how great gay people are. One can not defeat Orbán's "mistaken Brussels sanctions" propaganda by proving that sanctions work. That is completely missing the point.

Many have come to the conclusion that the place of opposition in Orbán's system is infighting. They don't want power, they don't even see themselves governing, ever. They may

have no yachts but they are relatively comfortable and they get to complain perennially about Orbán. What's not to like?<sup>7</sup>

The reason behind the opposition's failure to unite can be found in Fidesz' interference in opposition politics as well as opposition politicians' general incompetence and self-defeating stupidity. Also, because the opposition is still thinking in the old paradigm when one has to appeal to voters, publish programs and deal with policies. The autocratic kleptocracy, in the meantime, wins by making voters' livelihood dependent on political allegiance, names hate targets instead of publishing a program, and enacts the most irresponsible people-pleasing giveaways before elections.

## The possibility of Huxit

---

*Depending on the international scene the new Orbán supermajority might even lead to a breakup with the EU.*

As it was sad before, the Hungarian public may be overwhelmingly pro-EU but it doesn't matter since there is no legal need for a referendum to leave the EU. For Orbán, personally, the only use of the EU is its money, and using it to buy loyalty. EU-funds coming to Hungary has illustrated every problem of international aid. Without the easy money the EU might become a mere nuisance for Orbán.

---

<sup>7</sup> Elemző: "Negyed százada nem látott ilyet a magyar társadalom" - év végi értékelés, 2. rész (End-of-year analysis by Zoltán Lakner and Bálint Ruff) – SzabadEurópa.hu 30 December 2022 (podcast) <https://www.szabadeuropa.hu/a/elemzo-negyed-szazada-nem-latott-ilyet-a-magyar-tarsadalom---ev-vegi-ertekeles-2-resz/32197537.html>

In August 2021, Magyar Nemzet, the Party's unofficial propaganda mouthpiece ran an op-ed titled "It is time to talk about Huxit" and officially opened the issue for the public, as such an article could never have happened without permission from above, if not a command.<sup>8</sup> During the 2022 election campaign Orbán's spokesman *denied* that Hungary would leave but that was to be expected – in an unprovoked comment. And yet, the opposition failed to make it a campaign theme.

After the elections, signs started to multiply. First Jobbik, the nationalist party split and its new president started to campaign *against* Huxit and accused Orbán of wanting to leave the EU in an apparent effort to test the waters of public opinion. It happened just weeks after the elections, when no normal party campaigns or wastes its energies. In August he even submitted a referendum question to prevent Orbán from leaving the EU – but the National Election Committee predictably fended him off.<sup>9</sup>

Then another one of Orbán's court opposition parties, a one-man party changed its name from the name of its leader to Huxit Party a month after the elections.<sup>10</sup> But he was quick to clear that he is not pushing for a referendum on the question. For context, Orbán doesn't allow for referendums to happen, unless they are spreading his agenda.

The new party name must have polled well because a few weeks later Orbán himself announced<sup>11</sup> to a circle of loyalists that the country might be better off outside of the EU once

---

<sup>8</sup> Is Hungary's Orban striving for Huxit? (Deutsche Welle, Keno Verseck, 21 August 2021) <https://www.dw.com/en/hungary-vs-eu-is-orban-striving-for-huxit/a-58934527>

<sup>9</sup>The referendum question reads: "Do you agree that parliament should not be allowed to support a proposal or motion that could result in Hungary leaving the European Union?" The election committee decided not to approve the initiative on account of ambiguity.

<sup>10</sup> A Huxit Párt szerint nincs itt az ideje népszavazást tartani Magyarország európai uniós tagságáról Belföld (Telex.hu 8 August 2022) <https://telex.hu/belfold/2022/08/08/volner-janos-huxit-part-nepszavazas-eu-tagsag-ellenzek>

<sup>11</sup> "Orbán Viktor Kötcsén azt mondta: 2060-ig a Fidesz kormányoz" (24.hu, Farkas György, 16 September 2022) <https://24.hu/belfold/2022/09/16/orban-viktor-kotcse-kormanyzas-2060/>

it stops being the beneficiary of its largess. (He also said that he is planning to govern until 2060.) He specifically mentioned 2030, the end of the next EU budgetary period (and when the eurozone will fall apart according to him), but it was a clear message about the ongoing debate about the recovery funds.

If the rule of law conditionality mechanism becomes too strict, Hungary might cease to be a net beneficiary sooner than 2030, and if that happens, Orbán doesn't need a referendum to push through a motion on Huxit. He might have to sit out a few public protests – but those have stopped working a long time ago, if they ever did. If he could pulverize the discontent over the failing healthcare system and protests over the dismal state of education, he can easily weather a pro-EU protest.

This is also the time when the country's brain drain might finally pay off for him. Those who couldn't stand him and were agile and determined could already leave the country and take up residence elsewhere in the EU or beyond. Even the government's siren call to lure these people back has stopped years ago, showing how those people might not be the priority any more. Those who feel obliged to move because they raise a family have already moved. Those who feel that they must stay because they raise a family have stayed – and likely signed a loan-for-babies contract with the government that ties them to the property they bought with the baby loan. The state of internalized helplessness against the regime has grown so much, it has been going on for so long, many have never experienced any other kind of governance – but the one that never yields.

Opinion polls paint a mixed image. For decades, support for the EU and membership has been stubbornly and exceptionally high in Hungary, despite years of relentless campaigning against the EU by the Orbán-government. It included blaming "Brussels" for immigration and accusing it of forcing the country open to and privileging immigrants, Muslim culture and religion (2015-18), among other things. Brussels was even accused of promoting gender change and homosexuality among children (2022). There have been billboard and media campaigns against individual European politicians like Manfred Weber (EPP), Judith Sargentini, the Dutch MEP

whose name has grown into a symbol of Hungarophobia by authoring the 2018 report that kicked off the rule of law debate about Hungary<sup>12</sup>, or Jean-Claude Juncker, then president of the European Commission. It was a miracle that none of those billion euro campaigns eroded support for the EU for so long.

2022 has been a year of renewed government attacks on the EU, blaming “mistaken Brussels sanctions” against Russia for inflation, energy price hikes and even the shortages caused by government policies. The new government campaigned peppered the country with billboards (and social media, YouTube,, etc.) with an image of a bomb (in the middle of a war in a neighboring country) and with the words “Brussels’ sanctions are destroying us!” The phrase “mistaken Brussels sanctions” is spoken by Orbán and its men a thousand times a day, replacing the name of George Soros, who has been blamed for everything bad for years. Even the record inflation is called “sanctions inflation” and the message seemed to have hit home finally.

Support for the EU still outweighs the rejection but by late 2022 it appeared to have eroded a little. A poll by Publicus<sup>13</sup> found that the proportion of those who find that EU-membership is overwhelmingly beneficial for the country has sunk from 85% in March 2022 to 68% in December 2022 – with Orbán voters finding it more negative (47%) than positive (45%). 74% of Orbán voters also don’t agree with the statement that Orbán’s government is eroding European unity and is serving Putin’s interest (85% of opposition voters agree with it) but 79% of Orbán voters also don’t believe that Orbán would leave the EU (50% of the opposition voters think so), pointing at a sense of complacency, rather than informed opinions.

---

<sup>12</sup> REPORT on a proposal calling on the Council to determine, pursuant to Article 7(1) of the Treaty on European Union, the existence of a clear risk of a serious breach by Hungary of the values on which the Union is founded (July 2018) [https://www.europarl.europa.eu/doceo/document/A-8-2018-0250\\_EN.html](https://www.europarl.europa.eu/doceo/document/A-8-2018-0250_EN.html)

<sup>13</sup>Tízből heten most is belépnének az EU-ba (Publicus, published in January 2023, commissioned by Népszava) <https://publicus.hu/blog/tizbol-heten-most-is-belepnenek-az-eu-ba/>

Another poll by Medián (commissioned by HVG)<sup>14</sup> found at the same time that support for the EU has decreased by 10% in the last few months of 2022, and only 64% of Orbán voters support EU-membership (after 83% in May). The government also managed to erode support for Russian sanctions from 35% in May to 26% in December, by accusing the sanctions of causing the current cost of living crisis.

These might just be fluctuations in the support for the EU. But the fact remains that there is no legal need for a referendum or public support for Huxit – and there is no way to stop or punish the government if it does so against the public's wish.

The thing that might still keep Orbán is the EU is that he serves an important function as the representative of Russian and Chinese interests. His international alliances can hardly change at this point without losing face – or worse – and they definitely want him inside the bloc. But since the war started, Orbán has repeatedly doubled down on his goal of leading the country out of the Western sphere and into the “Eastern” (read: authoritarian, corrupt) world.

---

<sup>14</sup>[https://hvg.hu/360/20221221\\_Unnepromlas](https://hvg.hu/360/20221221_Unnepromlas)