

Hungary

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Three elections in 2014 confirmed and strengthened the dominance of the Young Democrats-Hungarian Civic Union (Fidesz) party of Prime Minister Viktor Orbán. The Fidesz-led coalition triumphed at legislative elections in April, retaining the two-thirds parliamentary majority required to alter the constitution drafted by Fidesz legislators in 2011. In May, Fidesz won a decisive victory in the European Parliament elections. And in October, Orbán's party retained control of all county assemblies and all but one of Hungary's seven largest cities.

The ruling coalition continued to use its two-thirds parliamentary majority to push through laws in 2014, including a new advertising tax on media that elicited criticism from the European Commission and international media watchdogs. In late October, demonstrations by 100,000 protesters in Budapest and ten other Hungarian cities prompted the government to announce the temporary withdrawal of a planned internet tax.

Throughout the year, Orbán provoked international controversy with statements and actions seemingly calculated to demonstrate Hungary's imperviousness to European political peer pressure. Days before the parliamentary elections in April, Hungary finalized a €10 billion (\$11 billion) 30-year loan agreement with Russia to rebuild Hungary's Paks Nuclear Power Plant. Citing the example of "successful" states like China and Russia, in August Orbán gave a speech declaring his intention to build "an illiberal state" that "does not deny foundational values of liberalism, [of] freedom" but that also "does not make this ideology a central element of state organization." Responding to public backlash, the prime minister later clarified that Hungary's membership in the European Union (EU) and the North Atlantic Treaty Organization remains "unquestionable."

Nevertheless, relations between the Orbán government and its European and transatlantic allies were strained at year's end. In September, Hungary cut off its reexports of gas to Ukraine. On October 1, the EU warned that Hungary risks falling back into the excessive-deficit procedure, which can lead to the blocking of aid money, if it fails to cut debt.

Political Rights and Civil Liberties:

Political Rights: 32 / 40 (-4) [Key]

A. Electoral Process: 9 / 12 (-3)

Voters elect representatives every four years to a 199-seat, unicameral National Assembly under a mixed system of proportional and direct representation. The National Assembly elects both the president and the prime minister. The president's duties are mainly ceremonial, but he can influence appointments and return legislation for further consideration before signing it into law.

A December 2011 electoral law redrew parliamentary districts and changed the seat-allocation formula. The redistricting was ostensibly designed to reduce the overall number of lawmakers and mitigate wide variation in the size of constituencies. The reforms also gave ethnic Hungarians living abroad easier access to citizenship and the right to vote. In January 2013, the Constitutional Court struck down several elements of the election law on substantive grounds, though some elements of the voided law later reappeared as part of the controversial and wide-ranging omnibus constitutional amendment passed in March 2013 and an additional constitutional amendment one month later.

An unprecedented 17 parties or alliances attempted to chip away at Fidesz's two-thirds parliamentary majority in legislative elections on April 6, 2014. Throughout the rancorous campaign, opposition parties criticized recent changes to electoral legislation, including rules that facilitated the creation of instant parties, splitting the antigovernment vote; alleged gerrymandering in the ruling party's favor; and the government's heavy influence over state television and radio. Most of these grievances were echoed by critical assessments from international transparency watchdogs and the Organization for Security and Co-operation in Europe (OSCE)'s election monitoring delegation, which also pointed to strong government influence over media and advertising outlets and grossly unequal financial resources. In March, a team of anticorruption watchdogs accused Fidesz and its smaller coalition partner, the Christian Democratic People's Party, of spending more than twice the legal limit on their campaigns.

The National Election Council (NEC) consists of seven members proposed by the president and elected for nine-year terms by the parliament; a maximum of one temporary NEC member proposed by each competing party; and five commissioners appointed by national minority lists, whose votes are limited to minority issues. According to OSCE election observers, decisions by the NEC during the national parliamentary campaign were inconsistent, often resulting in the rejection of complaints without effective consideration of claims.

Monitors also suggested that the dual system for foreign voters, under which new citizens who have never lived in the country can register and vote more easily than expatriate Hungarians living abroad, "undermine[s] the principle of equal suffrage." For domestic voters, the new system for minority voting requires advanced registration, allowing voting for only one candidate.

Fidesz won the April 2014 parliamentary election with 45 percent of the vote, capturing exactly two-thirds (133) of seats. Unity—a new coalition of five leftist parties—won 38 seats. The radical-nationalist and Euroskeptic Movement for a Better Hungary (Jobbik) captured 23 seats, while the green-liberal Politics Can Be Different party won just 5 seats. None of the remaining contenders broke the 5 percent threshold for representation in parliament.

In June, the parliament adopted legislation for elections to the Budapest City Council that critics claimed were aimed at disadvantaging the fragmented left. In local and municipal elections on October 12, Fidesz won control of all county assemblies and all but one of Hungary's seven largest cities. The leftist coalition fell behind Jobbik in a number of cities.

B. Political Pluralism and Participation: 15 / 16

Fidesz has achieved political dominance both through its manipulation of the playing field as well as genuine popularity. Jobbik is now the second-most popular party, replacing the center-left Hungarian Socialist Party (MSzP), which has been plagued by infighting. A large number of smaller parties compete in elections.

In late March, a popular blog published data furnished by the national treasury that detailed official state budget allocations to all political parties. The list revealed millions of dollars in total funding to small, very recently formed parties. This fueled accusations that Fidesz was encouraging the creation of “camouflage parties” in order to split the opposition vote. Six parties that received fewer than 10,000 votes received between \$700,000 and \$2,100,000 each in public funding. Some of the microparties had ambiguous names, including an unaffiliated Unity Party and one named Together 2014.

Hungary’s constitution guarantees the right of ethnic minorities to form self-governing bodies, and all 13 recognized minorities have done so. Despite their large population, Roma hold just four seats in the current National Assembly. In October, Orbán appointed the Roma community’s national leader to a government position.

C. Functioning of Government: 8 / 12 (-1)

Corruption remains a notable problem in Hungary, which ranked 47 out of 175 countries and territories surveyed in the 2014 Corruption Perceptions Index by Transparency International (TI). Using its supermajority, the Fidesz-led coalition has appointed allies to lead state agencies with anticorruption roles. A 2012 TI study reported rampant collusion between the public sector and privileged private businesses as well as nontransparent campaign spending by both Fidesz and MSzP.

In October 2014, media reported that the U.S. State Department had refused entry to several Hungarians on the basis of corrupt activity. Although no officials were named in the press statement, the head of Hungary’s tax authority sued the U.S. embassy’s chargé d’affaires for libel.

The lack of an appropriate public spending database presents an obstacle to the transparency of government spending. In 2013, the parliament reduced the scope of publicly available information under the country’s Freedom of Information Act.

Civil Liberties: 50 / 60 (-2)**D. Freedom of Expression and Belief: 14 / 16 (-1)**

International press freedom organizations assert that Hungary's laws do not adequately protect media independence. A provision of the new civil code that went into effect on March 15 allows criticism of public figures only if it is of legitimate public interest, did not harm human dignity, and is "necessary and proportionate." The Constitutional Court had previously ruled that the provision violates the rights to freedom of speech and a free press.

Since 2011, media outlets must register with the National Media and Infocommunications Authority (NMHH), which can revoke licenses for infractions. A Media Council under the NMHH can close outlets or impose fines of up to \$950,000 for failure to register or for airing of content that incites hatred. Fidesz, with its parliamentary supermajority, controls appointments to the Media Council, whose members serve nine-year terms.

In June 2014 the Supreme Court ruled in favor of the NMHH in a lawsuit against commercial television station ATV, which had described Jobbik as a "far-right" party—a term the party rejects. In January 2014 a higher court overruled the conviction of renowned historian Laszlo Karsai for damaging Jobbik's reputation when he called it a neo-Nazi party in an ATV broadcast in 2012.

While foreign ownership of Hungarian media is extensive, domestic ownership is largely concentrated in the hands of Fidesz allies. The government has withdrawn most advertising from independent media since the 2010 elections. Anecdotal evidence indicates that private companies also withhold advertising from independent media to avoid losing government contracts. In October 2014, Dániel Papp, cofounder of Jobbik, was officially placed in charge of all news content at the MTVA media fund, which is responsible for the management of all public media.

In May 2014, the Constitutional Court ruled that website operators are responsible for any comments to blog posts or news commentary that may violate media law. Critics warned that this would lead to increased self-censorship and restrictions on public comments on the part of site administrators.

In early June, the editor-in-chief of *Origo*, an online news portal critical of the government, was forced to resign after publication of a story on the alleged misuse of public funds by the state secretary at the Office of the Prime Minister. Another 30 *Origo* journalists resigned to protest the dismissal.

In October, after the government announced plans to levy a tax on internet service providers (ISPs) for every gigabyte of data traffic, tens of thousands of protesters gathered in Budapest and at least 10 other cities. The demonstrations continued until the government officially withdrew the proposal (in its current form) on October 31.

Revisions to the criminal code that took effect in 2013 require ISPs to block content deemed illegal by a court order. Websites hosting illegal content are placed on a nonpublic "blacklist" operated by the NMHH. The government may take action if ISPs fail to heed the blocking orders.

The constitution guarantees religious freedom and provides for the separation of church and state. Adherents of all religions are generally free to worship. Since a 2013 constitutional

amendment, religious communities have the same legal standing as recognized churches. However, a two-thirds parliamentary majority must approve the right of any religious community or church to receive tax and other benefits reserved for “accepted churches.”

Anti-Semitism remains a problem in Hungary, particularly among far-right groups. People within the government have honored fascist historical figures, though the ruling party generally distances itself from the strongly xenophobic statements and actions of groups like Jobbik.

The state generally does not restrict academic freedom. However, a gradual overhaul of the public education system has raised concerns about excessive government influence on school curricula, and legislation adopted in June 2014 has the potential to reduce the autonomy of universities. The government began centralizing public education in 2011, ostensibly with the aim of improving and standardizing education. At the end of 2013, the parliament nationalized the schoolbook market and limited elementary school teachers’ choice to two books per subject and class, a move that outraged many teachers, publishers, and education specialists. Amendments passed in 2014 to the Law on Higher Education empower the prime minister to appoint deputy rectors responsible for managing universities’ finances. They also allow an award bestowed by the state to take the place of a doctorate in qualifying individuals for the position of rector.

E. Associational and Organizational Rights: 11 / 12 (-1)

The constitution provides for freedoms of assembly and association, and the government generally respects these rights in practice, though some crackdowns have taken place in recent years.

State funding to nongovernmental organizations (NGOs) and other civil society groups is distributed through the National Cooperation Fund (NEA), which is governed by a nine-member council consisting overwhelmingly of government-elected or -appointed members. In 2014, the government appeared to retaliate against critical NGOs by launching a far-reaching investigation into the funding that several hundred of them had received via the Norway Grants, a charitable foundation bankrolled by the Norwegian government. In June, the Government Control Office reportedly confiscated piles of documents and numerous computers from three groups chosen to operate Norway Grant funds in Hungary. In September, a special police unit from the National Bureau of Investigation searched the offices of two NGOs involved in the disbursement of Norway Grant money, citing suspected mismanagement of funds and illegal financial activities. In addition, the National Tax and Customs Administration suspended the tax number of the four organizations responsible for the distribution of Norway Grants in Hungary. In a speech in July 2014, Orbán called NGOs “paid political activists attempting to assert foreign interests in Hungary.”

The government recognizes workers’ rights to form associations, strike, and petition public authorities. Trade unions represent less than 30 percent of the workforce.

F. Rule of Law: 11 / 16

Judicial independence has become a concern. The Constitutional Court has struck down a number of key laws passed since 2010, though some were voted into the constitution in 2013. However, a 2013 amendment prohibits the Constitutional Court from examining the substantive constitutionality of future proposed constitutional amendments and strips its right to refer in its rulings to legal decisions made prior to January 2012, when the current constitution came into effect. In defiance of the latter restriction, the court's judges began citing their past rulings as early as June 2013. By 2014, the government had appointed 11 out of 15 Constitutional Court judges.

Prisons are generally approaching Western European standards, though overcrowding, inadequate medical care, and poor sanitation remain problems. Inmates do not have access to independent medical staff to assess abuse allegations. The 2011 constitution introduced the possibility of life sentences without parole, which conflict with the International Covenant on Civil and Political Rights. Under an amendment adopted in November 2014, inmates serving life sentences may apply for parole after 40 years in prison.

Hungary has taken a number of steps to improve monitoring of Romany legal rights and treatment, but Roma, who form Hungary's largest ethnic minority, still face widespread discrimination and poverty. Romany students continue to be segregated and improperly placed in schools for children with mental disabilities. In 2014, the Roma Press Center and five civil rights groups signed an initiative accusing police officers, especially in northeastern Hungary, of fining Roma delinquents more often than non-Roma suspects. National Police Chief Károly Papp denied the allegations.

G. Personal Autonomy and Individual Rights: 14 / 16

Hungarian citizens enjoy freedom of travel and choice of residence, employment, and institution of higher education. Citizens have the right to own property and establish private businesses. Cronyism remains a serious concern, however. Critics of recent sectoral taxes see them as efforts by the state to drive out foreign businesses, or take them over. In December 2014, the parliament adopted a law forcing large or corporate-owned retailers to close on Sundays while small or family-owned shops may remain open.

Women possess the same legal rights as men, but they face employment discrimination and tend to be underrepresented in high-level business and government positions. Women hold only 20 of 199 seats in the National Assembly, the lowest percentage in Europe. The right to life from conception is protected under the 2011 constitution, but access to abortions remained largely unrestricted in 2014.

A 2013 Human Rights Watch report documented domestic violence in Hungary, claiming that insufficient legal protections as well as problems in the implementation of existing laws further endanger female survivors of domestic violence. Hungary is a transit point, source, and destination for trafficked persons, including women trafficked for prostitution.

Same-sex couples can legally register their domestic partnerships. However, the 2011 constitution enshrines the concept of marriage as a union between a man and a woman and fails to directly prohibit discrimination based on sexual orientation. In May 2014, the Constitutional Court ruled that common law partners who raise children should be explicitly granted access to the same family benefits as married couples. A corresponding amendment was made to the budget bill for 2015. A separate law on same-sex partnerships remained in effect at the end of 2014.

Scoring Key: X / Y (Z)**X = Score Received****Y = Best Possible Score****Z = Change from Previous Year****Full Methodology**