

The Ukrainian War and Hungary

- Background of Brinkmanship Diplomacy towards the East

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Summary

In early February 2022, Hungarian Prime Minister Orbán flew to Moscow on short notice to meet with President Putin. The visit came amid news of preparations for war. The lengthy meeting was reportedly related to oil and gas supplies and the progress of nuclear power plant construction, but the content of the meeting has not been made public. The press conference following the meeting was unusual in that President Putin spoke unilaterally and left the stage alone, without accompanying Prime Minister Orbán as he left. President Putin's nerves seemed to be on edge in anticipation of a war of aggression.

Perhaps because of the lack of assurances about oil and gas supplies, Hungary's Minister of Foreign Economic Affairs has frequently visited Russia since the start of the invasion of Ukraine, holding meetings with Foreign Minister Lavrov and Gazprom executives as if the Russian aggression had never happened. The Hungarian government's diplomatic stance of promoting economic negotiations with Russia without condemning Russian aggression has been frowned upon by EU countries.

Since the outbreak of the war, not a single government minister, let alone Prime Minister Orbán, has visited Kieu. What is the Hungarian government's intention behind this apparent emphasis on Russia (and disregard for Ukraine)? Anger and frustration are swirling in the European Parliament, with calls for sanctions against Hungary, which has brushed off criticism from EU countries and secured energy supplies from Russia, while at the same time holding out for EU subsidies. What is behind Hungary's brinkmanship diplomacy in pursuit of two hares?

I. Orbán the politician

Under the old regime on the eve of the so-called “Eastern European Revolution,” Viktor Orbán (1962-) founded Fidesz (Youth Democratic Union) in 1988 against the youth organization of the former Communist Party (Hungarian Socialist Workers' Party). Ten years later, in 1998, he took power for the first time and became Hungary's prime minister at the young age of 35.

The experience of the first Orbán administration (1998-2002) taught the student leader from the countryside the magic of rising to the top of national politics. His first diplomatic trip to France shortly after the inauguration of Prime Minister was to coincide with the World Cup soccer finals (July 12, 1998). He was shown on the sports channel Eurosport in the VIP seat watching the final

with his eldest son, a kindergartener, between his legs¹. For Orbán, an unrivaled soccer fan, the trip to France to watch the World Cup final was his “reward” for becoming prime minister, and a natural right of prime minister. At the time, I wrote about my concern about this mixing of public and private interests. As well known, in the former socialist society, the distinction between public and private was blurred, and there were no ethics or norms of civil society. Being an anti-establishment activist did not mean that one had a different social ethic from those in power. Since they lived in the same society, breathed the same air, and lived by the same social norms, only dissidents could not have had different social ethics and norms.

When Fidesz lost the ruling position in the 2002 general elections, Orbán felt a sense of loss. Orbán, who had only known the world of politics since his student days, experienced the pleasure of being at the pinnacle of power and the emptiness of losing it. Therefore, the 2006 general election was a fight for his life as a politician.

During this election campaign, Orbán publicly declared that he would not stick to his position as a candidate of the prime minister if he could wrest power from the Socialist Party. He proposed Péter Ákos Bod² (economist, Minister of Industry after the first free election, and then the Hungarian National Bank governor) as a prime minister's seat candidate. However, this concession did not work. In the general election, he failed to seize power from the Socialist Party by a narrow margin. The shock of this defeat was so great that Orbán even considered resigning as leader of Fidesz and retiring from politics.

However, an unexpected stroke of “good fortune” befell the discouraged Orbán. In a closed-door internal policy debate in May 2006, shortly after winning the general election, Gyurcsány, the leader of the Socialist Party and the prime minister, made a fatal gaffe: “Obviously, we've been lying for the last year and a half or two years. We lied morning, night, and evening”. A recording of this speech was leaked³ and only the part of “We lied morning, night, and evening” was cut out, and the phrase was played on TV and radio every day. This brought the Fidesz activists back to life. Street demonstrations and vandalism began, and Budapest was in a state of mayhem.

Orbán, once politically dead, was revived by this mayhem. “The cause of the mayhem was the politics of lies of Gyurcsány and the Socialist Party”, which fueled street actions that the people need not follow a “lying” government. Furthermore, the “Lehman Shock” damaged the Socialist government. The historic appreciation of the euro (Hungarian currency, the forint) led to the spread of bank loans denominated in foreign currencies (yen) with low-interest rates, and Hungary was enjoying a real estate boom before the Lehman shock. The sudden shock caused the forint to plummet, and the number of people unable to repay their loans skyrocketed. The Socialist government was blamed for its failure to regulate loans denominated in foreign currencies.

For the Gyurcsány administration, the domestic turmoil and the Lehman shock were a powerful double whammy, and it quickly became a lame duck less than two years before the 2010 general elections. To regain the prime minister's seat, Orbán held a series of dialogues with foreign chambers of commerce and continued his campaign to dispel the fears of foreign companies by assuring them that he would not change the preferential treatment for foreign investment even if the government changed hands.

As expected, the 2010 general election ended in a landslide victory for the Fidesz coalition, which won 263 seats, and the Socialist Party lost 131 seats, halving its vote share. This was the beginning of the second Orbán administration, which has dominated Hungarian politics for a long period of time up to the present day.

II. Belief Change of Orbán

Ahead of the 2010 general elections, politician Orbán had displayed political stances and values that are diametrically opposed to those of the present.

On March 30, 2007, at a congress celebrating the 19th anniversary of the founding of Fidesz, Orbán criticized the Socialist Party's proximity to Russia and offered a history lesson to the gathered youth: “Having been liberated from the most cheerful barracks of the Soviet system, we must not turn them into the most cheerful barracks of Gazprom”. He even went so far as to say, “Oil may come from the East, but freedom always comes from the West. We must stand by western Hungary; we must not allow Hungary to be diverted from this path”. This is the opposite of what Prime Minister Orbán is saying and doing today.

In addition, when Russia invaded Georgia in the summer of 2008, Prime Minister Orbán expressed solidarity with the Georgian people, praised the courage of the leaders of Poland, Ukraine, and the Baltic states who visited Georgia during the war and sent a letter to these leaders demanding the immediate and unconditional withdrawal of Russian troops from the country. The purpose of this letter is posted on the website of the Democratic Christian People's Party, which is still in coalition government (<https://kdnp.hu/news/orban-viktor-leveleben-eliteli-az-orosz-katonai-agressziot- video>).

In this letter, he calls for the immediate accession of Georgia and Ukraine to NATO and calls for a united NATO and EU countermeasure to the then government of Gyurcsány. This is an unimaginable assertion from the figure of Prime Minister Orbán, who does not demand the withdrawal of Russian troops from the current aggression against Ukraine and continues to present a bystander-like pro-Russian view, saying that “Ukraine cannot win,” “I do not consider President Putin a war criminal,” and “Ukraine's NATO membership is a postwar issue”.

Going further back in history, at the “Reburial of Imre Nagy and the Martyrs” (June 16, 1989), which marked a turning point in the so-called “Revolution in Eastern Europe” and was the stage

for the debut of the young activist Orbán, Viktor Orbán made a speech calling for the withdrawal of Soviet troops from Hungary and made his name internationally known.

At the military review of the state funeral ceremony on October 6, 2012, the conversation between Prime Minister Orbán and the chief of ceremonies was incidentally picked up on the microphone: “They look good...no fat generals among them... This is how a soldier should be”. Orbán at the time also had a lean figure and set an example himself. Later, however, his physique began to collapse in tandem with the change in his values. From his current appearance, imagining the young officer-like politician Orbán is difficult. His physical shape seems to change due to stress-induced binge drinking and eating.

The year after the third Orbán government began in 2014, and as the problems of the influx of Syrian and African refugees and migrants worsened in 2015, a shift in Prime Minister Orbán's external political stance became clear. Believing that Western liberal democracies could not protect his country, he looked to “illiberal democracies” as models and considered Russia, China, and Turkey to be successful examples, and later he began to feel a kinship with President Trump. He rationalized his political stance by saying, “Democracy based on community, rather than democracy based on individual liberalism, is an effective way to develop a middle-income country like Hungary”⁴. He became convinced that Hungary's future lay in a tyranny that looked to the East for a model. Clearly, this change is symbolic of the fact that the maintenance of power and the solidification of its foundations had become Orbán's self-objectives.

III. Ideological Changes of Fidesz

The political organization Fidesz, founded by the politician Orbán, has also undergone a major change of ideology: Fidesz started out with the slogan “Radicalism, Liberalism, and Alternativism,” but has shed that slogan one by one as it has deepened its entry into the political arena.

After the first free elections, Fidesz dropped the slogan “radicalism” (1992 Party Congress). As a legitimate party, Fidesz may have felt that it was not appropriate for the party to keep up the slogan “radicalism” forever. At the party congress, the party decided to join the Liberal International.

However, after the Socialist Party won the general election in 1994 and the liberal SZDSZ (Liberal Democratic Union) formed a coalition government with the Socialist Party, Fidesz was forced to change its political strategy. The traditional slogan did not make the distinction between the political lines clear. So, as a political force against the leftist bloc, it sought a future for Fidesz based on civic conservatism and at the receiving end of those who would be victims of the liberal market economy.

At the 1995 party congress, Fidesz changed its name to the Fidesz Hungarian Civic Party

(Fidesz-Magyar Polgári Párt), dropping the banner of liberalism and defining liberalism, which promotes market economic liberalism, as the enemy of citizens. By turning to conservatism, the party chose to gain a new *raison d'être*. Accordingly, in 1999 it signed an agreement with the Hungarian Christian Democratic People's Party, and in 2000 it left the Liberal International and applied for membership in the European People's Party⁵.

From this point on, the Fidesz coalition reestablished itself as a party of civic conservatism and Hungarian nationalism and redefined itself as a party that defended its citizens against the left-wing liberalism of the Socialist Party and others. From this point on, it became increasingly critical of the Socialist Party and its predecessor, the Hungarian Socialist Workers' Party (Communist Party), and sought to become a viable alternative to the Socialist Party.

IV. What Changed the Politician Orbán: The Radical Change during the Second Orbán Government

After losing the 2002 general election, Orbán learned two lessons from the failures of the first Orbán administration (1998-2002). The first was the failure to exercise the party's influence over the media, and the second was the failure to accumulate the party's monetary fund. The first administration was too politically naïve to take measures to bring the media under its control and to create a slush fund. He became convinced that overcoming these two problems was a prerequisite for the longevity of his administration. This change of political stance made a radical change in the characteristics of the Orbán administration. It was all about a shift in thinking that had the maintenance and consolidation of power as its self-imposed objective.

The turning point was the expansion of the Paksi nuclear power plant, built with Soviet technology. For Central and Eastern European politicians, Russian money is a forbidden fruit⁶. The attitude of politicians changes drastically depending on whether they have access to it.

In the early 1990s, immediately after the regime change, the countries of Central and Eastern Europe reached an agreement with the Russian government to settle the accumulated Soviet-era claims in kind. Based on this agreement, the countries transferred their claims against the Russian government to businessmen around the government at a low price, which led to corruption around the governments. In the 2000s, the disposal of assets held by Hungary since the time of the former Soviet Union came to the fore. The sale of a huge amount of real estate owned by the Hungarian Commercial Representative Office in a prime Moscow location was rushed through, and an opaque sales contract was concluded with the Russian side. The case, which led to the arrest and indictment of those involved upon the inauguration of the Fidesz government in 2010, ultimately resulted in the acquittal of all parties involved⁷. It is understandable that unraveling transactions involving the Russian government is almost impossible. Similarly, transactions through offshore companies are impossible to even prosecute due to the difficulty of investigation and poor

prosecutorial skills.

The expansion of Hungary's nuclear power plants, which are due to expire in late 2030, was first proposed at the end of the Socialist government of Gyurcsány (2009), but its realization was left to the Fidesz government. In the fall of 2013, just before the general elections in 2014, the project took a sharp turn for the worse. At the time, nuclear power plant manufacturers from around the world were lobbying in concert with their own governments in the belief that an open bidding process would take place. However, during a visit to Moscow in January 2014, Prime Minister Orbán surprised all concerned by signing a contract with President Putin, naming Rosatom as the prime contractor. This sudden decision without public bidding was viewed as problematic by the European Commission, and the expansion of Hungary's nuclear power plants took a twist from there⁸. Be that as it may, it is natural to assume that there was a backroom deal in this sudden decision. There must have been something between them that Prime Minister Orbán would have jumped at, with the general election just around the corner. Since a huge investment deal has been settled, I assume that the two leaders had agreed to “leave the rest to distribute profit among the parties concerned”. From this point on, Orbán's attitude toward Russia took a 180-degree turn.

The radical change of the second Orbán government became apparent in the second half of the administration: In January 2013, the Hungarian government decided to sell “the state bond with immigration right” to foreigners. The puzzling government business decided by the Parliament's “Economic and Information Committee” is the so-called “Golden Visa,” a business of selling immigration rights⁹. Although ostensibly a decision to procure advantageous foreign funds for Hungary, the reality is that it is a fraudulent business involving an offshore company with an opaque owner, a crime that would be punishable by charges of breach of trust in a developed country¹⁰.

The government bonds were sold not through a government agency, but through intermediary companies established in Cyprus and Liechtenstein by businessmen around the administration. The ownership and business details of the intermediary companies are considered state secrets, and the government has not disclosed any related information. In a court case in which an anti-government portal (G7.hu), with the support of Transparency International, demanded that the National Debt Management Center release information, the government side lost the case and certain information was made public in 2018. According to G7.hu¹¹, which released the information, about 20,000 foreigners, including their family members, purchased government bonds under this scheme and obtained the right of immigration. Seventy percent of them are Chinese, followed by Russians (384 purchasers, 1256 family members in total). The Russians include individuals sanctioned for the invasion of Ukraine, but the Hungarian government has not released their personal information.

The business is an immigration rights sale targeting Chinese and Russians (85% of worldwide sales). It is believed that the business was conducted with brokerage fees of \$30,000 to \$50,000 per transaction from wealthy Russian and Chinese political and business figures and that a portion of the interest on government bonds was also obtained. All the proceeds from this business went to offshore companies, but where they went after that is unknown. It is natural to assume that the proceeds flowed through several offshore companies to an offshore account related to the ruling party. The total proceeds are assumed to be more than 100 million dollars.

Transactions with Russian and Chinese counterparts, which are beyond the reach of prosecutors, are a lucrative business. The administration officials and politicians of the ruling party, who have gotten a taste of this business, have also been making back taxes for the new Coronavirus. The Hungarian government, which quickly approved Russian and Chinese vaccines, had an import company established with entrepreneurs around the administration, imported Chinese vaccines at ten times the market price¹², and imported nearly 16,000 ventilators made in China. More than half of the vaccines have been discarded, and almost 70% of the ventilators remain stacked in warehouses. Again, the government is spending a huge amount of money, but a significant portion is believed to have been kicked back to offshore companies that serve as recipients of the ruling party funds outside of the country. An extension of this Chinese business is the construction of the Budapest campus of Fudan University and the construction of a huge battery plant by a Chinese company.

All Russian-Chinese economic transactions are accompanied by back taxes. Once one is in possession of forbidden money, it is difficult to get rid of them. Not only for economic gain, relations with these countries can also be used as a bargaining card against the EU. Prime Minister Orbán's decision to turn from Western diplomacy to Eastern diplomacy was based on this two-birds-with-one-stone effect. By turning toward the East, he could consolidate his power base. Thus, the second Orbán administration, midway through its term as the 2014 general elections approached, turned its attention to backroom business and steered a major course toward Eastern diplomacy, starting with economic deals to the East.

V Eastern Diplomacy as a Negotiating Card

The German newspaper Bild published an exclusive interview with Prime Minister Orbán (June 27, 2023)¹³. In this interview, Prime Minister Orbán emphasizes that “it is not historically correct to say that Hungary and Russia are historical friends,” and that he is “not interested in what happens to Putin or Russia,” emphasizing that Hungary First is his political position.

Indeed, for politician Orbán, the top priority is Hungarian domestic politics and maintaining his own power. Prime Minister Orbán's true intention is that “this war is a civil war between Slavic peoples,” and that “Hungary does not need to be involved in it”. However, he is thorough in using

everything related to this war to consolidate his domestic power base¹⁴. Therefore, he has no shame or hesitation in pursuing economic diplomacy with Russia without condemning the invasion.

Orbán, a politician who has become self-interested in maintaining his power, is no longer as passionate as he was in 2007-2008. His main concern is “how it will affect his own maintenance of power”. This is reflected in his thoroughgoing bystander attitude toward the war of aggression.

On the other hand, while saying that he is “not interested in Russia's future,” he cannot abandon his care and consideration for Putin. This attitude cannot be explained simply by the fact that Hungary is dependent on Russia for its energy supply. Despite the clear evidence of massacres and destruction of civilian life by the Russian military, politician Orbán has made it clear that he defends Putin, saying, “I don't think Putin a war criminal”. We can only assume that this is because he is tainted by Putin's dirty hands. While repeating the humiliating assertions that “Ukraine is not a sovereign state,” “Russia will not be defeated,” and “a ceasefire will be realized if the U.S. is so inclined,” on the other hand, Orbán says that “ceasefire and peace are matters for Ukraine as an independent state”. Politician Orbán's assertions are a mixture of his real intentions and his pretensions.

The main motive for the political shift to brinkmanship diplomacy in the East is to consolidate domestic power and to secure political capital to support it. Externally, he has spread EU skepticism and set main enemies, saying that the European Commission is treating Hungary unfairly and that the international investor Soros is working with the European Commission leaders to impose sanctions on Hungary. Internally, the opposition party that associates with Gyurcsány is the “hateful leftist”. The fictitious structure of “Orbán's government defending the people against Hungary's two enemies” is the basis of the campaign to stay in power. Through public broadcasting, criticism of the EU and the opposition is repeated all year round, and Soros and Gyurcsány appear as Hungary's enemies on every issue¹⁵. The strategy is to target rural residents and pensioners who only watch public broadcasting. If they can control these two segments of society, they will not lose the elections.

The brinkmanship diplomacy of showing the depth of relations with President Putin and President Xi Jinping is a political pose and a bargaining card to make politician Orbán and Hungary look bigger than they deserve, but within the EU, the bargaining card has already turned into a risk card¹⁶. For Prime Minister Orbán, the post-Putin and EU de-risking of China (China risk aversion)¹⁷ will be a critical moment in his eastern brinkmanship diplomacy.

Footnotes

¹ Since then, Prime Minister Orbán has traveled to every World Cup soccer final, almost always on a private jet owned by OTP, Hungary's largest bank. In Russia in 2018, he watched the France-Belgium match in St.

Petersburg, followed by the final in Moscow. To give the appearance of an official visit, he met briefly with President Putin before the final.

When asked by opposition members of parliament in October 2018 about the private jet reception, Prime Minister Orbán brushed off the issue, saying, "I don't see what the problem is; I have been doing this [watching sporting events] for 30 years and I will do so again next week." Prime Minister Orbán has no notion of conflict of interest, bribery, or corruption.

Nor is it a coincidence that MOL, Hungary's largest company, became a sponsor of the prime minister's local soccer club. An arrest warrant was issued by the Croatian government through Interpol for MOL Chairman and CEO Hernádi on suspicion of having given \$10 million in back taxes to the Croatian Prime Minister Sanader (arrested in 2011 and currently imprisoned) in connection with the acquisition of shares in Croatian Oil Public Company. The Hungarian government has consistently refused to extradite him and is protecting him. It makes sense to think that the MOL sponsorship of the club is a quid pro quo to the protection.

² Bod is an intellectual who does not belong to a political party. He describes Orbán as "a strange and incomprehensible man". The mind of a true politician is difficult for the average person to understand. As the Orbán administration became more and more prolonged, intellectuals who had supported the Fidesz coalition government and/or served in its ministries left Orbán one after another. Orbán, who has made it clear that the support of intellectuals does not bring in votes, does not seem to have any special feelings about the defection of these intellectuals.

³ An investigation was conducted within the Socialist Party into the leak of a tape recording of a closed-door debate. It is presumed that forces within the party who did not like the arrogant attitude of Gyurcsány, who was elected leader of the Socialist Party at a young age as a rival to Orbán, were involved in the leak. Gyurcsány seems to have used government intelligence agencies to identify most leakers, but he has refrained from making them public because public disclosure would not turn back the clock. The leak dealt an irreversible blow to the Socialist Party, the successor to the former Socialist Workers' Party (Communist Party), and ended the politics dominated by the "reformists" of the former Socialist Workers' Party that had been in place since the regime change.

⁴ Ironically, this argument bears a striking resemblance to the argument for a "democratic centralized system," which is the organizing principle of the Communist Party. The shift from the anti-authority to the power side has resulted in a return to the practices of the old regime.

⁵ In March 2019, the membership of Fidesz was suspended by the Congress of the European People's Party for his derogatory criticism of European Commission President Juncker, who was from the People's Party. In March 2021, following the People's Party's passage of a constitutional amendment that led to Fidesz's expulsion, the leader Orbán decided to leave the European People's Party. As a result, Fidesz became an independent party that did not belong to any faction of the European Parliament, thus narrowing the avenues for its influence.

⁶ Gerhard Fritz Kurt Schröder, former leader of the German Social Democratic Party and Chancellor of Germany became a member of the board of Nord Stream AG soon after leaving office with the promise of a huge reward, and his political stance continues to be questioned. Since then, he has been named to the boards of a succession of Russian-related companies and has even dabbled in China, where he was listed in the "Paradise Papers" (ICIJ: International Consortium of Investigative Journalists). Like Prime Minister Orbán, he has had a close personal relationship with President Putin with his pro-Russian position clear. Former Czech President Zeman (Social Democrats) also acted like Prime Minister Orbán, not only by dipping into Russian funds and making his pro-Russian stance clear but also by trying to get closer to China and giving Chinese interests to related companies. President Zeman, however, was so unpopular that he is regarded as the worst president in history, and he was unable to extend his influence as Orbán had done. What all three had in common was that exorbitant economic interests dictated their political stance. Secular interests thus outweigh lofty ideas.

⁷ None of the politicians were arrested or prosecuted.

⁸ Ten years have passed since this agreement was reached, and not even the foundation work has begun. Rosatom was unable to procure equipment from Germany and other countries, making its prospects uncertain. Neighboring countries are changing their nuclear fuel suppliers, increasing the likelihood that Rosatom will be subject to sanctions. The expiration date of existing nuclear power plants is concentrated around 2035.

⁹ The Hungarian government suspended this business in March 2017, fearing inconvenient information would emerge. After Russia's invasion of Ukraine, the European Parliament passed a proposal to restrict the opaque Golden Visa business to prevent wealthy Russians from obtaining permanent residency in EU

countries (<https://www.europarl.europa.eu/news/en/press-room/20220304IPR24787/meps-demand-a-ban-on-golden-passports-and-specific-rules-for-golden-visas>).

¹⁰ For more on this, see Morita (2020), pp. 121-126.

¹¹ <https://g7.hu/kozelet/20181221/fiktiv-kotvenyekkel-is-uzleteltek-a-letelepedesi-programban-amely-162-milliardot-hozott-a-fidesz-kozeli-offshore-cegeknek/>.

¹² According to the contract (January 29, 2021) made public by the government, the price of the Sinopharm vaccine (2 doses) imported by Hungary was 60 euros, 10 times the price of the AstraZeneca vaccine. Danbia Pharma Kft. (a company with six members including directors), which imported the vaccine, was merged into another company, and disappeared at the end of the same year. Similarly, Sputnik V in Russia costs \$19.90 for 2 doses. Pricing far above market prices would be unthinkable without the presence of back margins. See the following website (<https://www.portfolio.hu/uzlet/20210214/mennyibe-kerulnek-a-koronavirus-vakcinak-es-miert-tizszer-olyan-draga-a-kinai-mint-az-astrazeneca-vakcina-469746>). Of the 6 million doses of Sinopharm vaccine imported (\$183 million), approximately half were discarded.

In addition, Chinese ventilators were purchased from intermediary companies, one of which imported 7,000 units (totaling 176 billion Ft, or approximately 600 million dollars in exchange at the time) from a Malaysian company. Again, a hastily established company (Fourcardinal Tanácsadó Kft.) imported the goods and earned a profit of 20 billion Ft (approximately 67 million dollars) through this intermediary alone. The company subsequently went into liquidation, and the Ministry of Foreign Economic Affairs reportedly destroyed some of the contracts related to this transaction in November 2021, just before the general elections in the spring of the following year (<https://atlatszo.hu/mutyimondo/2023/05/26/ledaraltak-a-lelegeztetogep-biznisz-papirjait-brutalisan-no-a-korhazak-adossaga/>).

In total, 16,000 ventilators were imported, with a total purchase value of Ft300 billion (approximately 1 billion dollars). Only 3,300 were used in hospitals in Japan, and the rest were stored in rental warehouses. The survival rate of Chinese ventilators is low, and according to the director of Székesfehérvár General Hospital, 84% of patients fitted with ventilators have died (<https://24.hu/belfold/2021/04/26/bucsi-laszlo-szekesfehervar-korhazigazgato/>). Subsequently, after the data public, the government banned the release of this type of information.

¹³ <https://www.bild.de/politik/ausland/politik-ausland/ungarns-ministerpraesident-orban-putin-ist-stabil-84474096.bild.html>.

¹⁴ For a summary of a report that tracks developments in the Hungarian government (ruling party Fidesz) since February 2022, see the following (<https://www.direkt36.hu/en/orban-a-haboruban/>).

¹⁵ S. Guriev and D. Treisman name the 21st-century dictatorship based on media domination, disinformation, and vote manipulation as the Spin Dictator. The word "spin" used here has the connotation of spinning (manipulating) information.

¹⁶ Hungary was subjected to 27 conditions for the disbursement of huge EU subsidies, including reconstruction subsidies from the Corona disaster. This is a harsh response by the European Commission and the European Parliament to Hungary's brinkmanship policy and tyrannical political system at home (https://ec.europa.eu/commission/presscorner/detail/en/ip_22_7273). Hungary's delayed ratification of NATO membership of Sweden is a childish "resistance" to the Nordic countries who execute strong criticism of Hungary.

¹⁷ Foreign companies and NGOs looking at Ukraine's postwar reconstruction are focusing on Poland, avoiding Hungary, which has strong ties to Russia. In Central and Eastern Europe, de-risking of Hungary is underway.

Literature

Sergei Guriev and Daniel Treisman, *Spin Dictators: The Changing Face of Tyranny in the 21st Century*, Princeton University Press, 2022.

Tsuneo Morita, *Political Economy and the Sociology of System Transformation*, Ballasi Kiadó, Budapest, 2021.