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FACT SHEET – September 2017

Hungary: Eroding Democratic Institutions, Closing Space for Civil Society

Overview of the Situation in Hungary

Since Victor Orban assumed the post of prime minister in 2010, his government has systematically weakened or dismantled nearly every institution capable of checking his rule or criticizing government policies in Hungary, an EU member and NATO ally. Over this span, Orban's government has simultaneously drawn closer to Russia, adopting Russian laws and tactics to silence domestic criticism, and engaging in questionable financial transactions with Russia's state-controlled nuclear authority Rosatom.

Three years ago, Orban called for the development of an "illiberal democracy," rejecting human rights and the rule of law while asserting that the future belonged to the world's autocracies. Since that call, Orban's populist Fidesz party has removed constitutional checks on its power, critically undermined independent media, and scapegoated and targeted civil society.

At the same time, in order to capitalize on Hungarian nationalism and coopt political challenges from the neo-fascist Jobbik party, Orban and other Fidesz leaders have embarked on a campaign to reimagine Hungary's past, endeavoring to rehabilitate World War II-era Nazi collaborators and antisemitic figures. At the same time, the government has enacted policies meant to vilify refugees and Muslims.

Starting with a media law enacted in 2011, the Fidesz-led government has tightened its grip on Hungary's press. Public media is now entirely controlled by government-aligned actors, as are most private TV and print outlets. In October 2016, the country's leading independent daily newspaper, Nepszabagsag, was suddenly closed under controversial circumstances. In September 2017, a pro-government website published a by-name "blacklist" of journalists working for credible international media outlets whose coverage the government deemed "biased."

Hungarian civil society operates in an increasingly difficult and hostile environment. NGOs and grassroots organizations have faced years of unjustified police raids, investigations, tax audits, and other forms of harassment. Following grassroots organizations' successful bid to thwart the government's efforts to claim a popular mandate for anti-refugee policies via a national referendum, multiple NGOs and attorneys have accused the government of wiretapping and other forms of harassment.

In June 2017, the Hungarian parliament passed a bill, modeled on the so-called "foreign agents" law enacted in Russia in 2012, which targets NGOs. The law seeks to stigmatize and marginalize civic organizations that accept more than €24,000 (~ \$28,000) annually in international funding, with a goal of further weakening or eliminating voices critical of the ruling party and its supporters. The law is also seen as targeting George Soros, the Hungarian-born American philanthropist whose Open Society Foundations support several of Hungary's most credible NGOs. Twenty-three NGOs are currently contesting the law, and have filed a challenge with Hungary's Constitutional Court. The Court is widely seen as lacking independence, however, since its powers were limited and composition altered as a result of legislative changes passed in 2012 and 2013.

The Hungarian government has also attacked academic freedom. Within the span of a week in late March and early April 2017, the government introduced and the parliament passed legislation meant to shutter Central European University (CEU), Hungary's premier institution of higher education. Ostensibly intended to require that international universities accredited in countries abroad (CEU is chartered in New York State) maintain campuses in those countries, the legislation is widely seen as a direct attack on CEU. Negotiations between the Hungarian government and state of New York on the future of the institution are ongoing.

Finally, Hungary has passed a series of "emergency measures" on asylum that have expanded mandatory detention of asylum seekers, and led to the expulsion of anyone who enters the country irregularly. These laws are widely understood to be in violation of Hungary's obligations under international law.

Recommendations for the Executive Branch

- ✓ The Trump administration should make clear, through bilateral talks, public statements, and consultations with allies, that an increasingly authoritarian, pro-Russian Hungary is a threat to transatlantic values and solidarity.
- ✓ With respect to the "foreign agents" law targeting NGOs and "Lex CEU," the administration should make clear that it is

willing to implement tangible penalties, such as visa bans, on key Hungarian actors.

✓ The Trump administration should expeditiously appoint a seasoned Foreign Service Officer as Ambassador to Hungary.

Recommendations for the U.S. Congress

- Members of Congress should voice support for an American foreign policy grounded in support for human rights and democratic institutions, particularly with respect to the United States' closest allies.
- Members of Congress should publicly endorse EU action to hold Hungary accountable for its democratic backsliding, and make clear to Hungarian officials that recent actions are harming U.S.-Hungarian ties.
- Members of Congress, on a bipartisan basis, should write Prime Minister Orban to strongly urge that the Hungarian government rescind its anti-NGO, Russianstyle "foreign agents" law, and quickly finalize ongoing negotiations with CEU to allow it to continue operating in Hungary.
- Relevant Congressional committees should hold hearings on Hungary's slide into authoritarianism and alignment with Russia, and on how the United States can assist in reversing this trend.
- Members of Congress should denounce the targeted harassment of individual journalists in Hungary.
- Members of Congress should only confirm a nominated U.S. Ambassador to Hungary who will prioritize making human rights, rule of law, and the protection of civil society central to American-Hungarian relations.