



# Regaining the Right to Speak

Challenges of the Hungarian Center-Left After Losing Power Amid a Shrinking Support Base

Viktor Szigetvári April 2011





The "Demographic Change and Progressive Political Strategy" series of papers is a joint project organized under the auspices of the Global Progress and Progressive Studies programs and the Center for American Progress. The research project was launched following the inaugural Global Progress conference held in October 2009 in Madrid, Spain.

The preparatory paper for that conference, "<u>The European Paradox</u>," sought to analyze why the fortunes of European progressive parties had declined following the previous autumn's sudden financial collapse and the global economic recession that ensued. The starting premise was that progressives should, in principle, have had two strengths going for them:

- Modernizing trends were shifting the demographic terrain in their political favor.
- The intellectual and policy bankruptcy of conservatism, which had now proven itself devoid of creative ideas of how to shape the global economic system for the common good.

Despite these latent advantages, we surmised that progressives in Europe were struggling for three primary reasons. First, it was increasingly hard to differentiate themselves from conservative opponents who seemed to be wholeheartedly adopting social democratic policies and language in response to the economic crisis. Second, the nominally progressive majority within their electorate was being split between competing progressive movements. Third, their traditional working-class base was increasingly being seduced by a politics of identity rather than economic arguments.

In response, we argued that if progressives could define their long-term economic agenda more clearly—and thus differentiate themselves from conservatives—as well as establish broader and more inclusive electoral coalitions, and organize more effectively among their core constituencies to convey their message, then they should be able to resolve this paradox.

The research papers in this series each evaluate these demographic and ideological trends in greater national detail and present ideas for how progressives might shape a more effective political strategy.

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# Introduction and Summary

In this paper, we try to give a detailed picture of the Hungarian political system and situation, showing the position of center-left parties in different parts of our society. After providing a detailed but still focused analysis of the structure of support of the Hungarian left, we then try to create a framework for the future of the movement including electoral coalitions, political narratives, ideology, and policy goals.

One distinctive aspect of the Hungarian situation is that race and immigration are non-issues. But the social conflicts of cohabitation with the gypsy (roma) minority "substitute" for the problems of immigration and social integration in Western countries. There is an important difference, too: Roma people are so volatile, unpredictable, and non-participatory that they can be hardly considered as subjects of an electoral strategy of any political movement. Still as citizens to be integrated into our society and sometimes sufferers of local social conflicts with the non-roma population, they must be addressed by policy and politics.

Based on our analysis in this paper, we can offer the following observations and future policy prescriptions:

- The solid institutional framework of the democratic era alongside the pretransition "premature welfare state" of the socialist era and the successes of the governments of the 1990s in Hungary created a relatively successful social transition and a political integration into supranational organizations such as the European Union.
- Yet the still existing and disproportionately generous welfare state, the deep
  poverty in certain groups of our society, the loss of illusions after 20 years of
  democracy and capitalism, the closing channels of social mobility, and the real
  wage decreases of recent years result in a society today where the perceived
  inequalities are much higher than the real inequalities and the sense of subjective deprivation is far bigger than real poverty.

- Although the upper-middle class is getting stronger and the social divisions
  among other parts of the society are smaller than before, there is still a significant portion of Hungarian society that is getting more and more segregated. In
  this group the roma minority is over-represented, and the conflicts of cohabitation with them are affecting everyday life for both the minority and the majority
  of our society in many ways.
- The recently ousted socialist government was the first to govern the county for
  eight consecutive years since the transition from Communist rule. The failed
  reforms of the government due to unpreparedness and obstruction of the opposition parties, the incompetence and ignorance showed in power toward certain
  old and new social problems, the institutionalized corruption of big parties on the
  macro level, and the continuing lack of transparency on the micro level of the society plus the economic downturn of recent years were the main causes of this defeat.
- While losing power the Hungarian center-left and the Hungarian Socialist Party, or HSP (MSZP in Hungarian), basically lost 50 percent to 65 percent of its support among most major social groups. And among less-educated people, inhabitants of the rural areas of the country, those younger than 45 years old, and those inhabitants of areas where poverty is combined with local ethnic conflicts the Hungarian center-left suffered even bigger losses.
- For different reasons immigration, race, secularism, class, gender, and marital status don't seem to be defining factors in support for the Hungarian center-left parties. Age groups, size of area, and the level of education are more relevant factors influencing political support in Hungary.
- Without knowing the new system of parliamentary election for a smaller
  parliament it would be premature to define an organizational framework for
  a new center-left strategy. A more majoritarian system would require a single
  party to integrate all the social groups that might support progressive change,
  but a more proportional system would require a new coalition of different
  movements and parties.
- The new governing party when in opposition capitalized on dissatisfaction in all groups of society, without providing a real and feasible solution to current problems. But they were able to build a strong protest campaign against the centerleft parties and politicians. This was supported by a narrative-making machine from the right wing's populist media empire that just heated up the debate and political protest against the government.

- Now in power, the right wing is still capitalizing on the anti-establishment sentiments of different groups of Hungarian society—and here the establishment and old status quo is the center-left and mainly the HSP. The government follows a strange mix of antibusiness but pro-upper-middle-class social policies combined with actions that are damaging the democratic system of Hungary and limiting the effects of the system of checks and balances.
- Before anything else, the main task of the Hungarian center-left in order to become electable again is to recreate credibility and regain the permission to talk to those voters lost by the party in all social groups. To do that, the HSP must find a new language and credibly present policies that meet the needs and concerns of these voters. The Hungarian center-left must understand the problems of those it wishes to represent.
- The mistakes of the new government will push certain groups of voters back to the left. But this cannot be enough. A new language and new narrative must first create the opportunity for the Hungarian center-left to talk to these lost voters and regain credibility. Then the center-left must address those groups where the losses were even bigger. This will require implementable, competent, and sometimes groundbreaking policies that address the real problems of our society, especially those of highest public concern.
- Anti-status quo feelings are expressed by citizens who don't recognize the need to change themselves too. These instincts are inflamed by populist movements on the center-right and on the far right. The task of the center-left is not to defend the status quo that has lost its legitimacy (even if it had its merits) but instead to offer something new for the post transition phase, something that is progressive but still meets the requirements of a demanding electorate.
- The biggest challenge for progressives is when even our voters support unsustainable, irresponsible, and intolerant policies. We have to try to understand the legitimate concerns behind their support for irresponsible or intolerant policies, and review our policies based on this without any denial of our principles.

# Recent election results and the current situation in Hungary

## Short introduction to the political system of Hungary

From an institutional point of view of the last century, Hungarian democracy is one of the most solid political systems among the Central Eastern European new democracies since the transition of the early 1990s. Hungary is a parliamentary democracy with one house of elected representatives, a German chancellor-like prime ministerial position, and a constitutionally weak president of the republic. The prime minister and the president are elected by the parliament, and the prime minister can only be removed by a no confidence vote that immediately names a new prime minister. There are many laws that can only be modified by a two-thirds majority of votes in the parliament (of course including the constitution), and there are also tough limits on dissolving parliament. All of these factors have created an institutionally solid political system since the transition.

General elections are held in the spring of every fourth year and municipal elections are held in the autumns of the same years. The system of parliamentary election was unchanged between 1990 and 2010. Now a significant but yet unclear modification of the system has been started. The Hungarian parliamentary election system is a mixed system with majoritarian tendencies that consists of two rounds with a single electoral district vote and a county list vote of the electorates. And the lost votes given to nonwinning candidates of single electoral districts are summed up to a national list of compensation. The system of municipal elections is a complicated one, with many local municipalities and county-level elected bodies, but as a system it was a bit more majoritarian than the parliamentary election system. In 2010 it was modified to be a system that clearly supports the more institutionalized national parties.

The party system changed little until 2010, but in that year—with the landslide victory of FIDESZ-Hungarian Civic Party—the party system has now seen its biggest changes since the democratic transition. Prior to this, the biggest change in the party system was the disappearance of the rural/agrarian Independent Smallholders Party in 1998. Their voters mainly went to FIDESZ.

Another relevant change was the disappearance of the two defining parties of the democratic transition—the Alliance of Free Democrats (the liberal party, known as the SZDSZ based on the party's Hungarian acronym), and the Hungarian Democratic Forum (the moderate conservatives, known as the MDF). They both had bigger support in the general elections in 2002 and 2006 than the 5 percent threshold, but in 2010 they didn't get into the parliament.

In 2009 two new parties appeared on the scene. The eco-friendly, anti-status quo, urban, mildly liberal Politics Can Be Different movement, or LMP, filled the electoral gap left by the liberal party, and also became very popular among urban youth. The far-right was reorganized after 2006, rooted in the historical Hungarian far right but combined with anti-status quo, anticapitalist, antigypsy, and sometimes anti-Semitic convictions. They gained ground after the antigovernment protests and riots of the autumn of 2006, and coalesced under The Movement for a Better Hungary, or JOBBIK, which is definitely the third-strongest party of Hungary. No party on the far-right has been this strong in Hungary since the 1930s, and never under democratic circumstances.

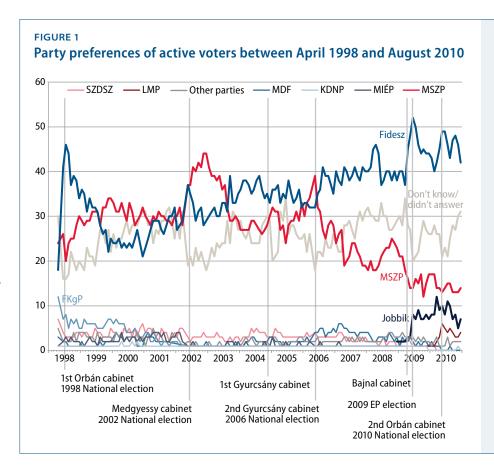
# Short political history of the last decade of Hungary

In 1998 FIDESZ knocked the Socialists out of power with a good campaign (see Figures 1 and 2), but during the second half of their term they lost the center ground, and especially Budapest, the capital of Hungary. So in 2002 with centrist, pro-EU rhetoric and social promises, the social-liberal coalition won the general election. This coalition kept a lot of its promises, but around mid-term they lost the EU parliamentary elections in 2004 and changed the prime minister to the young and ambitious leader of the HSP, Ferenc Gyurcsány. With him the coalition became the first re-elected government in Hungary since the transition in the hotly-contested election campaign of 2006.

But right after the election, the economic unsustainability of the system of taxation, high budget deficits, and overgrown social redistribution necessitated tough fiscal reforms that were very much rejected by large parts of the electorate. A leaked speech of the new prime minister in which he acknowledged the "lies" of the 2004-2006 government period and the "lies" of the campaign of 2006 broke the backbone of HSP, of Gyurcsány, and of the social-liberal coalition. When Gyurcsány didn't resign and the government continued its reform program, key parts of its policies were rejected by a landslide majority of voters in the triple referendum in the spring of 2008.

The HSP lost ground, the coalition was replaced by a minority HSP government and FIDESZ became more and more popular. The campaign in the spring of 2010 was not at all about the race between the incumbent and the challenger (see Figure 1) but mainly about the scale of victory for FIDESZ and about the race between the left and the far-right for the second position.

In the spring of 2009, Gyurcsány resigned as prime minister and as the leader of his party, and an interim, crisis managing government was sworn in. Gordon Bajnai, the nonparty former cabinet member who was an ally of Gyurcsány between 2006 and 2009, became the prime minister. Although the crisis-



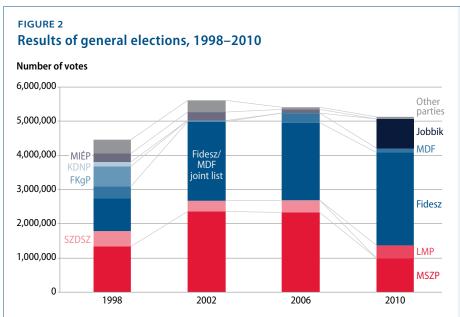
management government was successful in stabilizing the state of the Hungarian economy under the ever growing pressures of the world economic crisis, the voters didn't come back to the HSP because of the lack of credible party leadership, its plague of corruption scandals and simmering social conflicts, and its fundamentally broken credibility after eight years in power.

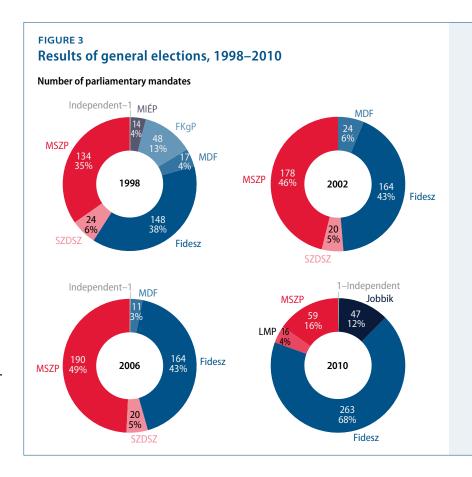
# General elections and municipal elections of 2010

In the spring of 2010 the HSP lost after two successful elections and FIDESZ became the first party to have a two-thirds majority in the parliament. Turnout is traditionally high in Hungary in general elections (above 64 percent in 2010, and around 70 percent in 2006). FIDESZ in 2010 received more than 2.7 million votes (52.7 percent) while the HSP received only 990,000 (19.3 percent) on party list votes (see Figure 2). For FIDESZ that meant an increase of almost 430,000 votes, and almost 1.4 million lost votes for the HSP compared to 2006. The far-right got 16.7 percent in 2010, and the new movement of Politics Can Be Different got 7.5 percent of the party list votes. Among the 176 single electoral districts in the system, only two were won by the HSP, one was won by an independent former FIDESZ mayor of a rural city, and all the other 173 constituencies were won by candidates of FIDESZ.

The parliamentary representation of elected parties in Hungary changed after 2010 general elections from a dominant two party system to a system of one dominant party with two middle-sized and one small party in the parliament. FIDESZ now has 68 percent of seats, HSP has 15.3 percent, the far right has 12.2 percent, and the LMP has 4.2 percent of the seats in the House (see Figure 3).

On October 3, 2010 national municipal elections were held in Hungary with a slightly modified system of local elections. FIDESZ was a clear winner of this election, too, with basically unchanged electoral support after the landslide victory of the spring. The most significant change compared to the spring was a slightly better result for the HSP in rural areas. If we look at the party list votes of the rural areas and Budapest (while we exclude county capitals because there is no party-list vote at the municipal





elections) the HSP received 22.8 percent compared to 16.8 percent in the spring. The HSP strengthened its position as the second biggest party of the county, and both the Politics Can Be Different movement and the far-right were far behind. Still, the overall lead of FIDESZ both in popular support and elected positions is extremely big.

## Current political situation

Since the 2010 general elections the new right-wing parliamentary majority and the new government is following a strange mix of populist policies, seemingly tight but nontransparent fiscal initiatives, including a flat tax beneficial only for the upper-middle classes, nationalizing the mandatory private part of the previously reformed pension system without real compensation, and unpredictably taxing "big banks and big profits." The authoritarian and vengeful politics of the governing party have met the shallow needs of those dissatisfied voters who voted for change in the spring, yet only improvisations are visible on the field of real policies to address the structural problems of redistribution and reform of Hungary's political institutions.

The FIDESZ-led government is keen to limit the powers of the constitutional court, which decides on the constitutionality of laws, and the independent budget council, which oversees budget planning, because they might be able to either stop or at least criticize their actions. With these actions against the court and the council, the ruling party has been damaging the quality of Hungarian democracy and changing the post-transition political status quo to a more isolationist and nationalist system. The new prime minister, Viktor Orbán, often talks about "a revolution that happened in the spring at the voting stations" that provides him and his party the legitimacy "to fix the problems of the whole political system." In his speeches he frequently criticizes "the selfish West that is in a big crisis" and looks to find a "new model that learns from the more successful contemporary countries of the East."

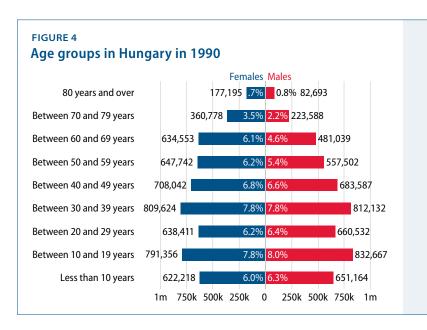
The opposition is basically powerless because of the two-thirds majority of the governing party and because of changes to the constitution that limit the constitutional court's powers and changed the rules for referendums. And the national media is dominated by the governing party, with the left only just recently starting to cope with the challenge of regaining ground in a changed political system.

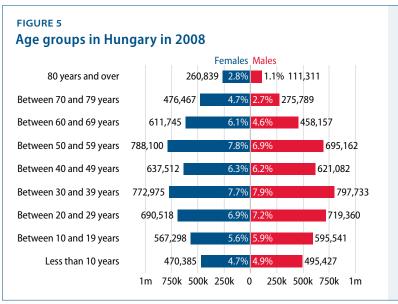
In the next section of this paper we will try to analyze the structure of support for the Hungarian center-left and then discuss the policies and politics of any future return of our side to power.

# Demography and the shifting coalitions of the center-left in Hungary

Hungary's population is a little bit above 10 million and shows significant signs of aging amid a lack of new births. Another relevant problem of the demographic structure is the lower life expectancy of males compared to that of females. The combined size of age 70 and older age groups in 2008 was 7.5 percent for females and 3.8 percent for males (see Figure 5). This gap of 3.7 percentage points is higher than the average 2.5 percentage point gap in the 27 member nations of the European Union.

If we compare the demographic structure of Hungary in 2008 to the other EU countries and to the Central European post-socialist countries (Poland, Romania, Slovenia, Slovakia, and the Czech Republic) it becomes clear that the proportion of the under-10-years-old population is lowest in Hungary, and more importantly that there is a significant gap between the most populous post-war generation and the 40-to-49 years old population in Central Europe generally and in Hungary in particular (EU females 7.4 percent, male 7.5 percent; Central Europe 6.6 percent and 6.6 percent; Hungary 6.3 percent and 6.2 percent). Since the democratic transition, the most significant change in the demographic structure of Hungary (see Figure 4 and 5) is the con-





tinuing decrease of the proportion of the under-10-years-old age groups from 6.3 percent to 5 percent of females and from 6 to 4.7 percent among males.

Regarding the value structure of Hungary, social trust in institutions and in people is much weaker than in Western Europe (the European Social Report of TARKI reported this based on a research in 2008). The willingness to help others, the number of social connections of families, the urge for social cooperation, civil activism, and participation are all far below the EU average in Hungary. Trust in the institutions of the political system is also very low, and this correlates with the high perception of corruption on different levels in our society.

The values survey of TARKI in 2009 (as part of the World Value Survey) also showed that among 50 countries, Hungarians believed the least in the need for and rationality of cooperation during any economic activity. On a scale of 1 to 10, Hungary led with an average of more than 6.5 points regarding acceptance of the following statement: "You can get rich and move forward only on the expense of others." (In the United States this number was a little bit under 5 points, in the United Kingdom 5 points, in Russia above 6 points, and in New Zealand a little bit above 4.5 points.) The value survey quoted above also showed that the Hungarian value structure was comparatively more secular than in other countries at a similar level of economic development. On the rational-traditional scale of values Hungary was on the rational side; but on the values of self-expression Hungary had closed, introverted thinking and perceptions of reality. Based on this, Hungary on the value-map was on the "Eastern border" of Western civilization, closer to Bulgaria, Moldova, and Ukraine than to the Western European countries.

# Race and immigration

Immigration as an added source of demographic vitality does not exist yet in Hungary. More than 90 percent of the society defines its nationality as Hungarian (above this the main minorities are: Germans, Romanians, Slovakians, Ukrainians, Croatians, Serbs, and Slovenians—all of these in Hungary for historical or geographical reasons). A Chinese minority is present but small—the official records show 11,000 Chinese living in Hungary, but the "real" number of them is probably around 30,000.

Though immigration is not an issue in Hungary the problems of coexistence with "others" is very real. The target of this kind of conflict is the members of the gypsy/roma minority. Official statistics register citizens with roma nationality but only if they define themselves as members of this minority (around 200,000).

Constitutionally it's the right of every individual to have free choice of identity, and because of this a lot of gypsies identify themselves as citizens with Hungarian nationality. So the estimated number of gypsies living in Hungary is higher, between 500,000 and 700,000 (they live in Budapest but also in the rural areas, mainly in the northeastern part of the country).

Newer research shows that the roma minority is "among those social groups that have significantly higher poverty risks than others. [ ... ] According to 2007 data half of those individuals living in the same household with a roma senior can be considered as ones living in poverty." Family wage analysis also shows that in 2009 the members of the roma minority are concentrated in the two lowest tenths of the wage structure of Hungary and that their proportion among those in the two lowest tenths of the wage structure had significantly increased since 2000.<sup>3</sup>

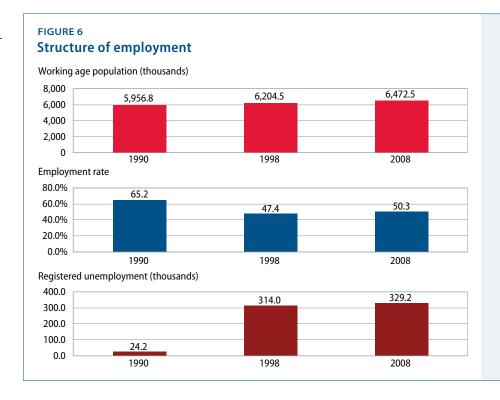
Still, politically speaking, the importance of the roma minority is not too high even if the political relevance of ethnic conflicts is increasing— because roma people themselves are extremely volatile voters who tend to vote only rarely. No relevant and trustworthy opinion poll has ever been done among them. They don't really participate in public life and their political consciousness is low.

So in the medium run, the roma-minority issue for the center-left exists as a social conflict that needs to be addressed but not as a source of future votes. It will take decades for successful social integration programs and desegregation programs in the education system to create a politically more conscious roma lower-middle class in Hungary. Only then will they be targets of parties as voters. Until that time sustainable integration programs are needed because as voters they're unfortunately not yet considered to be real members our society.

# Class structure, education, employment

The solid institutional framework, pre-transition "premature welfare state," and successes of the governments of the 1990s in Hungary created a relatively successful social transition and political integration into supranational organizations such as the European Union. Still, if you want to find an even more relevant crisis than the demographic one, it's the crisis of the structure of employment in Hungary. The problem of the "missing generation" from the active workforce, the post-transitional crisis of the labor market in certain areas of the country, the high number of people under different early retirement schemes (pensions for partially disabled individuals, early pension programs), and the added pressure of the recent effects of the world economic crisis create a hardly sustainable situation in the Hungarian labor market.

Unemployment was under control since the mid-1990s, fluctuating between 6 percent and 9 percent. Only the recent world economic crisis increased the unemployment rate above 11 percent (see Figure 6). The bigger employment problem in Hungary has always been the low level of participation in the active labor force. The Hungarian labor-force participation rate



is among the lowest in the EU and among the industrialized democratic member nations of the Organisation of Economic Cooperation and Development, (50.3 percent in 2008), which increases pressure on the sustainability of the pension system and the tax system.

Indeed, the proportion of the active workforce among the population is so low that basically the active one-third of the society finances the other two thirds. In 2008 63.4 percent of all workers were employed in the service sector, 32.1 percent were industrial workers, and 4.5 percent were agricultural employees.

"Premature welfare state" is the term of Hungarian sociologists for the relatively generous and socially solid welfare state of the last decades of socialism in Hungary before the democratic transition. Of course, this system was unsustainably financed by foreign debt. This was the price our country paid for relative social peace after the revolution in 1956. Without understanding this one cannot understand the present class structure of Hungary. In the 1970s and the 1980s Hungary was considered to be the country with the best living standards in the Eastern bloc of socialist countries. And because of this, huge proportions of our society consider those years as solid years of relative prosperity, and think about it with nostalgia regardless of the repression of those years. Compared to Romania or Poland of those years, where food shortages were regular and there wasn't even relative freedom of movement into neighboring countries, Hungary was much better off. There were no food shortages at all since the early 1950s, some kinds of private entrepreneurship were allowed, and there was much greater freedom of travel into the countries of the former Eastern Bloc.

Methodologically it is unusually hard to provide a class-structure analysis of Hungarian society that might be a valid framework for both the pre- and posttransition periods. During the communist era "officially" there were no real classes in the society, no income tax until the second half of the 1980s, and wage differences were very small due to the egalitarian wage policy and ideology of the system. Classes were only identifiable by a deeper analysis of the structure of the society.

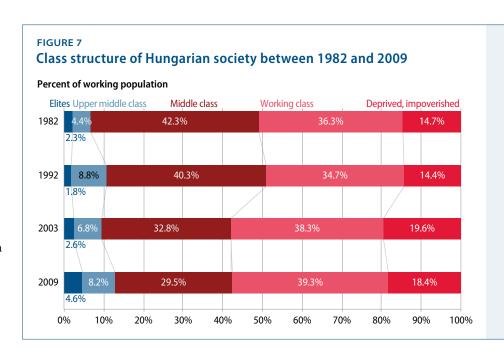
Indeed, "official studies" denied even the existence of a Hungarian underclass during the 1970s and the 1980s. For the post-transition era, wage-based class structure analysis would be misleading because of the high level of hidden income within families (mainly from the gray and black spheres of employment) and the fast changes in society due to post-transition reforms. Nowadays, no income-based class structure analysis exists in Hungary that can be considered trustworthy for all groups of our society. For instance, media buying agencies use an income-based index known as ESOMAR, but it's only relevant to the middle classes and the elite of our society. It isn't relevant scientifically to those in poverty whose incomes cannot be conventionally measured.

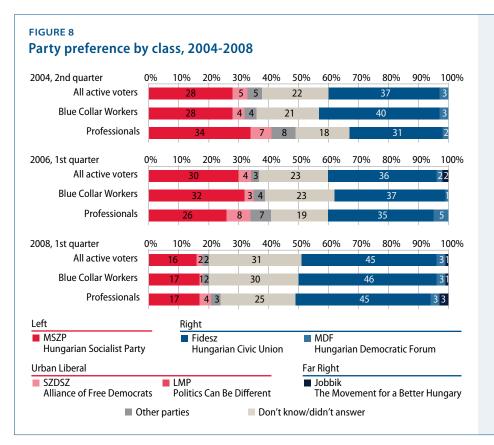
Because of these problems regarding the class structure of Hungary TÁRKI created a class-structure analysis that provides a valid framework for pre- and post-transition comparative studies. "This class structure scheme is based on employment status, but corrected by social status." <sup>4</sup> Basically this is a class-structure analysis that is mainly defined by the position of the individual in the employment structure but has been corrected by social status variables.

By this analysis, since 1990 the size of the Hungarian upper-middle class has increased significantly (Figure 7) from 4.4 percent to 8.2 percent. The wage per capita of the richest tenth of the society was 6 times higher than that of the poorest tenth in 1992, while in 2003 it was 8.1 times higher. Due to targeted tax system changes and social programs it decreased to 6.5 times higher in 2007.

But the number of households in deep poverty is not decreasing. In 2009 an estimated 5 percent to 7 percent of the population lived in deep poverty and another 10 percent lived in deprivation (Figure 7).5 In 2005 38.7 percent of the under 15 age group lived in the two poorest tenths of the households, while only 8.3 percent lived in the two richest tenths of the households. And although official wage statistics are sometimes partially misleading because of high levels of hidden income, child poverty and the lack of intergenerational mobility do cause high social tensions in significant parts of society. This is sometimes combined with local social tensions between roma and non-roma groups, especially in rural areas where the estimated proportion and size of roma households is increasing and the non-roma households are aging.

Research shows that social divisions among other parts of society are smaller than previously thought. This is a result of the oversized welfare state that redistributes significant transfers to the lower-middle class and



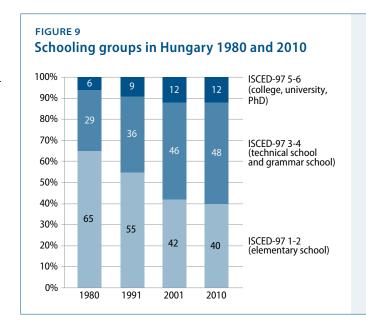


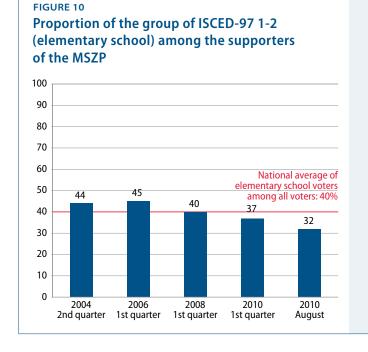
the middle classes. Still, there is a significant part of the Hungarian society that is getting more and more segregated. In this group the roma minority is overrepresented. The deprived class of our country increasingly lives without any other income than the social subsidies of our welfare state. Their dependence on the state has increased over the 1982-2009 period.<sup>6</sup>

Meanwhile, the happy memories of the "premature welfare state" make the post-modern capitalism of our days in Hungary look disturbing. And although our welfare state nowadays is still disproportionately generous with the middle classes, the sense of subjective deprivation is far bigger than our actual poverty. The European Social Report of TARKI Social Research Institute in 2008 underlined that in Hungary there was a significant discrepancy between the perception of inequalities and the level of real inequalities. People in Hungary believed that inequality in our society was much bigger than it was in reality. This view went hand in hand with low tolerance for inequality. The study also showed that this phenomenon existed in all Central European post socialist countries, and it was far bigger than in Western European countries.

Regarding the party preferences of blue-collar workers, the loss of support by the HSP and the Hungarian center-left is not bigger than the average drop in support (see Figure 8). FIDESZ is now almost three times more popular among these voters than the HSP, while during the victorious re-election campaign of 2006 the support of the two parties among blue-collar workers was balanced.

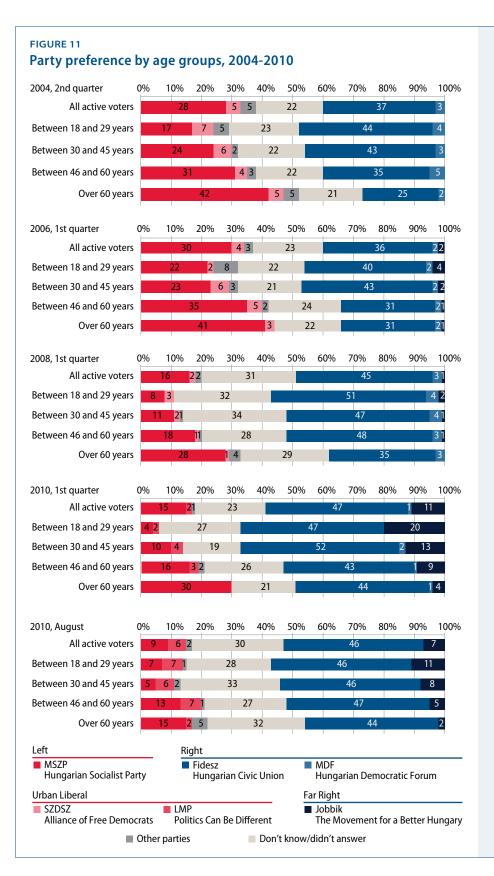
The educational structure has changed a lot since 1980 (see Figure 9). The proportion of ISCED-97 1-2 category (elementary and lower secondary) decreased from 65 percent to 40 percent, and in harmony with





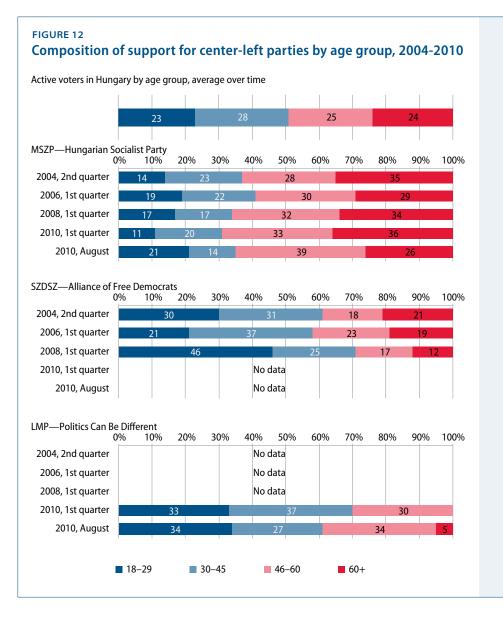
the post-modern trends of the region the size of the highly educated population (ISCED 5-6, college-educated and higher) started to increase fast from 6 percent to 12 percent.

In terms of educational groups, the HSP and the Hungarian center-left suffered a significant loss of support among less-educated citizens (see Figure 10). In 2004, 44 percent of the supporters of the HSP were in the ISCED-97 1-2 categories. In 2010 32 percent to 37 percent of HSP supporters were in the low-education group, while among politically active citizens the proportion of this group of the society is around 40 percent. Among politically active citizens the biggest group (48 percent) is the ISCED-97 3-4 category (upper secondary) but the number of highly educated citizens is growing fast in the younger generations. HSP lost significant support among highly educated professionals since 2004 (see Figure 8), even more than the average. As important local opinion leaders these individuals are a key target for any political revival of the left.



## Age groups

The aging of the Hungarian population described in detail earlier is severe. Traditionally the supporters of the HSP were always older on average than the supporters of other parties, especially that of FIDESZ. The now disappeared liberal party (Alliance of Free Democrats) had a younger support base. Although the aging of society and the decreasing size of new generations limit the effects of the unpopularity of the Hungarian center-left among voters younger than 45, this unpopularity is still so damaging that no revival is possible without changing this situation. In the age groups between 18 and 45 the polling numbers nowadays show such low support for the HSP (4 percent to 7 percent among 19-29 year olds, or 5 percent to 10 percent among 30-45 year olds; see Figure 11) that



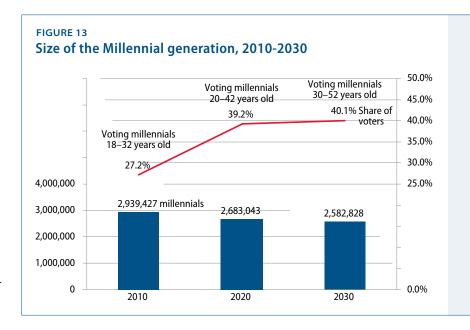
scientifically speaking this number could be close to zero because the standard margin of error for these figures is around 4 percent to 5 percent.

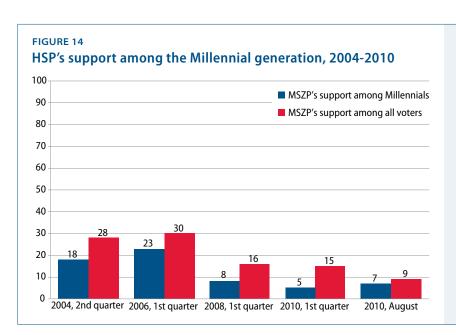
If we look at the age composition of center-left support in Hungary, it becomes clear that since 2004 the proportions of age 46 to 60-year-old voters and 60-andover voters among the politically active supporters of the HSP increased from 63 percent to 69 percent (see Figure 12). And the integration of younger voters into the socialist camp before the re-election of 2006 (where the proportion of

age 46-and-over voters decreased to 59 percent) has now failed. Those new voters disappeared from the party's support base after 2006 (see Figure 12).

The new urban liberal movement of Politics Can Be Different has a healthier political base. The party is more popular among younger voters, but due to personality reasons they are currently not open to any kind of cooperation with the HSP. Meanwhile the far right is more popular than either the HSP or the Politics Can Be Different movement among those under 45 (see Figure 11).

These unsustainable difficulties are even more visible if we focus our attention on the case of the so-called millennial generation defined here as those who were born between 1978 and 2000. In Hungary their size now is close to 3 million (see Figure 13), but since they are between the ages of 10 and 32 now, not all of them are active citizens of our country's political life yet. Among voters the share of those who are between 18 and 32 in 2010 is 27 percent, and according to official statistical projections





their size will grow to 40 percent of voters by 2030. This number reflects the extremely low numbers of new births projected during this and coming decades.

The support of the HSP in the millennial generation has been below the average support of the party among active voters since 2004 (see Figure 14). In the second quarter of 2004 this support was 18 percent (while the national average of support was 28 percent), and in the first quarter of 2010 support was 5 percent (while the national average of support of the HSP at that time was around 15 percent). Yet, scientifically speaking, 5 percent on a subsample like this could also be zero because of the relatively high margin of error. According to the same research the support for FIDESZ in early 2010 among these voters was 49 percent, the support of Politics Can Be Different 2 percent, and the support for the far-right party, The Movement for a Better Hungary, was 18 percent.

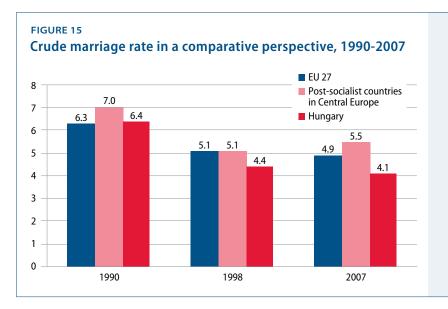
This clearly shows that the Hungarian center-left almost doesn't exist in the millennial generation, and the same group of our society is very much open to far right radicalism and populism.

#### Marital status

With the post-modernization of our society we see a significant and continuous decrease in the number of marriages.

The speed of this change in Hungary even beats the neighboring countries and the EU average (see Figure 15). The crude marriage rate is the number of marriages occurring among the population of a given geographical area during a given year, per 1,000 residents.

The political relevance of marital status hasn't been analyzed very deeply because this characteristic isn't considered as one that divides supporters of different parties. The value structure of Hungary is so secular that the importance of the marriage-rate as an electoral factor is not something that is likely to be significant in coming decades.



## Gender as a politically relevant factor

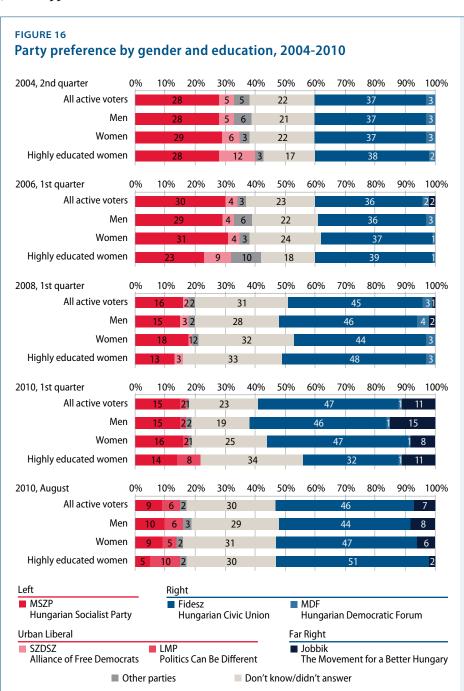
The internationally recognized trend of women's diverging voting behavior from that of men is a phenomenon that hasn't appeared yet in Hungary. If we look at polls of recent years (see Figure 16), there appears to be no real difference in

political support patterns by gender. In Hungary, gender is not a factor that influences votes significantly and this is true for all the parties.

Among highly educated women support levels for center-left parties are a little bit worse than average, but the lower numbers are on the margin of error. Given the fact that the HSP has lost support significantly since 2004 among higher-educated professionals generally (Figure 9), this number is probably more influenced by level of education than by gender.

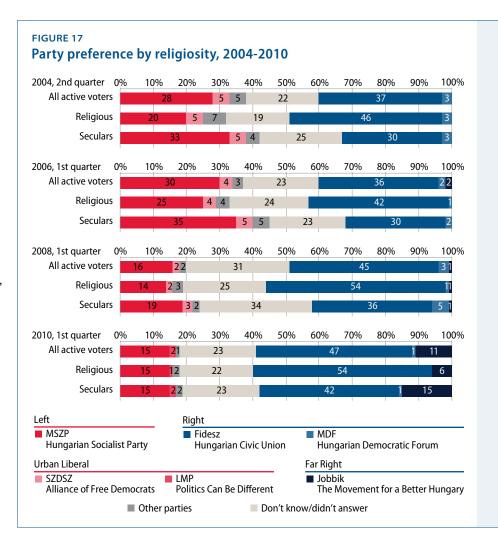
# Secular and nonsecular voters in Hungary

About 75 percent of the population of Hungary has Christian origins (54 percent Catholic, 20 percent Protestants, 1 percent others), but the level of frequent church attendance is far below 10 percent. Divisive moral issues such as abortion or divorce are nonissues in the political arena because of



the overwhelmingly secular sentiments of our society. The general mood is pro-choice and it would be a fatal error for any party to raise the issue of toughening the abortion law in Hungary. And even if the Christian churches have traditionally better relationships with the parties of the right, there are still significant groups of voters who are religious and support parties of the left. The "moral argument" in the political arena focuses more on issues of national pride and identity, religious heritage, and the education of youth than the issues mentioned above.

Among those who consider themselves "religious" (in this research they are those who attend church and participate in religious activities at least once a month—around 13



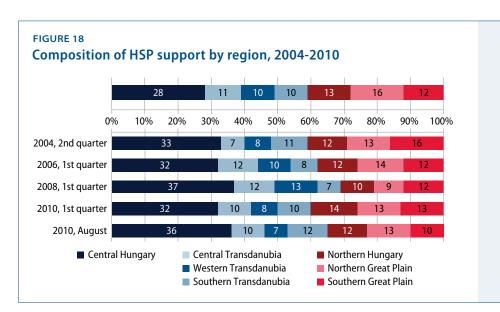
percent in these surveys) overall support for the HSP is lower than the national average of support among active voters (see Figure 17), but this was more significant before 2006 and now is under the margin of error. And among those who are "seculars" (who don't believe in any supernatural entity and don't participate in any religious activity, 24 percent in these surveys) the average support for the Hungarian left was higher until 2006. Since then HSP support in this group has gotten closer to the average support for the party. Between these two groups are those who are "believers in their own way," and they represent a huge majority of the society (60.7 percent). Their political preferences mirror the average preferences of Hungarian voters.

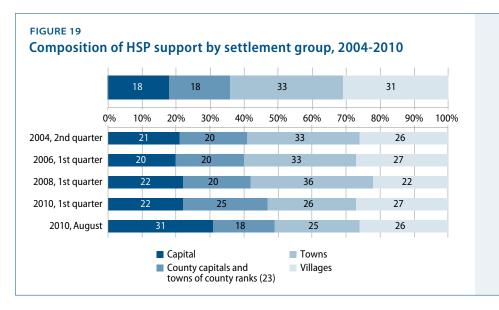
# Geography of support of the center-left in Hungary

As mentioned earlier, the Hungarian center-left lost 50 percent to 65 percent of its support among basically all social groups of Hungary since 2006. If we look

at the geography of these losses, it becomes clear that except in the most developed region of Central Hungary (where around 28 percent of Hungarians live) the HSP lost support according to a generally similar pattern in all the other six regions (see Figures 18 and 20). In Central Hungary the HSP losses were lower. Because of this, the proportion of HSP supporters from Central Hungary increased from between 32 percent and 33 percent to 36 percent (see Figure 18). Although there are significant differences in the quality of life and development between certain noncentral regions (for example the quality of life is better in Western Hungary than in the region of Northern Great Plain and Northern Hungary), the support patterns for the Hungarian center-left across these regions are not very different.

Comparing types of area rather than geographical regions gives a better understanding of

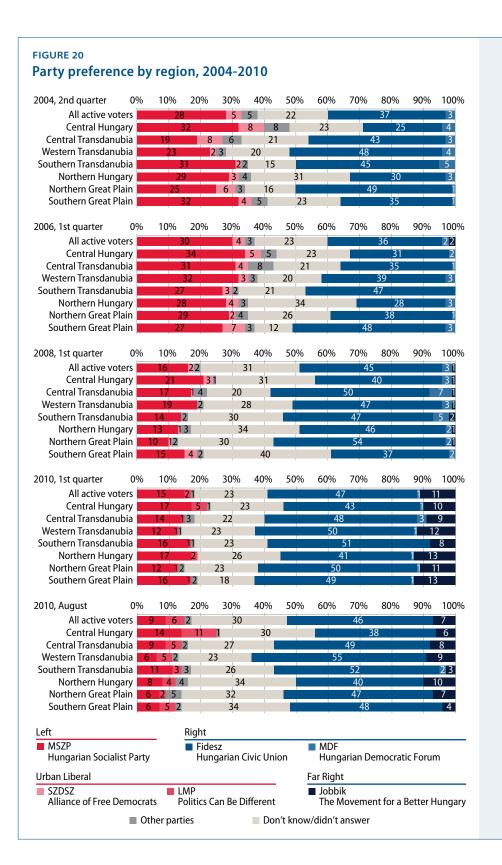




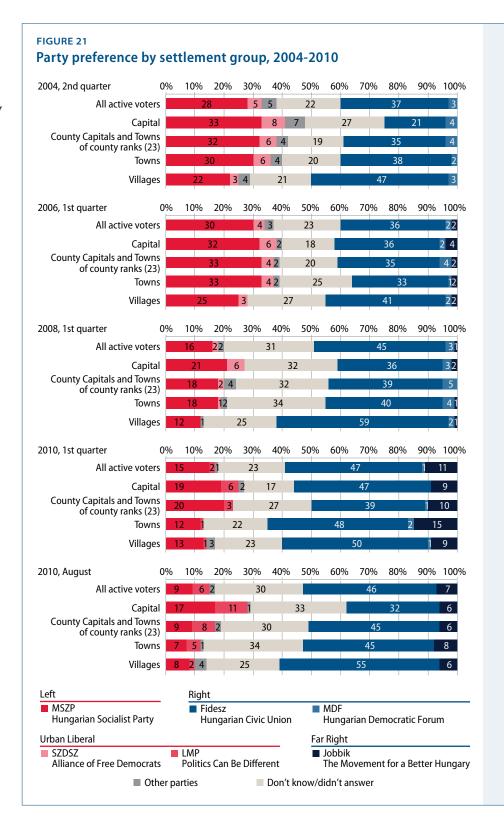
changes in the HSP's support. In the capital, Budapest, in the 19 county capitals, and four other cities of county ranks, the Hungarian center-left parties, especially the HSP lost significantly fewer votes and support than in smaller cities, towns,

and villages (see Figure 19). While the HSP had a support level around 32 to 33 percent in 2004-2006 in the capital, county capitals, and cities of county ranks, support decreased to the range of 19 percent to 20 percent by early 2010. Meanwhile, the average support for the party in smaller cities, towns, and villages has stagnated at around 12 percent to 13 percent. Because of these changes, the proportion of HSP's supporters from towns and villages has decreased to 51 percent to 53 percent (see Figure 21) while they have more than 60 percent of the Hungarian population. Meanwhile the bigger cities are becoming heavily weighted in the socialist camp.

These public opinion survey results were "validated" by the results of the municipal election this autumn. On October 3, 2010 national turnout was 46.6 percent and the HSP received 29.6 percent in Budapest on a party list vote (because of the low turnout this relatively high number reflects only the views of 12.7 percent of all Budapest voters). In smaller



cities, towns, and villages the HSP's party list received 21.1 percent among those who participated (but this relatively high number, because of the low turnout, again only means 10.2 percent of all voters in these rural areas).



# The new progressive coalition of voters in Hungary

Structured summary of losses of support by the Hungarian center-left

After eight years, the HSP and the Hungarian center-left in 2010 lost power. The old liberal party disappeared; new movements appeared on the scene. The HSP lost 50 percent to 65 percent of support among almost all groups in society. The traditionally secular, introverted, and pessimistic Hungarians are suffering from a post-transitional crisis. Some tendencies in the society are close to those in other Western countries—for example the changing structure of education and class, and the changing behaviors and career paths of postmodern capitalism—but there are some more typically Hungarian and Eastern European tendencies too (high level of subjective deprivation, lack of trust in institutions, low level of active workforce participation).

For different reasons immigration, race, secularism, class, gender, and marital status don't seem to be defining factors in support for Hungarian center-left parties. Age groups, size of area, and the level of education are more relevant factors influencing political support in Hungary.

Because of this we can identify two challenges. First, there are those voters who would be average, volatile supporters of catch-all-parties in any political system. Any randomly chosen group of them would be similar to the average structure of Hungarian society. Second, there are four identifiable groups where the center-left and the HSP lost even more votes—so there, in a comparative perspective, the HSP is even weaker. These important groups are: less-educated people, inhabitants of rural areas of the country, voters younger than 45, and residents of areas where poverty is combined with local ethnic conflicts.

# Character of the supporters of the center-left parties

Since the political transition after the fall of the Iron Curtain, the HSP's supporter base has always been a little older than average and lived in larger numbers in bigger cities and the capital. And the HSP's supporters were more often found among the highly educated parts of society, or lived in relative poverty and were undereducated. The former liberal party was popular in big cities, especially in Budapest among voters from the middle class.

Nowadays, the HSP has become basically a "big exclusive club" of urban and aged 46 and older voters. And it's hard to find any subgroup in society where the HSP's electoral support is even close to that of the new governing party, FIDESZ, even though the HSP is still by far the second-most popular party of the country. On the center-left the new movement of Politics Can Be Different has a support pattern quite close to that of the former liberal party in its glory days, except that it is relatively more popular among voters between 18 and 35.

# The party system and political representation of voters on the center-left

The general elections of 2010 were the last in the electoral system Hungary has had since the transition. Without knowing the new system of parliamentary election of a smaller parliament, it would be premature to define precisely a new strategy of the center-left. A more majoritarian system would require a single to party to integrate all the social groups that could support progressive change. A more proportional system would require a new coalition of different movements and parties.

But one thing is clear: Either in a single movement or in a coalition of two to three movements/parties, the interests now unrepresented by the center-left must be represented again. Sadly, besides the Politics Can Be Different movement we cannot now see any new political organization on the horizon. Of course it is true that the distrust that the HSP faces opens up the possibility for something new to appear on the Hungarian political scene. But due to the high entry barriers in the political system, a tough electoral qualification system, campaign finance difficulties, and a general lack of trust in political parties, it's very hard for a totally new movement to have an immediate chance of significant impact.

### New coalitions: Is there a need for them at all?

Given the fact that the HSP and the center-left lost so much of its support among most social groups, and it lost even more support in some groups like young voters, the question must be posed: Is there really a need for new electoral and political coalitions in Hungary for the revival of the center-left?

My answer is: later yes, but first—sadly—not.

After more limited electoral losses, it's a legitimate and rational strategy to focus attention on those areas where a movement had lost more votes than in others, find new target groups, and meanwhile hope that the mistakes of other parties will move back some lost voters to the party. Sadly that's not the case for the Hungarian center-left at this time. Lost support won't come back automatically to the HSP and the left in Hungary.

First, the Hungarian center-left must regain credibility and the permission of voters to talk to them at all. The main target group for this effort cannot be a small subgroup of Hungarian voters. Instead the proper target is almost all the voters older than 18, wherever they live, whatever they do, whatever they believe in, and however educated they are. It is not a question of a new coalition but rather a renewed coalition with former voters who either became fed up with the centerleft, or just suffered from the effects of the last decades of Hungary's history.

After the general reconstruction of credibility and renewal of electoral base comes a targeted healing of support among key groups of voters. Even if the aging of the society and the still relatively high support for the left among elderly voters currently limits the effects of the disastrous unpopularity of the movement among voters younger than 45, support among these voters must be increased over the mid to long term. Otherwise even in as little as 10 years the whole structure of support for the Hungarian center-left could become unsustainable.

Parallel with this, the Hungarian center-left must reintegrate low-education voters and those who live in the rural areas of the country, especially in areas where ethnic conflicts with the roma population are part of everyday life. No party on the center-left can exist without strong and fair representation of those non-middle class citizens who are on the periphery of our society and who really need protection and help to cope with their problems.

This means that the a simple reconstruction of the electoral base of 2006 cannot be enough, due to the unsustainable structure of support for the left among youth, highly educated urban professionals, and rural less-educated voters. When the new, right wing government loses its credibility, the latter group will be relatively easy to reach by a trusted movement on the left. But the cases of youth and urban professionals are harder ones. In these groups the credibility of the progressive left in Hungary is so broken that the coming years will decide whether any single party or a combination of a new and a reformed old party can reach these voters with a progressive message.

# The possibility of continuing electoral failure

The single-biggest common denominator of lost supporters is simply that they were once supporters of the HSP. Nothing else. It's hard to find any other social characteristic that unites them. That means that for them the HSP itself is the problem first, and the specific problems of specific groups are second.

Because of this, there's a chance that the HSP and its electoral base cannot be repaired. Perhaps the brand and the social movement of the center-left cannot be saved. This will take years to decide—and could require a new movement on the political center-left of Hungary that fits today's society and the new system of elections. Such a new party might be attractive for younger and/or rural voters and could reintegrate former supporters of the center-left.

# The framework of a new progressive vision in Hungary

When we talk about a new progressive vision, we mean the narrative, ideology, key policies, and values of the progressive movement in Hungary. While creating this we must learn from the mistakes of recent years, reflect on the post-transitional crisis of our society 20 years after the democratic transition, and offer a political program of policies and symbolic acts that is in harmony with our values and attractive to a sufficient amount of voters.

Despite the possibility of long-term electoral failure of the Hungarian center-left, creating a new framework for electoral progress is still quite possible. The key issues are credibility, relevance, and capability of representation. These are more important than targeting different groups of different voters with different complicated policies.

## 20, 8, 4, and 1

The Hungarian left in 2010 lost because of the perceived failures of the last 20 years, the incompetent, corrupted governance of the last eight years that failed to address real problems, the failed reforms and continuously decreasing real wages of the last four years, and the tough crisis managing acts of the last year in power. The center-left in 2010 was punished for the combined mistakes of these years.

People were promised a better life—and then they lost that or at least the perception of it. While they faced the unfairness of Hungary's postmodern capitalism on a daily basis, they were told to accommodate to a new world of bigger insecurities and weaker support by the state. The problems the government appeared to want to solve were alien to the problems of Hungarians' everyday life. This liability was intensified by a political language that segregated the governing elite from the average voter.

But the biggest mistake of the governing elite was that it defended the status quo when it had lost its legitimacy, rather than finding ways to renew it. The instinctive defense of the status quo by governing parties was an unintended but poisonous consequence of their years in power.

# Understand concerns, then talk about them to get understood

The first task is to understand the problems and concerns of all targeted voters. Then the HSP must find a new language to discuss and represent these problems. The Hungarian center-left must show voters that it understands the problems of those whom it wishes to represent. The first step to reaching this goal is to talk about those issues that are truly relevant to voters and reflect their concerns.

The difficult ideological issue here is Hungary's postmodern capitalism and the center-left's relation to it, especially the system of social redistribution. This system is still generous with the middle classes but is seen by the middle classes as insufficient. Now in power, the right wing is capitalizing on the anti-establishment sentiments of different groups in Hungarian society—and portraying the centerleft and mainly the HSP as the establishment.

The current government follows a strange mix of populist antibusiness but proupper-middle-class social policies, combined with actions that are damaging the democratic system of Hungary and limiting the effects of the system of checks and balances. Disillusionment will eventually come since for most voters FIDESZ is offering rhetoric rather than concrete improvements in their lives.

We need a pragmatic centrist alternative that isn't afraid of the problems of people in poverty, that isn't defending the status quo, and that is attentive to the needs of urban voters, like their growing environmental concerns. This will require implementable, competent, and sometime groundbreaking policies that boldly address the real problems of our society.

# The biggest challenge: Responsible and sustainable policies and the voters

Perhaps the biggest challenge for Hungarian progressives comes when voters support unsustainable, irresponsible, and intolerant policies. People in Hungary don't like to pay taxes but want to receive even more from the welfare system. They want to retire as soon as possible while the sustainability of the pension system is at risk. They oppose socially beneficial education programs to integrate the roma minority into our communities—they would like to deny even the existence of this problem. These problems must be addressed even if voters do not see them as important.

If citizens who don't recognize the need to change themselves are inflamed by populist movements on the center-right and on the far right, then the task of the center left is not to defend the status quo that has already lost its legitimacy even if the status quo can boast some real accomplishments. The center-left must instead offer something new for the post-transition phase in Hungary—something progressive that still meets the real concerns of our voters.

The Hungarian right-wing government denies the existence of the real problems of our country and in fact runs away from them. They create "enemies" to channel the anger of their supporters with populist rhetoric. The progressive left in Hungary must choose a different way forward.

We must address the real problems of our society with well prepared, sustainable, and fair policies. We must not defend the status quo just because we were involved in its creation. We must understand the legitimate concerns behind the electorate's support of irresponsible or intolerant policies, and review the policies based on this without any denial of our principles. And we must have better regulation, more accountability, better and stronger policing, tougher action on crime while defending minorities, and continued social integration programs for minorities that also seek to raise their standard of living.

Our problem was that we addressed the real problems of our society incompetently and without credibility, and denied the existence of those things that were problems for our voters. Our task for the future is to be better on policies addressing key problems, even while we integrate the concerns of insecure voters.

# **Endnotes**

- 1 I'm grateful for the research work of the team of András Keszthelyi, the PM's chief strategic adviser and to my colleague Balázs Vető for collecting data for this work.
- 2 Gábos András-Szivós Péter, "Jövedelmi szegénység és anyagi depriváció Magyarországon [Income based poverty and material deprivation in Hungary]," In TÁRKI Társadalmi Riport (2010) [Social Report 2010], Tamás Kolosi and István György Tóth, eds. p.69.
- 3 Tóth István György, "Jövedelemeloszlás a konszolidációs csomagok és a válságok közepette Magyarországon [Income distribution during fiscal consolidation and crisis in Hungary]," In TÁRKI Társadalmi Riport (2010) [Social Report 2010], Tamás Kolosi and István György Tóth, eds. p. 32.
- 4 Kolosi Tamás-Keller Tamás, "Kikristályosodó társadalomszerkezet [Crystallizing social structure]," In TARKI Társadalmi Riport 2010 [Social Report 2010], Tamás Kolosi and István György Tóth, eds. p. 119.
- 5 Hungarian Central Statistical Office, "TÁRKI Household research and TÁRKI Társadalmi Report 2010 [Social Report 2010]."
- 6 Kolosi Tamás-Keller Tamás, "Kikristályosodó társadalomszerkezet [Crystallizing social structure]," In TARKI Társadalmi Riport 2010 [Social Report 2010], Tamás Kolosi and István György Tóth, eds., p. 126.

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