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Democratic Elitism under Challenge: Reflections on the 2006 Hungarian Events

This article in an analysis of the prolonged political crisis in Hungary, the 2006 highlights issues pertinent to a broader study of democratic politics. The study shows that the weakness of anchors binding the masses and elite is crucial, since in such circumstances mediatisation takes over in politics, totting up political promises, which leads to budget overspending. Shortcomings of the elite theory itself are identified: a realistic weighting is necessary to measure the influence of political, business, media and other elites; not political leadership as such but also different types of leadership need to be addressed; institutional, structural and behavioural innovations taking place on the elite level should be considered; the richness of the institutional variety is also to be noted.

Introduction

In the political perspective, 2006 was a very turbulent year for Hungary: on the one hand for the first time since 1989 the ruling government stayed in power after the spring parliamentary elections and that fact was interpreted as a sign of political consolidation. National and foreign commentators celebrated the stability of Hungarian politics in comparison with other post-socialist countries as well as with old EU countries. On the other hand, in the autumn protests against the government turned violent in Budapest after the so called Öszöd speech given by Ferenc Gyurcsány, prime minister, was published on 16th September. The developments included mass mobilization on the streets, occasional violent clashes between policeman and demonstrators, and the opposition rallying for Gyurcsány's resignation. At first sight these events were immediate results of the Prime Minister's confession to lie about the economic state of the country in order to win the elections. However the reactions of the different actors – including the public, the parties and the President – tell us more about the state of democracy in Hungary.

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In 2006, Hungary had to face a juncture of critical economic and political trends and events. The country had difficulties in meeting the economic standards required by the EU and in January 2006 the European Commission did not accept the Hungarian convergence program, asking for corrections by the 1st of September. During the election period, in the first half of 2006, the state overspending worsened the economic conditions even more, thus introduction of a strict austerity program was inevitable and happened right after the elections. As a result, instead of promised reductions, new taxes were introduced and a tighter version of the convergence program was submitted to Brussels. The targeted state budget deficit was at 10.1% of the GDP and no implementation date was defined for the euro.¹

The public became nervous at experiencing these negative tendencies and responded with vehemence to the leak of the Öszöd speech in which the socialist Prime Minister admitted that he lied about the economy. Two peaks of the protest can be identified: first when a rioting group besieged the TV headquarters on the night of 17th September injuring some hundred policemen on the spot and then on 23rd October when the police struck on the rioting people and ended up harassing citizens taking part in the assembly organized by the opposition conservative party, Fidesz. The fight that followed all night, has been a debated issue ever since in political circles.

The latter fight gained special status due to its timing since the 23rd October, 2006 was a National Holiday dedicated to celebrate the 50th anniversary of the 1956 revolution. The anniversary in itself bears a political dimension as it gave an opportunity to all political actors to interpret their relation to the communist past and the present state of the country. Political parties took the chance to express their standpoints in these respects.

1. The Problematique of the Study and its State of Art

The above provided sketch of the Hungarian political life in 2006, highlights a number of issues pertinent not only to the recent developments of the post-communist region, but also relating to broader studies of democratic politics. Even though, as a peculiar set of circumstances, slogans and issues involved, the “national” character of the events remains undisputable, the Hungarian experience in 2006 is not a discrete historical phenomenon. The events and especially how the elites related to them yields a lot of insight related to the elite formation and democratic consolidation, the EU politics, and populism. These themes are to be debated not in a narrow post-communist region, but put into the broader perspective of the research on democracy, political

¹ Convergence Program of Hungary 2006-2010, 2007, downloaded from the website of the Ministry of Finance, www.pm.gov.hu on 03.09.2007.

leadership and political crisis. As Hayward put it: "Whether it is attributed to primarily post-communist contextual reasons, as in most of Eastern Europe, or to the democratic deficit afflicting the political-administrative institution of the European Union, or the persistent economic recession and (...) a profound sense of dissatisfaction with public decision-making, or the widespread discredit of public decision-makers in local and national politics and of prominent businessmen owing to the corruption exposed by investigative journalists and judges, there is a pervasive perception that elites cannot be trusted to act in the public interest and have lost any claim they might have had to public deference."²

The early post-communist research focused much on the issues of regime-change such as transition and consolidation. Transition was defined as deconstruction of the non-democratic regimes, creation of the basic structures and procedures of democracy and free-market competition, while consolidation was considered as institutionalization of the new democracy and internalization of its rules and procedures. Within the framework of regime-change studies, the elites gained special momentum as according to Pridham "democratic transition is seen as (...) a situation when, with a new constitution in place, the democratic structures are settled formally and political elites are prone to start adjusting their behaviour accordingly. Signs, therefore, of elite consensus or the formation of elite consensus are a significant indication of transition being accomplished."³ Democratic consolidation follows with the internalization of democratic values on the elite level: "a consolidated democracy is a political situation in which, in a phrase, democracy has become the only game in town."⁴ On the elite level it means that political conflicts are resolved according to democratic norms while on the mass level it means that, "the overwhelming majority of the people believe that any further political change must emerge from within the parameters of democratic formulas."⁵ The elite factor is also prominent concerning the imposition of necessary reforms. For instance, Ekiert, Kubik and Vachudova state: citizens need to believe that reforms are legitimate, and that happens when there is sufficient transparency and accountability of the elite action and the subsequent sense that citizens are a part of the decision-making process.⁶

In the research focusing on parties, post-communist consolidation first and most was measured via crystallization of the so-called particular country

² Hayward J., "The populist challenge to elitist democracy in Europe" in Hayward J., ed., *Elitism, populism, and European politics*, Oxford: Calderon Press, 1996, p. 10.

³ Pridham G., "Comparative reflections on democratization in East-Central Europe: a model of post-communist transformation?" in Ágh A., Pridham G., eds., *Prospects for democratic consolidation in East-Central Europe*, Manchester and New York: Manchester University Press, 2001, pp. 4-5.

⁴ Linz J.J., Stepan A. *Problems of democratic transition and consolidation. Southern Europe, South America and post-communist Europe*, Baltimore and London: The John Hopkins University Press, 1996, p.5.

⁵ *Ibidem*, p. 5.

⁶ Ekiert G., Kubik J., Vachudova M. A., "Democracy in the Post-Communist World: An Unending Quest?" in *East European Politics and Societies*, 2007, 21(1), p. 7- 30.

party-system, vanishing volatility of the voters and disappearance of the pendulum effect. In such an analysis, Hungary with early signs of the Westminster model in its political representation, stood out as the champion of consolidation. These evaluations dwelled on the narrow (institutional) concept of political legitimacy and did not provide for the forecast of social vacillations (crisis). The social context (be it conceptualized in the *civil society* terms, in the perspective of *values and attitudes* or through any other “social” angle) backfired with failed theoretical and political predictions.

A promising opening out of analysis is proposed by Morlino, who – based on thorough theoretical stock-taking and empirical research of the Southern European democratization experiences in 70’s - 80’s - proposes the concept of an *anchor*: “An anchor is an institution, entailing organizational elements and vested interests that are able to perform a hooking-and-binding effect on more or less organized people within a society.”⁷ The metaphor of anchors and anchoring highlights the asymmetrical relationships between elites who are at the centre of those anchors and the people who – as a rule – are in weaker positions in terms of power relations, knowledge, information, and time to devote to politics. In this metaphor, institutions are seen as ‘boats’ from which the anchors are cast and the civil society (here, understood as the totality of citizens with their attitudes and interests, and their voluntarily organized activities) stands for the “soil” where the anchors are hooked. Morlino appropriately underlines that in this perspective, strong anchors (mostly, parties, but also the office of the head of the state, the cabinet, units of local government, and last but not least, the Constitutional Court) are no longer seen as expressions of civil society and the representatives of the various interests in the decision making arena, but they are mainly recognized as institutions, acquiring their own vested interests in self-enhancement or at least self-maintenance, as they try to develop different forms of penetration, regulation, or even control of society.⁸ In parallel to the indefinite legitimating process, the anchors come out of elite actions, whereas their destruction may be caused by the waning of the basic conditions that supported the emergence of anchors (for instance, decreasing political mobilization, routines of the charismatic leadership, fading away of the initial elite consensus, shifting external pressures etc.) and of the vested interests concerning those institutions. Internal crisis should be seen as periods of ‘critical junctures’ or significant ‘choice opportunities’ with exogenous and/or endogenous causes⁹. The anchors perspective invites to study the malfunctioning of post-communist democracy, as primarily connected to the elite decisions and elite behaviour taking into account the changes in the surrounding (local, national, supranational and international) environment. Since the adaptation is mainly achieved by governing elites and groups, imposing their visions of how institutions ought to work, even by repealing or transforming the rules so

⁷ Morlino L. “Anchors and Democratic Change” in *Comparative Political Studies*, 2005, 38(7), p. 745.

⁸ *Ibidem*, p. 746.

⁹ *Ibidem*, p. 763.

that they better conform to their own values, interests, and goals.¹⁰

In the case of post-communist democratization, notwithstanding the *condition sine qua non* of legitimacy, researchers underline the European Union factor as a carrier of consolidation. For instance, Ekiert, Kubik and Vachudova claim, that the EU leverage invariably tipped the domestic political balance in favour of a liberal democracy and identify the four major mechanisms by which the EU and other Western actors have impacted the domestic politics in the post-communist region: a) by promoting democratic attitudes among citizens yearning for Western integration; b) by shaping the preferences of political elites (both in government and in the opposition); c) by tilting the domestic power balance in favor of democratic politicians; and d) by promoting better democratic governance through incentives for public administration reform.¹¹ If to consider the listed four stages of the so called EU democratic conditionality, it appears that its success is in the descending order: the post communist citizens acquired a taste for democracy, political competition, and inclusiveness into the decision-making process; meanwhile the problems of corruption and patterns of the façade representation are rampant.

Ilonszki and Lengyel¹² claim that conceptually, the late post-communist and early EU-membership developments in the Central Europe can be tied to the problems of democratic elitism. The starting point and key theses of democratic elitism rely on Schumpeter's idea that elites compete to gain the support of the voters, which ensures a sort of control for the voters and makes the elites accountable. Indeed, the whole concept of post-communist transformation was based on the premises of the democratic elitism, understood as "a condition when the elite groups, while competing in the Schumpeterian sense, are structurally connected and consensus prevails among them with respect to the (democratic) rules of the game. The lack of elite consensus undermines the stability of the regime and is reflected in fragile mass-elite linkages. From this point of view, the democratic elitism is under challenge if and when important groups of the elite start seeing other groups as not accepting democracy as the common denominator and failing to pursue the interest of the public as opposed to their own either personal or narrow partisan interests."¹³ Yet, as underlined by Morlino, as a rule, usually the *anchors* acquire their own vested interests in self-enhancement or at least self-maintenance.¹⁴ Reasonably, anchoring and de-anchoring works in all directions: the 'other' groups (parties, sub-elites, interest organizations) have similar (condemnatory) views about their rivals. Be it post-communist or any other communicative democracy, the

¹⁰ Morlino L. "Constitutions and 'Good Democracy'" in Dobry M., ed., *Democratic and Capitalist Transitions in Eastern Europe. Lessons for the Social Sciences*, Dordrecht, Boston, London: Kluwer Academic Press, 2000, p. 150.

¹¹ Ekiert et al., *op.cit.*, p. 23.

¹² Ilonszki G., Lengyel G. *Simulated democracy? Democratic elitism under challenge: lessons from the Hungarian case*. Unpublished manuscript, Budapest, 2007.

¹³ *Ibidem*, p. 2.

¹⁴ Morlino, *op. cit.*, p. 745.

lack of elite agreement often goes together with *populism*: instead of accepting the rules of procedural democracy and thus the legitimacy provided through the institutions of democracy elites are inclined to address masses directly in order to gain political support, and thus primarily enhance the role of public participation, contribute to dynamism of public discourse and relish the ultimate value of free speech (mostly, practiced as a persuasive monologue, not an argument-based dialogue).

Researchers propose two tentative answers to the question of contending elite group(s) rallying people and exploiting the mass support. The first one comes from political theory and criticizes the Schumpeterian notion of popular 'participation' (choosing amongst contenders for office) as insufficient grounds for and failing regular tests of a well-functioning democracy. The Schumpeterian ideal of competing elites and participatory citizenry appears to be too oblique and in principle says nothing of actual citizens' empowerment, but rather reaffirms the ultimate astute power of the elites. Populist appeals thus correspond to the latent need of the democratic cultures to exert direct participation. Insofar as populism plumps for the rights of majorities to make sure that they are not ignored (as they commonly are) populism is profoundly compatible with democracy.¹⁵ The populist argument against the representative democracy is undying, and it invites one to reassert the concept and praxis of the involvement of the people in governing their own lives, despite of ineffective achievements. Thus, the populist parties are trendsetter in a development which could be termed the 'plebiscitary transformation' of the political parties¹⁶.

Another explanation of growing populist challenge is offered by the communication studies, which stress that the advent of new modes of political communication offers an unprecedented possibility of 'extroverted' politics: parties and politicians can deliberately depoliticize the electorate by switching to a strategy of personalization and symbolic action, making the people a central reference in their rhetoric¹⁷. The process of personalization calls for a protagonist who can become the centre of attention and thus it creates a leader-centred interpretation of politics.¹⁸ As the anchoring and de-anchoring, the populism, too is not a conspirator invention of the political elite, but rather a universal trend in mass-media, orienting itself towards the private, banal and vernacular as it is being enacted on television presenting ordinary people's problems, desires and anxieties, and exhibiting structural parallels to

¹⁵ Worsley P. "The Concept of Populism" in Ionescu G., Gellner E., eds., *Populism. Its Meaning and National Characteristics*, London: Weidenfeld and Nicolson, 1969, p. 247.

¹⁶ Decker F., "Populism and Democracy" in Ociepka B., ed., *Populism and Media Democracy*. Wrocław University Press, 2005, p. 12.

¹⁷ *Ibidem*, p. 16-17.

¹⁸ Kiss B., "Kampány és tabloidizáció. A perszonalizáció jelentősége" (Campaign and tabloidization. The importance of personalization) in Sárközy E.-Schleicher D., eds., *Kampánykommunikáció (Campaign-communication)*, Budapest: Akadémiai K., 2003, p. 9-40.

populism and its claims to speak for everyone directly.¹⁹ Populism, because of its generality and vagueness (appeal to the people as a homogeneous entity, proclaiming a direct link between the people and the populist actor) stands for a particular style of politics, identical to basic political campaign techniques, appropriate in communicative democracy or media societies,²⁰ In the societies under thorough reforms, populism found very fertile grounds, since it instead of presenting alternative policies exploits existing or newly created emotions and sentiments. In particular, political populism dwells on resentment and rancour (as the cases of the extreme-right turned populist parties abundantly prove), which are typical emotions of numerous reform losers.

Acknowledging the decisive role of the mass-communication phenomena, conducting towards the universal growth of populism, Mudde claims that populism plays a more prominent role in contemporary East European politics than in the Western democracies²¹ because of the peculiar political culture of the region. In post-communist societies, the intellectualized forms (which might be traced back to the Russian *narodiks*) of popular resentment against the communist regime and its totalitarian politics blend perfectly with another Leninist legacy, the myth of the victimized majority²² and culminate in the rhetoric of the elite-stolen revolution.

2. The Goal and Methodology of the Study

While different dimensions of representation provide the basis for democratic elitism, and it would be worth analyzing how and how effectively can accountability work amidst the influence of the media and populism-prone political culture, or how accountability of the elites is implemented after the elections, in this study we focus on the elite-related institutional and attitudinal problems. We claim that the situation in Hungary 2006 has only brought to the surface the malfunctioning of democratic institutions which are connected to elite attitudes and its decision-making process.

First, we present the elite-driven political transition with special emphasis on the institutions created at the roundtable talks on the eve of regime-change. We then discover the short-term consequences of the consensus: the majoritarian tendencies, the trends shaping the party system and their effect on mass-elite linkages. Further we show how the elites responded to these tendencies (closing the entry to elites, maintaining mutually beneficial processes, giving space to

¹⁹ Hipfl B., "Politics of Media Celebrities: The Case of Jurgen Haider" in Ociepk B., ed., *Populism and Media Democracy*, Wroclaw University Press, p. 56.

²⁰ Mudde C. "In the Name of the Peasantry, the Proletariat and the People: Populisms" in *East European Politics and Societies*, 2000, 15(2), p. 37.

²¹ *Ibidem*, p. 52.

²² *Ibidem*, p. 52.

the emergence of a new type of leaders and introducing new dimensions to the political battle). Our aim is to point out how these latter developments threaten the consolidation process, especially the internalization and dissemination of democratic values on both the elite and the mass level and how they open space to populism.

As the above described tendencies are mainly elite-driven our paper also aims at contributing to the democratic elite theory itself. In line with other elite researchers²³ the Hungarian case can be analysed as a worst-case scenario where the responsibility of the elite seems to be obvious and the worrying consequences of this situation show that the deviances of the democratic elitism have to be taken seriously.

3. Building Blocs which Led to the Political Crisis in Hungary 2006

3.1. The Starting Point: Elite Consensus or Temporary Compromise

After the collapse of communism in Central Europe the elite agreement about the highest value of democracy (parliamentary or semi-presidential model, based on competing parties) and the rule of law, respect to private property and free-market, and about Western-oriented foreign policy were constituent parts of systemic change. These political priorities and values (democratic institutions and civil rights) remained at the core of the subsequent EU accession negotiations talks.

The post-communist political reforms displayed a patent consensual trend. Irreversibility of reforms and stability of new regimes were implicit concerns of the major political actors in the countries under reform and their foreign advisors. This is also reflected in constitutional regulations, such as an elevated power of the PM, where the prime minister dominates the government since only he/she is answerable to the parliament and he/she can replace ministers without the approval of parliament. Counter-positioning the executive and the legislative power is meaningless, since the government exercises its power through its simple majority in the parliament. The president of such a parliamentary republic can not act as a real balance to the executive power as its tasks remain largely ceremonial. However, in order to prevent the executive from dominating the legislation certain measures have been implemented, for instance in Hungary have been introduced "constitutional acts" (36 acts) that require a qualified majority to change the existing norm or the institution of the Ombudsman was established across the post-communist region. The post-

²³ See Ilonszki G., Lengyel Gy. *op. cit.*, p. 11.

communist polities also have defensive regulations of the political minorities (in particular, in countries with visible ethnic groups, such as the Baltic countries, Slovakia, Romania). The inclusive regulations reflect the reform-elite's fundamental disbelief that conflicts, divisions, alternatives may be softly regulated and that in principle, the conflicts are a genuine part of democracy.

After the initial period of transition, by the second part of the 1990s, the elite consensus began to break up posing new challenges. The early post-communist political design, based on the elite settlement, so much cherished in theoretical analyses, started to look not as a valid deep-seated elite consent, but rather a temporary compromise. As writes Dobry, the very idea of the initial elite consensus is somewhat naïve, but with time passing it appears such more and more: "Formation of an agreement configuration, or, better, of a 'combine', between the strategic elites in the society in transition does not necessarily require, as a precondition, any *consensus* between these elites over certain values, and in particular democratic values. Mutual support among these elites, as well as the stability of *collusion*, may have completely different determinants, to begin with the possible convergence of heterogeneous interests"²⁴. Validity of the settlement thesis in Hungary has been questioned.²⁵

First, some actors of the original consensus period have been replaced or deeply transformed: as for Hungary, at around 1989/1990 the two major actors who formed the first settlement at the roundtable talks were the post-communist (socialist) party and the huge umbrella organization, MDF. The liberal democratic opposition did not sign the agreement, although later it did agree on a pact with the new, democratic government. In 1994 after the weakening and the virtual dissolution of the MDF and the formation of the first socialist-liberal coalition government, the Fidesz party became the new conservative opposition, which had occupied a more intransigent and less consensus oriented style. Second, the issues have changed – in addition to the promotion of the democratic ideals, concrete economic and social policy issues had to be solved. The so-called medium-spectrum and micro-policy decisions have had to be made, involving broader participation of interest groups and communities. Thirdly, a conflict ridden elite style and behaviour, which originated from the lack of self-confidence on both sides, received further impetus from a socio-political environment where symbolic representation matters more than policy responsiveness and accountability.²⁶ In this conjuncture, de-anchoring of the early clips appeared not only possible but inevitable.

²⁴ Dobry M. *op.cit.*, p. 8.

²⁵ Ilonszki G., "Ist die Kontinuität der Elite von Bedeutung?" in Veen H.J., ed., *Alte Eliten in jungen Demokratien?* Böhlau Verlag Köln Weimar Wien, 2004, p. 227-242.

²⁶ Karácsony G., "Árkok és légvárak" (Ditches and castles in clouds) in Karácsony G., ed., *Parlamentválasztás 2006* (Parliamentary elections 2006) Budapest: Demokrácia Kutatások Magyar Központja Közhazsnú Alapítvány, 2006, p. 59-103.

3.2. Multi-Party System and Elite's Concentration

While a consensual democracy was envisaged by the major actors of the post-communist transition, soon the majoritarian tendencies gathered strength. In Hungary, strong parties emerged very early; the parliamentary parties of 2007 were already present at the first democratic elections in 1990. However, the fragmented party system of the regime-change soon disappeared and the concentration of the party-system became the determining trend. According to Tóka this trend towards bi-polarisation resulted from three defining elements: the institutional context with the majoritarian tendencies of the voting system; rather weak cleavages that did not reflect a fairly differentiated society; and the electoral strategies of the parties.²⁷ In Hungary, political bipolarization, comparable to the Westminster model, took place; the effective number of parties diminished from 6.7 in 1990 to 5.5 in 1994, 4.5 in 1998, 2.8 in 2002 and finally to 2.7 in 2006.²⁸ Under these conditions, although coalition governments were formed, the senior member of the coalition governments always had a dominant position and minor parties did not represent a real balance. Centralization in political institutions and organizations prevailed from the local self-governments to the parties.

One obvious background explanation for centralized party developments lays in the party elite (its structure, strategies and leadership styles). Ilonszki and Lengyel²⁹ draw our attention to the fact that for a start, power-seeking versus policy-seeking parties developed. This is not surprising and not exceptional in new democracies, where shortage of time and a fake consensus environment did not help creating viable policy programs. Parties in Hungary consolidated remarkably quickly (certainly so in comparison to most of the other CEE). The power-seeking intentions were further strengthened by the asymmetry of resources available for the parties. At the beginning of the 90's, the Socialist party had a clear advantage concerning its organizational and the financial basis, formal and informal networks and political skills. In order to challenge it, the Fidesz moved into the empty sphere left after the break-up of the umbrella movement MDF and blocked the political organizations as well as the voters to the right. As a new party (which only had a handful of MPs in 1990 as well as in 1994), the Fidesz profited from a flexible political environment within the party where a strategy of the coherent image-building paid well. By 1998 the Fidesz had an advantage of the clear-cut conservative identity, centred around the party leader, Viktor Orbán.³⁰ In this respect the

²⁷ Tóka G., "A törésvonalak, a pártok és az intézményrendszer" (The political cleavages, the parties and the institutional system) in Angelusz R., Tardos R., eds., *Törések, hálók, hidak* (Cleavages, networks, bridges) Budapest: Demokrácia Kutatások Magyar Központja Alapítvány, 2005, p. 247.

²⁸ Karácsony, *op.cit.*, p. 67.

²⁹ Ilonszki G., Lengyel G, *op. cit.*, p. 13.

³⁰ Csizmadia E. "Politikai vezetők és politikai környezet" (Political leaders and political environment) I-II in *Politikatudományi Szemle*, 2007, 16(2), p. 31.

Socialist party's heterogeneous subgroups, its old personnel and the lack of any coherent image became disadvantageous, boosted power-seeking attitudes and rent-seeking among its members became blatant. Hungary experienced a titanic personalization of politics, pervasive to any communicative democracy, and as a result personal socialist vs. conservative party leaders' animosities developed and party elites ran into bad spirals in terms of political slogans, in seeking to create differences and not to settle on some common (national) interests, or policy goals.

At this point the second dimension comes into the ailing Hungarian political picture – that is the state of its civil society. The Hungarian civil society is weak (certainly so in comparison to the Polish or Czech cases) and does not constitute any balance or counterweight to the concentrating tendencies that are embodied by the institutions in high politics. Such a poorly organized and feebly public-interest minded society proves to be particularly vulnerable to the hyper-active elite and its energetic style. The Hungarian civil society during the years of neoliberal reforms has been marginalized and it, as Powell states, “was harnessed by the state as a tool in its strategy for resituating social responsibility in Hungary. But civil society was rejected as an instrument of policy making.”³¹

After the initial mobilization, at the beginning of democratic transition the society did not ponder much about politics, and parties were not popular. The post-communist voters (most of them in mid 90's could not relate to any specific party) might have inherited a certain anti-party attitude from the socialist period. With time passing by, the situation has not changed much: according to surveys carried out by the Medián³², trust in political institutions in Hungary 2007 is weak (around 51 points on a scale of 100). Less politicized institutions such as the Constitutional Court or the President of the Republic score highest, while the parties are among the institutions with lowest values of trust. Paradoxically, the Hungarian parties manage to bind the seemingly uninterested and distrustful voters. Contrary to the rational voters' theories predictions, and as expected in the highly mediatised public space, symbolic messages of parties and politicians win over policy considerations, government performance, socio-economic status of the voters, or other “reasonable” explanations in party choice. To put it bluntly, the parties that were first somewhat forced to apply a proactive style to establish or /and to foster their power base are not interested to turn towards the rational voter; and they enjoy the support of the followers anyway. From 1998 the parties concentrate on winning the steady support of electorate and research findings suggest that they succeed in doing so. As of 2006, 85% of the party votes goes for the two big parties compared to 46,1% in 1990, 52,7% in 1994, 62,3% in 1998 and 83,1% in 2002³³. The electoral volatility

³¹ Powell F. *The Politics of Civil Society. Neoliberalism or Social Left?*, Policy Press, 2007, p. 152.

³² Available on the website of Medián: www.median.hu

³³ Karácsony, *op.cit.* p. 66.

has diminished to 9.0 by 2006 (while it was 25.8 in 1994 and 31.7 in 1998)³⁴. If this is a positive indicator for an analyst who looks for consolidation of the party-systems (and predictability of the electoral results), in our line of reasoning, it is alarming, since it shows that block-politics won and the confrontational style of the elite found fertile grounds in the Hungarian society.

In Hungary, parallel to the concentration of the party system, professionalization of politics occurred, producing a small proportion of newcomers to the parliament³⁵ and decreasing voters' turnover rates. The resulting consolidation is a sign of the closing-up of the political elite, motivated to maintain the *status quo*. Moreover, it is difficult to implement complex constitutional changes, as some important policy areas can only be legislated upon with a 2/3rd majority vote, and thus require a common understanding and political agreement between the two "camps". Regarding the voting system the only important change has been the increase of the parliamentary threshold from 4 to 5% in 1994, when the parliamentary parties agreed to segregate potential newcomers. Another important institutional change, inspired by the rent-seeking of the elite, happened when in 1994 the party law was reformulated to allow *cumul des mandates* on the national and local level. At that time this innovation served the interests of the Socialists, who aspired to return from the political ghetto retained in local government. Since then the rival conservative party, the Fidesz also managed to build up its local support base, and as a result in 2006 60% of all the MPs also have local politics background. A critical issue of the *cumul des mandates* is related to party finance. The party financing rules endorse corruption and hinder transparency, as Juhász stated: "the rule is that there is no rule."³⁶ Formally, the parties must report on their incomes and spending to the National Audit Office but it can not effectively control the process. The expenses of party campaigns are estimated by experts to exceed more than ten times the sums legally allowed, what leaves no doubt that this area is the hotbed of illegal money transactions and corruption.

3.3. Challenge of Leadership

As all over the post-communist Central Europe, the Hungarian political elite dominated the process of shaping the democratic rules, both in a formal

³⁴ *Ibidem*, p. 73. This figure is closest to the cases of Germany (8.7), Sweden (9.0), and Belgium (9.2), the lowest European figure being Switzerland (6.6) and the highest Italy (15.1) – leaving out the countries that went through a democratization process in the third wave (Mainwaring S., Zoco E., "Political Sequences and the Stabilization of Interparty Competition. Electoral Volatility in Old and New Democracies" in *Party Politics*, 2007, 13 (2), p. 157- 185.

³⁵ Ilonszki G. "Képviselők Magyarországon I" (Members of the Parliament in Hungary I), Budapest: Új Mandátum Kiadó, 2005.

³⁶ Juhász G. "Kétes kampányforintok. Kampányfinanszírozás, 2006" (Dubious campaign forints. Campaign financing, 2006) in Karácsony G., ed., *Parlamenti választás 2006* (Parliamentary elections 2006) Budapest: Demokrácia Kutatások Magyar Központja Közhasznú Alapítvány, 2006, p. 127.

and in an informal sense. In the meantime the social-political environment was also influenced by the emergence of powerful media. The media opened up new arena for political battles with strong protagonists. The interplay of the powerful media, the strengthening of political bipolarization and the vanishing elite's consensus favoured the surfacing of the new type of political leaders. Here, it is relevant to make a distinction between personification and personalization as two distinct strategies of leadership personality.³⁷ Personification occurs when a leader embodies the values and interests of the constituency while personalization is the case when the leader's personality dominates the party and the political life. In both cases, it increases the importance of a leader in democracy. Körösiényi states that the current leadership democracy is centred on politicians: "the active players of politics are not constituents but politicians, constituents are reactive."³⁸ In this case, personalization takes over since the best tool to win in politics (to gain political support) is personal appeal (charisma) and leader's ability to persuade.

According to Ilonszki and Lengyel³⁹ the original theory of transactional and transforming leadership is worth to be revisited. Burns⁴⁰ suggested that leaders are either transactional (able to negotiate and take into account the will of constituencies) or transforming (having a vision and able to lead and mobilize). The concept of transforming leadership is congenial with the Schumpeterian view of entrepreneurship that emphasizes the pathway-setting function and the taste for 'constructive destruction' of the leader. The transforming type of leadership gets into the forefront in revolutionary situations and during reforms. It is associated with ideological, moral or intellectual clout, and even heroism (personal courage, selflessness and commitment). In contrast, transactional leadership is associated with pragmatism, abilities to bargain, monitor opportunities, find reciprocal solutions, negotiate with many actors.⁴¹

The mediatization of politics buttresses transforming leadership versus transactional leadership since vast public attention often inhibits compromise and bargaining while it offers opportunities to compellingly address the masses. Personalization is evidently connected with the transformational charismatic leadership.

Meanwhile, leadership studies revealed that the two leadership types are independent from each other, and there might be situations when characteristics of both, transformational and transactional, could be applied. Ilonszki and Lengyel argue that "it is part of the recent Hungarian political crisis that the leaders in the forefront got an overdose of charisma and transformational will, their personalities overshadowed the political life and they showed little

³⁷ Kiss, *op.cit.*

³⁸ Körösiényi A. "Political representation in leader democracy" in *Government and Opposition*, 2005, 40 (3), p. 364.

³⁹ Ilonszki G., Lengyel G. *op. cit.*, p. 9.

⁴⁰ Burns J. *Leadership*, New York: Harper and Row, 1987.

⁴¹ *Ibidem*, 169 *passim*.

transactional gestures.”⁴² The Prime Minister Gyurcsány is an apparent case of a transforming leader, devoted reformist. He likes desperate and overheated reform-speeches and messages – including the famous “lie-speech” of Öszöd.⁴³ This reform-passion could be criticized on the ground that it is not effectively reformist. The prime minister does not even try to combine transactional and transformational politics, does not pay attention to people’s hopes and expectations. In the Hungarian tradition people are designated to only suffer the consequences of reforms and not to understand the reasons or guidelines behind them. This combination of elitist reformism on one side and the tendency towards populism on the other side explains why the opposition leader Orbán addressed the ‘forgotten’ majority in order to win the local elections and interpreted the local elections results as the ‘third round’ of the parliamentary election. Based on favourable local elections outcomes, in late 2006 conservative Orbán also aspired to act with a seemingly increased authority on the national scene. On the 23rd October Orbán proposed to organize a referendum addressing certain elements of the reform. “The new majority” – as the new Fidesz slogan goes – would thus be organized outside the realm of parliamentary politics using alternative ways to foster its legitimacy. The bouquet of transformational leaders in Hungary 2006 is completed by the presidency of László Sólyom, whose main features are activism and strong civic engagement. Regarding the events in the autumn of 2006, in his public speeches, the President took a strong moral standpoint. In his statement released on the 18th September, 2006 one day after the coming-out of Ferenc Gyurcsány’s speech, Sólyom said: “A new feature of the present situation is that the moral basis of the democracy has become more sharply as ever the subject of public talk. In this dispute it is the obligation of the President of the Republic to speak”. The President pointed to the unilateral responsibility of the prime minister and accused him of jeopardizing the public trust in democracy. The elite try to politically capitalize in questioning the legitimacy of the opponent. “We refuse to speak with liars”, - declared the opposition leader after the prime-minister’s speech has been leaked out. However questioning the legitimacy of the opponents can be threat not only to the other political side but to the whole democratic system since the legitimacy of its processes and institutions is in question, and such an approach is the main pillar of democratic elitism. Thus the actual Hungarian elite’s attitudes point towards de-anchoring in a sense that the leaders present the other as an enemy (of the nation) instead of a legitimate competitor and thus try to get the other player out of the game instead of contending it in a fair-play. The democratic institutional design does not serve as an anchor or connection between the masses and the elite, because in the majoritarian discourse the democratic norms are questioned or neglected by all major competing actors.

⁴² Ilonszki G., Lengyel G., *op cit.*, p 11.

⁴³ Available on Gyurcsány’s blog, www.blog.amoba.hu, uploaded on 2006 09 17.

3.4. Growing Populism

During the course of economic reforms and electoral campaigns the Hungarian elites made exceptionally exaggerating promises in economic terms. Budget overspending was the major problem of the current crisis⁴⁴. In the overall economic terms Hungary is not in a bad shape but in monetary terms state debt and budget deficit are highly negative. The gross government debt in 2005 was 61.7 % of the GDP (one of the largest in Europe). Budget deficit is 9.2 %⁴⁵, which in 2007 is the highest in the EU (but in the mid-nineties it was higher in Italy, Greece and Sweden⁴⁶). The negative economic indices spur the political spiral of promises. The government tries to provide numerous social services. Instead of conducting true transactional politics, the government uses the ‘social carrots’ as a cyclic and ill-regulated tool of power hunting. The 2006 election campaign was a race among the big parties promising ever more state guarantees to the voters. To be successful in elections, the politicians must show self-confidence, give ample promises and entertain the audience. All this makes state overspending go on and promotes *politization of everyday life and policy issues*. The rivalry of the political parties splits up the society, influences the so called personal sphere of families, neighbours, and friends. According to the empirical studies of Angelusz and Tardos⁴⁷ the informal (civic) connections of the voters can also be related to the major political blocs and cleavages. Politics intrudes into the social organizations of the country and undermines the value-order of professions, in particular harming the public service. It is also obvious that the heads of various administrative departments and public media are not selected by the standards of competence but in bargains between the parties. The political elite try to oust their rival with ignoble means, and pit social groups against each other as fans of competing sport teams. Radicalization might emerge, provided that radical populist elements are bread by passive majority. Competing with populists, parliamentary politicians try to take the wind out of the sails of street politics by making analogous vigorous gestures and accusatory references.

Politics and politicians intrude into the personal realm through the media as well as the mediatisation of politics becomes stronger. Political debates are sold as talk-shows where mediators are the judges and politicians are sold as celebrities or heroes of the political game. In order to sustain the public attention there is a need for quotable slogans and capturing stories. The tabloidization of politics also reveals new opportunities since important issues and debates

⁴⁴ Ehrke M. “Magyarországi nyugtalanságok – A közép-európai csatlakozási válság szimptomája?” (Hungarian disorders – symptoms of Central-European accession crisis?) available on www.fesbp.hu, downloaded on 02.17.2007.

⁴⁵ Kopint-Tárki. *Economic Trends in Eastern Europe* Budapest: Tárki, 2007, No. 1. May.

⁴⁶ OECD: *Economic Surveys. Hungary*. Paris: OECD, 2005.

⁴⁷ Angelusz R., Tardos R. “A választói tömbök rejtett hálózata” (The hidden network of electoral blocs) in Angelusz R., Tardos R., eds., *Törések, hálók, hidak* (Cleavages, networks, bridges), Budapest: Demokrácia Kutatások Magyar Központja Alapítvány, 2005, p. 65-160.

can be easily overshadowed by 'breaking news' stories such as the striking of the cordon around the Parliament by the opposition on the very day when talks about reforms started.

However, it is not only the media we should blame for presenting only political shows. The political elite itself does not take on the charge of communicating with the public. Even when they sense the need for explaining themselves they only do so in their own surrounding – one of the most striking feature of the Prime Minister's Öszöd speech was the difference between the message communicated towards fellow members of the party and the message offered to the electorate. This is what Ilonszki and Lengyel⁴⁸ called "*double speech*" that differentiates the contents of communication within the elite from that between the elite and society. This double speech and imprudent elite mentality is constituent factor to the spiral of promises, as it opens up the possibility of leaking or denouncing.

Conclusions: Hungarian Lessons about Democratic Elitism

An important deficiency of the actually functioning Hungarian institutional mechanism is the lack or weakness of anchors binding masses and the political elite. Democratic institutions that could act as anchors do not function properly. In case of the parties being vaguely regulated and monitored, party finances lead to corruption and widely spread norm-breaching behaviour. Another weak point is the insufficient regulation of incompatibility (accumulation of local and national mandates) and public vs. private interest harmony (only rich can finance parties and this leads to interpenetration of economy and politics).

In order to bridge the lack of anchors, mediatization and tabloidization takes over in politics, toting up a spiral of promises, which leads to budget overspending in times of campaign. Heated populism and heroism in rhetoric finds a fertile ground in masses, which – in the context of deficient anchors – are looking for alternative channels to relate and react to politics. The elites, especially leaders, gain a prominent role in this process. Yet, they do not recognize that belonging to the elite does not only provide positions in the decision-making structures, but also requires appropriate behavioural codes. The virtues of a statesman should manifest themselves in an unambiguous rejection of the phenomena threatening the democratic institutions, readiness to compromise in the interest of strategic goals and public welfare, and cherishing elite consensus in promotion of the fair-play rules of the political game. In the Hungarian case, firstly, it would mean opening space for the transactional leadership.

On the basis of the above country specific diagnosis, we can also identify some *shortcomings of the elite theory*. First, it does not properly take into consideration the actual structure of the elite but regards it as a political construct

⁴⁸ Ilonszki G., Lengyel G. *op. cit.*, p. 13.

of equals. A realistic weighting is necessary in order to measure the different influence of political, business, media and other elites. Moreover, not political leadership as such but also different types of leadership need to be addressed.

In communicative democracies, the role of media also increases. It is vital that media leaders and politicians pursue the principles of their professional ethics and find common grounds to resist to populist parlance, which takes democratic oxygen out of the public discourse. The 'work-logic' and style of the second generation of the post-communist politicians (as the optimum actors in democratic elite theory) is also different from their predecessors', as they not only learn the profession from the previous generations, but also bring their own new symbolic, material and intellectual resources. Thus, institutional, structural and behavioural innovations taking place on the elite level should be brought under serious analysis. The underlying presumption should be that the elites are more likely to take into consideration long-term social interests if elites are socialized to self-restrain and consolidated behavioural patterns.

The democratic elitism overlooks the richness of institutional variety. It takes for granted that modern liberal democracies are representative, with the parliamentary parties at the political centre. However, parties may be organized and the accountability of governments may be assured (or not) in different ways in different countries. These are either legacy, political tradition issues. They also follow from concrete institutional design, constitutional exercises and real decisions. We claim that it is difficult to prove that legacy really matters as a kind of political cultural explanation. We argue that the political rhetoric, routines and working mechanisms are shaped by peculiar institutional combinations.

The democratic elitism neglects the difference between the political elite as a group and the political leadership (individual personalities). In democratic elitism the role of a leader is somewhat connected to the structural characteristics of the elite, but we claim that it is more than that. In addition to the elite structure, it is important to pay attention to the elite behaviour. The structure of the elite is broad enough to cover up diverse behaviours and styles. After all, elites have always been characterized by the duality of consensus and competition, and when attention is focused on behaviour and working mechanisms, transitions may be better perceived. Early post-communist national elite settlements may also be varied and be only the stage-set or a detail of a broader international long-term change.

These elements (indeed block issues that contain several elements in themselves) appear in a kind of negative synergy in the actual Hungarian case (and in some other post-communist countries). After more than 15 years the emphasis in research should be placed on the elite behaviour and elite's institutional patterns because these characteristics appear to deepen problems of the post-communist development and give rise to populism. Although, the EU economic convergence problem in Hungary triggered that crisis, endogenous factors are amply sufficient to explain its development and depth. That again contributes to the validity of the elite-centered analytical approach.

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