

THE TUNNEL AT THE END OF THE LIGHT: THE CRISIS OF TRANSITION IN HUNGARY

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AFTER ACCESSION: STRAYING INTO THE LABYRINTHS OF THE WORLD

Back in 1990 Hungary was seen as the most promising east of the Elba. After the *annus mirabilis* of 1989 the country was expected to set an example for the other countries in transition in the entire region of former Soviet satellites. After nearly two decades, the question has been sharply raised how did Hungarians manage to make such a mess of it all? Why Hungarians failed to retain and capitalize on the initial advantage and positive evaluation that it had at the outset? This is also the question asked by *Publius Hungaricus* in the columns of *Index*¹, by intellectuals, students, workers and politicians throughout the country and, not only in Hungary. Outside its borders in London or Brussels, and in the new member states that Hungarians once spoke patronisingly about (like Slovakia, Romania and even in EU candidate Croatia), the same question is being raised.

“I am concerned for Hungary,” said John Palmer² in a conversation in the summer of 2006, months before the autumn riots. “What’s happened to all of you?” asked Zarko Puhovski,³ with honest curiosity and sympathy at the Savaria International Summer University in the summer of 2007. The list of examples could be extended, but up until now, no clear answer to these questions have been forthcoming, and as long as there is no answer ... there is no way out.

The deterioration itself was neither sudden nor unexpected – to be sure, there were and are people who sounded the alarm, but their voices were not strong enough and did not crystallize into a coherent critique or lead to wider social discourse in search of solutions. This is primarily a symptom of the weakness of civil society and democracy.

Our assumption is that not only the economy but the political class and society are facing severe crises which need to be addressed. Without an adequate diagnosis it is difficult to prescribe the necessary therapy. This therapy is not going to be an easy cure. Complex, comprehensive social, economic and political problems, which swell into a crisis, are unlikely to succumb to charlatan tricks or magic spells. No one can deny that Hungarian society made a poor showing in the first four years of EU membership. The reasons for the series of failures and the accompanying bad conscience have never been systematically identified. The institutional structures and the service-providing system of the one time party state have been left, essentially intact or undergone only cosmetic surgery to make them fit the style of the new era. In so far as they were subjected to radical reform, by one or another of the new governments, this took the form of pseudo-reforms or dictatorship without consensus or social support. The outcome was either a rapid regression to the original state of affairs or a scene of raging reform which also caused the present cluster of pathological symptoms.

Hungarian society and the political and economic class, who now have a democratic mandate to lead the country, were largely (and still are) unprepared for deep European integration. Instead of trying to understand and utilize the new opportunities opened up for the society and the Central European region as a whole, they carried on where the party state had left off. Regrettably, there were many areas where this proved possible. Few valid answers were found to the challenges and problems of globalization as well. The ineptitude and passivity of the media and the political class did not help to submit the possible answers to the challenges of globalisation to open public debate. Various disintegrated segments of Hungarian society stand helpless, baffled, increasingly frustrated and sometimes shamefully and with rage, the jumbled mess of phenomena surrounding the robust processes of European integration, globalization and social and economic transition.

The only exception to this general frustration is constituted by a narrow economic and financial elite, which has shown no long term vision for the sake of the country as a whole. They have clearly not even come to appreciate how crucial, indeed, inevitable, it is to take social responsibility, even though this is becoming an ever more inalienable part of the day-to-day activity of any self-respecting multi-national company. The thought of partnership

between the Prince, the Merchant and the Citizen has failed to touch the Hungarian political and economic class to any significant depth.

WHAT HAS HAPPENED TO YOU, HUNGARY?

The Merchant and the Prince in Hungary:

The Troubled Relationship between the Market and the State

Analyses of the transition process resounded with the theme of successful transition to a market economy. Behind the macro-economic indicators that bespeak the rapid and successful establishment and functioning of the market economy we find micro-worlds which are far less successful, often struggling for survival or already crumbling apart.

The economic, political and social transition processes of the last two decades, far from being in harmony, clearly have a detrimental rather than an enriching influence on each other. These processes will never become harmonised just by themselves in a natural fashion. The worst obstacle of a successful transformation is that the chief actors, such as the government, the market and the representatives of the society. The Prince, the Merchant and the Citizen⁴ do not show the necessary commitment, competence and determination to create a new, effective type of partnership.

The behaviour of economic actors is characterised by a particular dichotomy. The somewhat utopian expectations of the reformers of the 1980's did not come to pass. Competition was expected to create a completely clean market. It was believed that there would be no monopolies and that there would be an end to incomes which were not based on actual production in the marketplace.⁵ Nor was the way cleared for the development of small- and medium-sized enterprises. Beyond suppressing performance and fostering corruption this had other drawbacks – it caused a general loss of perspective, disappointment with the entire transition process and a feeling of “nothing will ever change here”. Instead of liberating, it suppressed creative energies or channelled them into the grey and black zones of the

economy; it made the figure of the businessman in small and medium sized enterprises a character type devoid of dignity, a synonym of the unviable and the helpless of the “looser”. Hungary did introduce the legal regulations inevitable for the functioning of the market economy but the ethical norms which characterize well-functioning and successful market economies were not even introduced into the debate. To use the words of Ádám Török, this was the beginning of a kind of race. ‘The regulator of the market (i.e. the state) can sense that norms are being compromised. Thus, for example, the spread of tax fraud, the deliberate suppression of quality standards, fraudulent contracts and unmet deadlines for payment are causing the state to introduce stricter legal regulations and ever newer fiscal and administrative burdens on entrepreneurs. This in turn further worsens the ethical conditions of the economy, which goes on to provoke yet another wave of strict regulations, and so on.’⁶

Undermining small- and medium-sized enterprises and favoring multinational companies is equivalent to blocking development of market forces directly contributing to internal capital accumulation, preventing the country from coming up to standard and halting the engines of social and economic cohesion. By tightening up already strict regulations, by widening the gap through which an already uncontrolled and uncontrollable and still growing state bureaucracy and tax authority can interfere, only inspires further breeches of the law by undercapitalised entrepreneurs already struggling under a sense of threat. What is worse, these kinds of conditions sap the enthusiasm for enterprise altogether.

The causes for such a state of affairs cannot be blamed merely on the difficulties transition and chaos of the transition period, the fact that changes were unexpected, or on the forced orbit that globalization or European integration prescribed for this country. Lack of understanding the complexities and interconnectedness of transition, globalization and integration is a neglected factor in this failure. The nearly twenty year apprenticeship has only proved sufficient for the Hungarian political class to move from a condition of ignorance to one of semi-competence, states Publius.⁷ Indeed, there has been a conspicuous lack of the kind of creativity and intellectual capability, the kind of originality and social and institutional innovation which are inevitable for the successful completion of such a grand scale transformation. Problems cannot be remedied by shifting from the teachings of Marxism,

distorted as doctrines of Soviet-type political economics, or from the practise of surrealistic command economy, toward the uncritical acceptance of a neo-liberal ideology and the dogma whereby “the market will take care of everything.” Equally unfruitful is the Kádárist attitude of “let’s pretend we introduce reforms and then the rest will take care of itself.” Dogmas will not help us understand or transform reality nor create inspiring visions. The bumpy road from “scientific socialism” to “scientific capitalism” turned out to be a dead-end road.

Democratic Deficit: The Citizen Looses All

In any place where the rift between the external, institutional forms of democracy and its inherent content is permanent and still growing, democracy is in crisis. This is the situation that has arisen in today’s Hungary. An increasing portion of people, citizens of the Republic of Hungary, think that the operation of democratic institutions does not serve their interests. Consequently they do not trust these institutions, nor the politicians who directly operate and control them. Under the given conditions, they do not participate, nor wish to participate, in the debates and actions of the public arena. A widely shared, public opinion is that, apart from a very few exceptions, members of the political class are motivated by their own financial and power interests instead of acting for defending and enhancing the public good and that they, the citizens, do not have enough power sufficient to influence them. A growing number of Hungarian citizens either view the present form of democracy with fear, frustration or apathy, unable to identify with it at all– their sense is one of *being abandoned*. This is a special fear of freedom and continues into a fear of poverty, which we could call a *freedom-poverty syndrome*.

The experience of freedom mingled with frustration and fear was not ameliorated even by EU accession in 2004. The *de facto solidarity of the European Union has diminished noticeably* toward the former Eastern block countries. To a great extent this was caused by the characteristics of a Big Bang type enlargement. Beyond striving to keep the costs of enlargement as low as possible, subjective factors such as the generally uneasy atmosphere of core European countries also created an unfavourable context for deepening enlargement and

worsened the chances of the process becoming an issue for wider societal concern. Even in the mature democracies of Western Europe, the deterioration of the welfare state and the foregrounding of the negative impacts of globalization, such as increasing illegal immigration, fear of terrorism, etc., have caused an upsurge in inward looking and xenophobic attitudes and a loss of interest in the ‘new democracies’. This means that only a few years after Eastern enlargement, the paradoxical situation emerged whereby the rift between East and West of Europe, which was expected to disappear both in the social and the social psychological sense, seems to be widening.

Democracy Cannot be Built with the Politics of Hatred

“The wickedness of my enemy releases me from any moral restraints – against him I would ally myself with the devil. Any means are justified to prevent him from gaining power because if that happens we are finished, everything is finished that is good and worthy.” In this spirit, the political opponent is not a player seen through the rules of the democratic game, but rather as a total enemy: it is “us or them”. No search for consensus, no self-reflection, no insight. The politics of hatred and exclusion is the politics of losers. The fact that in today’s Hungary two opposing political camps can only speak the language of mutual exclusion and the moral annihilation of the other is the most glaring evidence that between them they have lost the future. With a loser’s consciousness the best-case scenario is prolonged trench warfare a negative sum-game in the over-heated atmosphere of artificially generated passion. Because of the permanent state of irritation in the public domain, Hungarians are losing sight of the *greatest loss: the general weakening of society in all respects, the deterioration of its faith in itself; the failure on behalf of all society to take advantage of democracy, freedom in the European arena.*

Even if the sense of accumulating loss is not conscious on a day-to-day basis, it lurks in a permanent sense of frustration, doing its harmful work in the collective subconscious of society. Beyond the sense of being abandoned, Hungarian society feels trapped. Society is frustrated by a self-destructive sense of helplessness, and aggression and apathy are only

enhanced by the fact that society sees no way out of the present situation in the near or distant future.

Social cohesion and integrity is at an absolute low point in Hungary today. Besides the fact that the middle-class is weak and powerless, this weakness has many other components, but two of them tower above all the others. As the gates of freedom open wider and the challenges of globalisation and European integration shed light on the truth, the *lack of knowledge and competence* appears more shocking than ever, as does *the lack of a sense of responsibility that should flow from belonging to a community*. In other words, besides a *democratic deficit* Hungary now has to reckon with an *intellectual and a moral deficit*, as well.

THE REPEATED FAILURE TO LOOK IN THE MIRROR

Since looking in the mirror did not take place at the moment of political change, Hungarian society has not had the experience of democracy and freedom associated with 1989. The old and new political powers did not deem it necessary to lay the ethical foundations for a Third Hungarian Republic and for Hungarian democracy. The society and, within that, the embryonic forms of a potential civil society had neither the strength, nor the experience, nor the culture to force such an act. *Thus, the process which came to be termed the democratic transition was nothing more than the transfusion of the thought and behaviour patterns of the past regime into the world of democratic institutions.*

If a society is unable to imagine that it can break out from a situation which is detrimental to it, it will never overcome that situation. For such a "vision" to come true, a society must be able to visualize itself as a political community. Without this vision it cannot make a success of the *res publica*, the affairs of the public.

Today the Hungarian Republic has become in many ways a formality, an empty shell, which owes more protection, legitimacy and content to the EU's boundaries and institutions than to the sense of responsibility, commitment and mutual solidarity of its citizens. The worst

absence is that of the *common good*, which in a dictatorship is declared from above, but after the dictatorship is over should be re-formulated by democratic means. This is something that was lost in the fervour of the redistribution of power and wealth that continues today. Instead of building a *common good*, the *common bad* has been accumulating during the past three decades – something that everyone can see and feel, smell and touch but which no one is willing to take upon themselves. In fact dismantling the *public bad* requires collective action and identification as much as the construction of the public good. The two are inseparable.

Hungary, similar to other countries in the region, is now in a danger zone, in a borderline position. In a liminal state, as Elemér Hankiss put it, “Central and Eastern European societies have grown far too entangled with their own problems. Their short-sightedness causes them to stay blind to the wider context”.⁸ Amid the chaotic conditions of liminality, the pressure to create a new order may bring about the disintegration of society and cause “distortion in its members’ mental structures and patterns of behaviour.”⁹ “The society in question may sink into such profound crisis that regeneration comes only after a long time and at the cost of great difficulties, and only if the society is willing to undergo rejuvenation.”¹⁰

Hungarian society may irrevocably lapse into insignificance and disintegration unless the dangers are comprehensively recognized on a broad social scale. This needs to be followed by active programs, like the genuine renewal of institutions, of economic behaviour, the behaviour of political parties and civil society networks.

FROM DIAGNOSIS TO THERAPY – WAYS OUT OF THE CRISIS

It is Hard to Make Progress without a Competent Political Class

The political class has used up the last crumbs of credibility by giving contradictory, sometimes confused and even anti-democratic responses to criticism and pressure from the street – both in forms of violent riots and peaceful demonstrations. Equally harmful was the series of measures they termed “reforms”, which were forced onto the population without

social consensus or solid professional foundations. As social and economic indicators worsened and the horizon of the future darkened and discontent with politics grew worse and worse, the majority of the society was pushed into hopelessness with the loss of perspective.

The inability of the political class to sustain dialogue either within its own ranks or with the wider society has deepened the seemingly unresolvable crisis. One of the reasons for the conspicuous spread of anomy is that arbitrary decision-making, cynicism and incompetence are coupled with disdain for society and a tendency to abandon it. The spirit, or rather the lack of spirit that permeates the political class, is typical of a lumpen development and can in no way be seen as a passing symptom or a childhood disease of the transition phase.¹¹

Today the case is not that simply anyone in possession of political power can acquire economic power and influence. It is rather the reverse: entrepreneurs who had unexpectedly grown rich buy themselves political influence in the shape of voters, even in entire areas of the country. Instead of keeping this a secret, they proudly boast of the success of their tactics. The civil population has every reason to feel helpless when faced with the massive slide toward an essentially mafia-type of structure and the general deterioration of the standards of public life. The process inevitably affects local governments, the media, the industrial chambers, the regional councils and also the world of NGOs.

Faced with such a degree of anomy, citizens socialised in paternalism are likely to either go into complete resignation or, if there is no one to support them, into the acceptance of protection from one or another of these invisible, but highly effective, interest groups.

In the countryside, local oligarchs and their subcontractors employ excellent strategies to manipulate different levels of politics. Even the soundest decision, with the broadest professional consensus, may be annulled (and often *is* annulled) by a last minute telephone call or the simple refusal of approval by a “strong man” or the almighty head of the rather hierarchical political power. The various versions of the Eastern European type of feudalism are proving to be highly fit for survival and proliferate in a number of varieties.

The increasingly oligarchic nature of political parties has led to the emergence of a hierarchic and impenetrable system of mutual political dependency which easily repels any external or internal criticism, any initiative at purification or renewal. The oligarchs themselves use the politically correct EU-conform rhetoric of reform, dialogue and renewal, so they are not easy to contest on the level of simple everyday discourse. Nor do we see much determination to contest them either on behalf of the centralized or the commercial media which has its own affiliations to respect.

The new Eastern European democracies which emerged after 1989 soon received the epithet of "feckless" democracies.¹² Today even those political analysts who were most enthusiastic at the time of the transition are talking of a semi-democracy. The less sophisticated everyday actors use a clearer language: they don't believe that they are living in a democracy or that the question even deserves attention.

Lost in the Past and Trapped by "Success":

The Intellectual Conditions Required for Renewal

Intellectually, Hungary has also become increasingly marginalised and diminished in significance since the transition. Its leaders have grown too infatuated with the real or imaginary success of Kádárism, forgetting themselves as they identified with the role of the most developed, competitive and open country of the region. This belief, which soon became a platitude, was also fuelled by the Western media which saw Hungary as a *wunderkind* of the region. This view held fast throughout the 1990's. There was only one shortcoming but that a rather significant one: the environment in which one-time Soviet block countries need to compete has undergone a complete and radical change. The techniques, methods and institutional behaviour patterns, decision-making mechanisms and ways of communication which proved successful at the time of the collapse of the party state no longer apply under the circumstances of global and European competition and cooperation.

Lost in dreams of its real or imaginary past glory, Hungary has remained an inward looking, single language country. A period of nearly two decades has proved insufficient to reform the

education system and render it instrumental in a wider process of catching up. The country's system of higher education remains unattractive and undesirable to both foreign and domestic students, and has failed to offer grants to its own students to the leading universities of Europe and the wider world. The country has no one to blame but itself for its loss of position in this important field. The present political class fails to even sense this responsibility. It is, therefore, no wonder that Hungary reflects a low intellectual standard, becoming the veritable incarnation of deterioration in quality. How can the country grasp the true meaning of creating and transferring knowledge, the connections between research, culture, learning, foreign languages and high level communication with the rest of the world, or the primary role that these factors play in the life of a nation in transition that has to prove its worth in terms of knowledge-production and reproduction?. Institutions (that are responsible for knowledge and learning) do not align their policies or co-operate with each other – their life is one of sad vegetation within the frames of constantly narrowing budgets and an apparatus which tends to align itself with the political leadership. Apart from a few exceptions they show neither initiative nor reinvention nor renewal in the intellectual or the institutional sense.

Universities are feudal relics, living museums of a distant and recent past. They lack long term strategies; they do not build networks inside or outside of the country, although they talk a lot about this inevitability; they are less and less able to create, apply or demonstrate excellence.

Formulating, introducing and executing strategies to breaking out of this trap requires courage, consistency, long term thinking and also unbeatable knowledge, razor sharp thinking and brilliant talent. It is commonly held among the ranks of our political class that a political leader's or minister's job is not to be knowledgeable about the field they manage – it is enough to be good at communication and co-ordination and to leave the rest to experts. The questions that remain are: who selects the experts, and on what basis? and who can hold them professionally and ethically responsible? If the head of an institution or a ministry does not command respect through his or her expertise and intellect, the institution becomes insignificant. In Hungary, experts are nominated to their posts not according to genuine

knowledge or expertise, but rather according to party affiliation and political loyalty. This is how Hungary has remained what it always was: a land of missed opportunities and decisions, confused, chaotic and mostly pseudo-reforms which are first introduced and then arrested, a land of endless bargains and lobbying based on narrow power or personal interest in the background.

The reason why higher education is salient in the present crisis is that this is the arena where the politicians, teachers, managers, experts, communicators and investors of the future will come from. Their understanding of the world, their standard of ethics, their networks, their ability to speak foreign languages, their devotion to culture and quality – or the absence of these – will have a decisive influence on the future of this country over the long and even the short term.

A country which lets its knowledge capital erode, sets its culture on a path towards obscurity and loss of self-confidence. *One of the most important elements in the therapy of a sick society is to restore the prestige, the infrastructure and the wide access to knowledge, information and learning. If a country does not value and nurture its human treasure, that treasure will disappear. Before radical reforms, here, too, is needed a radical change in attitude towards an understanding of the conditions necessary for a successful future.*

Facing Up to the Past:

A Prerequisite for the Ethical Foundation of Democracy

After facing squarely the status quo and drawing the resulting conclusions, as well as appreciating and enriching the country's human treasure, a third, crucial element of therapy is to *face up to the past*. Unless this takes place, there is little chance that the age-old psychological reflexes of division will ever be resolved, or that trust will be restored within society. And without a stock of mutual trust there is no civil democracy and no long-term cooperation based on the long-term vision of interdependencies. People in leading positions cannot be open to bribery in any areas of public life and decision-making whether in the media, politics or public administration. This means that coming to terms with the past is not

an emotional or moral issue but a necessary pre-requisite for laying the ethical foundations of democracy and the public good. Without ethical foundations, consensus can never be reached on the effective operation of basic institutions and the main pillars of democracy. This leads to shrinking legitimacy and a permanently worsening position in the ranking of democracies, as is indicated by the most recent data regarding democratic indicators.¹³

The argument whereby “we should have done it there and then, it is too late now” is an unacceptable example from a wide repertoire of dismissals. The situation is precisely the contrary: *this may well be the time* for a thorough and circumspect, balanced processing of the facts free from fears and passions. Today we can see the destructive effect of revealing the past drop-by-drop according to particular interests (the network of secret police agents, informers and their “keepers”). The chief message of this strategy of disclosure is that *the country is not the master of its own past*, and therefore is unable to digest and come to terms with it. This way people become entangled with the past over and over again, inflicting more wounds and failing to heal the ones. From an insecure past there is a straight path leading through an insecure present into an insecure future. Keeping people in uncertainty is the tried and true method for undermining competence and destroying dignity.

To be sure, facing up to the past means much more than gaining access to secret documents and networks. It is a collective act which inevitably entails some pain and conflict. Without this, however, there can be no catharsis, society will not gain self-awareness and even less will it find itself or capitalize on its energies as a 21st century community in favour of itself and the wider European and global community.

Making a New Start

“Inside us there hides a lovely country/ Like a deer in the shady bushes...” wrote Endre Ady almost 100 years ago, adding, “and the bloodhounds are watching.” We have survived the horrors of those hundred years, the world wars, the bloody revolutions and counter-

revolutions, the purges and assassinations, the retaliations and the deportations; we have officially returned to Europe, why are we still concealing whatever is lovely about us?

The bloodhounds of the 20th century are mostly dead or slowly dying. The dangers that menace us today are inside us. It is time to face up to them, to start believing in ourselves and find the way out of the bushes. But is there really a lovely country presently concealed in the shady bushes waiting to come forth?

I am convinced that the answer is yes. But for this to occur, we must cure what Arthur Koestler called the “collective neurosis” of being Hungarian. Perhaps the most worrying organic malady of this society is that over the past twenty years, when it was no longer impeded by external forces, it remained unable to adapt effectively to global or European patterns. It failed to adopt the guiding principle of openness, many-sided partnership and co-operation, the organising principles of networking and decentralisation. This shortcoming was already noticeable during the long decade of accession but became particularly grotesque after May 2004. It is beginning to look as if our futures are tied to a supranational organization whose operation, goals and most exciting opportunities do not really affect or interest us at all. One of the most extreme and harmful examples was the failure to replace the thousand-year-old county system with an efficient system of regions as genuine administrative and decision-making units and in this way expand democracy and decentralisation.

Instead of correctly appraising and taking advantage of the opportunities for development and improvement offered by globalisation and European integration, as Austria, Finland, Ireland, Sweden, Spain and Portugal did and continue to do (once the Northern, Southern and Eastern peripheries of the European centre), Hungary sees itself as the victim of these robust processes. This failure is due not so much to technical shortcomings such as poor communication, shortage of information or the difficulty with speaking foreign languages etc., but to a false and archaic national self-image or national pride which has its eyes turned towards past times, chasing the chimeras of this past in the present while connection to the reality of everyday life becomes more and more atrophied and one-dimensional.

Up until now, every significant political and social actor has evaded the task of facing this problem, and this is particularly true of intellectuals. The existing "alternatives" serve to cover up rather than to solve the problem and this way the political forces that represent these alternatives form part of the problem not of the solution. On the one hand, we see a governing coalition which, undeservedly, calls itself social democratic although their war cry is "everything is for sale, the market will solve everything, let's raze to the ground all earlier structures and institutions which cost money instead of producing it". They now turn on their own earlier populist policy which meant a decade of procrastination and a wasteful scattering of assets and promises (without accounting for them). In an effort to put into practice the nightmare of neo-liberalism they destroyed everything in their way. Thus it becomes clearer every day that in this game society was not dealt any cards – the citizen is free to assist, to protest ("they'll get tired of it before long") and of course to consume (and swallow).

The alternative offered by the other side of the political palette presents an archaic vision of Hungarianness which is historically false and harmful in the political sense. Today this is coupled with another potentially totalitarian misconception according to which there exists a single, correct, homogeneous, white and Christian European value system which, after a short period of confusion, is finally focussed on the national communities and the family. Today we are witnessing the struggle of these two politically biased, socially destructive and culturally undermining world views, using weapons of ideological slogans, election promises, campaigns aimed at demonising the opposite camp, substitute actions with the media as a scene, indoctrination talk shows and NGOs organised from above. The situation is further complicated by the fact that the EU which only recently embraced Central and Eastern Europe is itself struggling with a number of crises and is itself in need of reforms rather than being in a position to solve the reform problems of new member states.

Naturally, both the overly globalized and the archaic ideology contain some realistic elements, particularly in the field of criticism concerning the opposing camp. Neither of them take us any closer, however, to the emergence of the democratic political community, in the sense of *politeia* and *demos* which could become organically integrated into the progressive mainstream of Europeanization and globalization. A relative autarchy may be devised and

sustained for limited periods of time by countries on the scale of Germany, Turkey or Russia, which rely on energy and natural resources or internal capital accumulation and/or a high level of skilled labour. Mutual dependence, vulnerability and fragility are becoming ever more apparent even in their cases. It is no accident that the European Union as a collective pooling of sovereign units remains so attractive to non-members despite its crises and adversities. Hungary, however, does not even boast the above relative advantages. In this case, therefore, it is even more crucial to put in place more efficient forms of society, public administration, governance and to attain political consensus.

In the 21st century the central principles informing social organisation and governance are *network and collateral organisation*, permanent flow, the integration of a growing number of people in local, regional and supranational decision-making, of interdependence, it is impossible to break out of the present situation. Hungary needs to accept, understand and learn to apply these principles in order to preserve and present its deepest culture, values and traditions.

This may well be the heaviest price and the price most difficult to pay for the years lost, for the ever-growing ineptitude and the resulting tensions and failures. To break with the paternalistic, authoritarian traditions and short-sighted visions of Kádárism and other, earlier forms of feudalism, to stop the habit of placing short-term individual self-interest above all else and protecting it to the infinite, to break resistance to long-term thinking in broad perspectives (“what’s the point, we’re not the ones to decide anyway”), to break with the culture of unreliability, pretention, miscommunication, false facades and deliberate suppression of achievement – these are all tasks waiting to be done. Hungary won’t get far with the muddling through mentality of “we’ll survive this, too, somehow, like we survived everything else”. What it does lead to is the emergence of a lasting divide within the EU of centre and periphery, to structural dependence and subordination. This way Hungary may stake out its own long-term position.

The relationships between the Merchant, the Prince and the Citizen, as well as of the “Trickster”¹⁴ who stands between them – the media – also need to be reconsidered and

reformulated. This is a challenge which urgently demands answers on all levels of governance, economic and social life. This must be done in the frames of local communities, and on the regional, the European and the global levels.

Nearly twenty years after the political turnabout, *Hungary now needs a new social contract* and must lay down the ethical, political, institutional and intellectual foundations for its 21st century democracy. There is no chance for a stable democracy unless it is built from below. It is, therefore, inevitable, that profound changes take place in the attitudes, consciousness and behaviour of society. Democracy needs debate, increased self-confidence and a thorough consideration given to the common affairs. The forms, frames and means of democracy need to be based on renewed and increasing social participation, many-sided discourse, and an open and constant search for consensus. This is a time-consuming process, particularly as the troubles have accumulated and been left untreated. After gaining conscious awareness, the process of self-therapy can begin.

Hungary needs a new reform age. Facing up to the facts and the resulting process of self-therapy may be aided by spontaneously organised forums or increasingly rich networks of civil society, and enhanced opportunities for communication. *Even so, the emergence of a new social consensus is a complicated and difficult task that cannot take place without profound insight, tireless efforts at alignment and a genuine openness to compromise.*

Notes:

¹ Publius Hungaricus published the paper at <http://index.hu/velemenyt/jegyzet/feltud070321/>

26 March 2008, entitled “*The semi-knowledgeable Hungarian elite*”.

² John Palmer is the head of the influential think-tank the Centre for European Research based in London.

³ Zarko Puhovski is a philosophy professor at the University of Zagreb.

⁴ Formulated by Marc Nerfin in 1986.

⁵ For more details, see Ádám Török, “Gazdaság Kelet-Közép-Európában” [The Economy in Central and Eastern Europe], 1990–2006. *História*, 2007, No. 4.

⁶ Ádám Török. op cit.

⁷ Op cit.

⁸ See Elemér Hankiss, “Transition and Liminality: Possible interpretations of the transformation processes in Eastern Europe,” *Eurozine*, 2007 July 26, <http://www.eurozine.com/articles/2007-07-26-hankiss-hu.html>

⁹ Ibid.

¹⁰ Ibid.

¹¹ See Jody Jensen’s analysis of October 23, 2006: *The Social Costs of a Lumpen Political Class: Righteous IndigNation*. <http://www.talaljuk-ki.hu/index.php/article/articleprint/812/-1/18/>

¹² See, e.g., Marc Morjé Howard, *The Weakness of Civil Society in Post-Communist Europe*. Cambridge: Cambridge University Press, 2003.

¹³ According to *The Economist*, Hungary is a flawed democracy, and ranked 38 in the world. Laza Kekic, „The Economist Intelligence Unit’s index of democracy,” in *The World in 2007. The Economist* (2007).

http://www.scribd.com/full/334544?access_key=4b7j9i83zecbp.

¹⁴ For the theoretical elaboration of the relationship between the four big players, see the excellent dissertation by Jody Jensen, *Globalizing Governance in a Multistakeholder World* (Budapest: Corvinus university, 2008).