

**The Hungarian Presidency of the Council of the EU:
A different perspective on the European priorities**

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On July 1, 2024, Hungary took over for the second time the Presidency of the Council of the European Union (EU) amidst a period of, as it was said by the Hungarians officials, “extraordinary” circumstances and transitions. At a press conference outlining the six-month agenda (July-December 2024), Minister of European Affairs János Bóka emphasized the challenges presented by institutional transitions within the European bodies following the recent European elections, the effects of the ongoing war in Ukraine, global competition, security vulnerabilities, illegal migration, climate change, and the demographic decline in Europe.² But, as we will see in, all these “challenges” might have a different meaning for Budapest - one which brings up different ways of finding solutions – with the symbol of Presidency, the Rubik cube, being just one demonstrative sign for reshaping policies.

The Rotating Presidency of the Council of the European Union

The Presidency of the Council of the EU rotates among Member States every six months. During this period, the presiding country chairs meetings across various sectors (e.g., Internal Affairs, Foreign Affairs, Economic and Social Affairs, Agriculture, Health, etc.), ensuring continuity and progress. The Treaty of Lisbon (2009) established a trio system, where three countries work together over 18 months to set long-term goals and a shared agenda. The current trio consists of Spain, Belgium, and Hungary. Their objectives include enhancing the EU’s global competitiveness, ensuring an inclusive green and digital transition, and strengthening resilience.

“Make Europe Great Again”: A different view from Budapest on the Ukrainian War

“The most significant challenge” for the EU, as the Hungarian Prime Minister Viktor Orbán named it in the exactly first day of the Presidency – 1st of July, is the Russian war against Ukraine. For the Orbán administration, in opposition with the common view of the European Union since 2022, “the overwhelming majority of Hungarians are neither pro-Russian, nor pro-Ukrainian, they are pro-Hungarian: this conflict is not our conflict, and we want to stay out of this spiral of escalation” (Balázs Orbán, Political Director for the Hungarian Prime Minister).³ The chief of Hungary’s government went even further saying that “if President Trump comes back, his policy is very transparent: he wants to make peace”, adding that, “he says he can do

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² *It is significant that the symbol of the Hungarian EU presidency is the Rubik's cube*, Available at <https://kormany.hu/hirek/uzeneterteku-hogy-a-magyar-unios-elnokseg-szimboluma-a-rubik-kocka>, accessed on 29 June 2024.

³ *Balázs Orbán to Le Monde: 'The Ukraine conflict is not our conflict'*, Available at <https://abouthungary.hu/news-in-brief/balazs-orban-to-le-monde-the-ukraine-conflict-is-not-our-conflict>, accessed on 30 June 2024.

it in 24 hours... If he can do it in 36 hours, that's good for us too." In this context, it could be seen that the chosen motto for the Presidency - "Make Europe Great Again" sends a signal related to the Republican candidate Donald Trump (whose political slogan was "Make America Great Again") running in the upcoming US presidential elections, but also displays a desire to make Europe "great" by adopting a change in perspective on how should the EU position itself on foreign policy. And, considering the increase of the centre-right and far-right parties in the European elections⁴, the Hungarian Prime-Minister aims to bring forward a new policy perspective for the upcoming institutional change by declaring that:

"We have a great shared love: it is called Hungary. And the reason we are here today is to refill our tank. We need every drop of energy. We will need every drop of energy, because the task ahead of us is as big as any we have ever seen: *we must prevent Europe from rushing into war, from rushing to its own destruction...* Today Hungary is stronger than at any time in the last hundred years. A calm and strong island in the middle of Europe. Inwards cooperation, and outwards unity. This is the secret of success. This is why we still live in peace today. But the crucial question is already banging on our door: Will we give up our peace? To renounce peace is to die for Ukraine. Do we want to shed Hungarian blood for Ukraine? We do not! We shall not go to war, and we shall not die for others on foreign soil. This is the truth of the Hungarians. *And now it is our task, if God allows it, to turn the truth of the Hungarians into the truth of Europe.*"⁵

Therefore making Europe (as) great (as Hungary) seems to be the political message the Europeans will be receiving during the next months. Accordingly, as it will be seen, this paper intends to examine *in brief* the strategic priorities of Budapest in the context of broader elements that could influence Hungary's approach for the leading position of the Council of EU.

Hungary's present role within the EU

Beginning with 2010, when Fidesz came to power, Hungary has sometimes publicly positioned itself with different views, a stance that became more pronounced when the Hungarian government refused to support the EU sanctions against Russia, following the war of aggression against Ukraine.⁶ In addition, little progress towards joining the eurozone has been made despite the government's public commitment, as it was seen that the adoption of the euro would restrict the government's authority over trade imbalances and, ultimately, conduct to Fidesz losing power.⁷ Even though Hungary heavily relies on foreign capital, tensions with Western investors, some of which are being coerced to sell to networks of Hungarian economic elites, are on the rise⁸. As a result, Budapest is turning to Russia and China for alternative sources of financing. While Chinese loans may not be as substantial as EU funds, they offer a buffer and provide resources that can be distributed through government friendly

⁴ Chatham House, *How will gains by the far right affect the European Parliament and EU?*, Available at <https://www.chathamhouse.org/2024/06/how-will-gains-far-right-affect-european-parliament-and-eu>, accessed on 27 June 2024.

⁵ *Speech by Prime Minister Victor Orbán at the "Peace March"*, 1 June 2024, Budapest, Available at <https://abouthungary.hu/speeches-and-remarks/speech-by-prime-minister-victor-orban-at-the-peace-march>, accessed on 10 June 2024.

⁶ Amanda Coakley, *The E.U. Is United Against Russia—With One Notable Exception*, "TIME", Available at <https://time.com/6159342/european-union-russia-hungary/>, accessed on 1 June 2024.

⁷ Bertelsmann Stiftung Transformation Index, Hungary Country Report 2024, Available at <https://bti-project.org/en/reports/country-report/HUN#pos14>, accessed on 12 June 2024.

⁸ *Ibidem*.

networks.⁹ The Bertelsmann Stiftung Transformation Index Hungary Report for 2024 indicates that Budapest was reluctant to accept Western sanctions against Russia, opting instead to strengthen trade relations with both Moscow and China. The report concludes that this approach may be driven more by illiberal political doctrine than by economic rationality.¹⁰ Yet, official scientific standpoints, like the one of the Hungarian Institute of International Affairs, states that the European Union “has drifted in a more centralized direction based on ideological conformity (...) Hungary has a different vision for the EU and has based its presidency objectives on the realities of the EU and the voice of EU citizens”¹¹. One might think that this conformity comes as the unity of the Member States in front of Russian aggressive actions, a reality which Hungary want to confront. But Budapest is no stranger to the ideological path: Fidesz administration has created strong ties with what is it considered in the liberal Occident consolidated authoritarian, transitional or hybrid regimes - like Russia, China, Türkiye or Serbia¹².

Hungary’s Balancing to the East

Hungary’s attempt to balance affiliations between the Western and Eastern blocs is becoming increasingly complex. The Western push to reduce dependency on China and Russia is forcing Hungary towards a decisive stance. Under Viktor Orbán’s leadership, Hungary’s democratic performance has deteriorated in many ways.¹³ The political competition has been reduced, but international and domestic challenges are rising. Officially, he proposes an alternative to the global liberal policy based on international partnerships (EU, NATO, etc.) in the form of economic alliances which do not need shared values or political ideologies. The war in Ukraine has strained Orbán’s policy of balancing Eastern and Western policies¹⁴,

⁹ *5 Facts – Hungary and China – A Multidimensional Relationship*, MKI – The Hungarian Institute of International Affairs, available at <https://hiia.hu/en/5-facts-hungary-and-china-a-multidimensional-relationship/>, accessed on 27 June 2024.

¹⁰ Bertelsmann Stiftung Transformation Index, *Hungary Country Report 2024*, Available at <https://bti-project.org/en/reports/country-report/HUN#pos14>, accessed at 12 June 2024. Also, the report shows that we must not forget that Hungary was one of the most liberal communist regimes in the soviet sphere of influence, and in the early 1990s, Budapest’s “political transition had matured into a functioning and stable pluralist liberal democracy.” Furthermore, in its history as an EU member state, Hungary was a champion in absorbing EU funds. After 2010, though, with the Fidesz sizing the power, Hungary went straight in a new era, developing into a “partly free” country (Freedom House, *Freedom in the World 2024*, available at <https://freedomhouse.org/country/hungary/freedom-world/2024>) or, in other words, a “flawed” democracy (Economist Intelligence EIU, *Democracy Index 2023. Age of conflict*, Available at https://pages.eiu.com/rs/753-RIQ-438/images/Democracy-Index-2023-Final-report.pdf?version=0&mkt_tok=NzUzLVJJUS00MzgAAAGT_H7eVob6aHnFVDzAii6he9c2XG0WJXFPYHI_GDThk5MOM-UsAfm2VEJkn0TmhScuOFOKBNq6wmTJZ_sSaXGaH7cpuz0-sGhPvT8_as3MRP14s2A, accessed on 27 June 2024, p. 50).

¹¹ Ágnes Vass, *Hungary’s Presidency of the Council of the EU: An Important Step toward a Truly Strong Union*, MKI (Magyar Külügyi Intezet) Position Paper, June 25 2024, p. 1.

¹² Jay Rumas, *A Slovak – Hungarian Alliance*, The German Marshall Fund of the United States (GMF), November 08, 2023, Available at <https://www.gmfus.org/news/slovak-hungarian-alliance>, accessed on 12 June 2024.

¹³ Freedom House, *Freedom in the World 2024*, Hungary, available at <https://freedomhouse.org/country/hungary/freedom-world/2024>.

¹⁴ Alexander E. Gale, *Hungary, Russia, the West, and the Rest: Orbán’s Hedging Strategy*, Available at <https://www.globalpolicyjournal.com/blog/05/12/2023/hungary-russia-west-and-rest-orbans-hedging-strategy>, accessed on 10 June 2024.

exacerbated by EU sanctions on Russia and European shared efforts to decrease dependency on China.¹⁵

Divergences with the European Union

Hungary's discrepancies with the European Union include the suspension/expulsion of Fidesz from the European People's Party (EPP)¹⁶, the activation of the Article 7¹⁷, and the requirement to uphold the rule of law in relation to EU funding. The Hungarian government is facing pressure to introduce institutional reorganization due to the country's reliance on European markets and financial assistance.¹⁸

Hungarian Domestic Political Landscape

At home, Orbán maintains a strong hold on power, showed by the 2022 parliamentary elections. But economic crises could further destabilize this control. The inflation in Hungary reached a record high in 2023 (17 %)¹⁹. Despite political moves towards a transitional or hybrid regime, the population remains mostly pro-Western and pro-European²⁰. In order to maintain legitimacy, Fidesz has constructed imaginary enemies, such as immigrants, the pro-European political opposition and LGBTQ+ community, to name a few. But Hungary, as a Member State, while holding the Presidency, should ultimately act as an honest broker and ensure a fair dialogue. In this regard, there are consistent Western academia opinions which state that, because of the drastic former views of the Orbán administration, "Hungary is preparing for a low-profile Presidency", as Dr. András Rácz wrote recently.²¹

The Hungarian Presidency's Agenda: A Renewed Vision for Europe or for Hungary?

The start of the Hungarian Presidency of the Council of the EU is based on the premise that Europe is currently experiencing a series of challenges that are hindering its progress. These include the conflict in Ukraine, issues regarding competitiveness, security threats, illegal migration, the impact of climate change, and demographic changes. But Hungary's strategic

¹⁵ Marcin Przychodniak, *EU Trying to Reduce Dependence on China*, Bulletin of the Polish Institute of International Affairs, No. 35 (2343), 29 February 2024, p. 2, Available at <https://www.schumannnetwork.eu/wp-content/uploads/2024/03/EU-Trying-to-Reduce-Dependence-on-China.pdf>, accessed on 18 June 2024.

¹⁶ BBC, *Hungary: Viktor Orban's Fidesz to quit Europe's centre-right EPP*, 3 March 2021, Available at <https://www.bbc.com/news/world-europe-56250461>, accessed on 12 June 2024.

¹⁷ *European Parliament resolution of 12 September 2018 on a proposal calling on the Council to determine, pursuant to Article 7(1) of the Treaty on European Union, the existence of a clear risk of a serious breach by Hungary of the values on which the Union is founded*, Available at https://www.europarl.europa.eu/doceo/document/TA-8-2018-0340_EN.html, accessed on 12 June 2024.

¹⁸ Council Implementing Decision (EU) 2022/2506 of 15 December 2022. On measures for the protection of the Union budget against breaches of the principles of the rule of law in Hungary, "Official Journal of the European Union", 20.12.2022, Available at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022D2506>, accessed on 17 June 2024.

¹⁹ European Commission, *Economic forecast for Hungary, 15 May 2024*, Available at https://economy-finance.ec.europa.eu/economic-surveillance-eu-economies/hungary/economic-forecast-hungary_en, accessed on 21 June 2024.

²⁰ Bertelsmann Stiftung Transformation Index, *Hungary Country Report 2024*, Available at <https://bti-project.org/en/reports/country-report/HUN#pos14>, accessed on 12 June 2024.

²¹ Dr. András Rácz, *A Political Landslide in Hungary Challenges Orbán's Regime and the EU*, DGAP MEMO, German Council on Foreign Relations, No. 13, June 2024, p. 2.

priorities currently lean towards a politically-driven approach, stating that it could achieve populist goals, like maintaining and developing industries with a big carbon footprint and, at the same time, combating the effects of the greenhouse gas emissions. As the Prime Minister puts it: “Europe should not isolate itself from its economic partners outside of Europe, that European industry should be strong, green and the transition should not take place against European industry, but in cooperation with it.”

In accord with the Programme highlights, the Hungarian Presidency²² will look to maintain stability within the Council and launch the newly adopted *Strategic Agenda 2024-2029*²³. The priorities will concentrate on seven main areas of focus:

- **A new European competitiveness deal:** Improving productivity and competitiveness, addressing economic challenges, and fostering growth through a technology-neutral industrial strategy, open economy, and flexible labour market. In this regard, we must mention that a lot of progress has been achieved under the Belgian Presidency: strengthening the internal market and focusing on greening the industry, the adoption of NET-ZERO Industry Act and Internal Market Emergency and Resilience Act. The programme of the Hungarian Presidency states that the green transition should not be made by sacrificing the industry and the jobs that it assures. The priority of the Hungarian Presidency is to contribute to the process of defining an ambitious, yet achievable, intermediate 2040 climate goal that guarantees that no citizen or Member State is left behind while ensuring the competitiveness and the security of energy supply of the EU throughout the green and just transition.²⁴
- **The reinforcement of the European defence policy:** Enhancing Europe’s defence capabilities, crisis management responsiveness, and resilience, with a focus on the European Defence Technological and Industrial Base. For Hungary it is strategically important that Europe becomes autonomous in the domain of defence because the present security situation is „steadily deteriorating”²⁵, a hypothesis that is not shared by the western chancelleries and the citizens of the EU who feels safe under the umbrella of the EU-NATO strategic partnership.²⁶
- **Pursuing a consistent and merit-based enlargement policy:** Advancing the integration of the Western Balkans, maintaining regular political dialogue, and supporting partner countries in meeting the EU accession criteria. We cannot overlook

²² *Programme of the Hungarian Presidency of the Council of the European Union in the second half of the 2024*, Available at <https://hungarian-presidency.consilium.europa.eu/media/32nhoe0p/programme-and-priorities-of-the-hungarian-presidency.pdf>, accessed on 28 June 2024.

²³ European Council, *Strategic Agenda 2024-2029*, Available at https://www.consilium.europa.eu/media/4aldqf12/2024_557_new-strategic-agenda.pdf, accessed on 30 June 2024, p. 28.

²⁴ *Programme of the Hungarian Presidency of the Council of the European Union in the second half of the 2024*, Available at <https://hungarian-presidency.consilium.europa.eu/media/32nhoe0p/programme-and-priorities-of-the-hungarian-presidency.pdf>, accessed on 28 June 2024.

²⁵ *Ibidem*, p. 16.

²⁶ Athina Economou, and Christos Kollias, Christos, *In NATO We Trust(?): The Russian Invasion of Ukraine and EU27 Citizens’ Trust in NATO*, “Peace Economics, Peace Science and Public Policy”, vol. 29, no. 2, 2023, p. 135, available at <https://www.degruyter.com/document/doi/10.1515/peps-2023-0029/html#MLA>, accessed on 20 June 2024.

the fact that in all the text of the programme of the Hungarian Presidency, the EU enlargement to the East, with Ukraine and the Republic of Moldova, was silently overlooked. But, fortunately, the accession negotiations with both countries began on June 27, under the Belgian presidency, which, furthermore, adopted the 13th and 14th sanctions packages for Russia²⁸.

- **Addressing illegal migration:** Tackling the migration pressure by curbing illegal migration and human smuggling, enhancing cooperation with relevant countries, and improving return policies. Regarding the Schengen area, the Hungarian Presidency will also seek to expedite the completion of the enlargement process, with a specific focus on promoting agreement within the Council regarding the removal of border controls at the internal land borders of Romania and Bulgaria.²⁹
- **Shaping the future of cohesion policy:** Reducing regional disparities, promoting competitiveness and employment, and addressing demographic challenges through a balanced cohesion policy.
- **Farmer-oriented EU agricultural policy:** Addressing challenges in agriculture, promoting sustainable production practices, and ensuring food security and sovereignty.
- **Addressing demographic challenges:** Tackling issues related to an aging society, rural depopulation, fiscal pressures, and the green and digital transitions to enhance EU competitiveness and public finance sustainability.

Conclusion

Hungary's Presidency of the Council of the European Union comes at a critical juncture marked by significant challenges and transitions. The strategic priorities outlined by Hungary aim to navigate through these complexities, focusing on competitiveness, defence, enlargement, migration, cohesion policy, agriculture, and demographic challenges. The success of these initiatives will depend on Hungary's ability to balance its domestic and international obligations, align with Western values, and implement necessary reforms to fully integrate into the EU and achieve sustainable growth and stability.

²⁷European Commission, *Statement by President von der Leyen on opening accession negotiations with Ukraine and Moldova, via video message, 25 June 2024*, Available at https://ec.europa.eu/commission/presscorner/detail/en/statement_24_3461, accessed on 26 June 2024.

²⁸ Belgian Presidency of the Council of the European Union, *Achieving success: highlights of the Belgian Presidency*, Available at https://belgian-presidency.consilium.europa.eu/media/iwnfkuti/achieving-success-highlights-of-the-belgian-presidency_240628c.pdf, accessed on 30 June 2024.

²⁹ Programme of the Hungarian Presidency of the Council of the European Union in the second half of the 2024, Available at <https://hungarian-presidency.consilium.europa.eu/media/32nhoe0p/programme-and-priorities-of-the-hungarian-presidency.pdf>, accessed on 28 June 2024, p. 21.