



New Europe Center
Kyiv, Ukraine



INTERNATIONAL
RENAISSANCE
FOUNDATION

The paper was written within the Think Tank Development Initiative for Ukraine (TTDI), carried out by the International Renaissance Foundation in partnership with the Think Tank Fund of the Open Society Initiative for Europe (OSIFE) with financial support of the Embassy of Sweden in Ukraine.

The views and opinions expressed in this paper are those of the author and do not necessarily reflect the position of the Embassy of Sweden in Ukraine, the International Renaissance Foundation, and the Open Society Initiative for Europe (OSIFE)

Discussion Paper

<http://neweurope.org.ua/>
info@neweurope.org.ua

<https://www.facebook.com/NECUkraine/>
https://twitter.com/NEC_Ukraine
https://t.me/n_e_c

New Europe Center, 2019

HOW TO COUNTERACT RUSSIAN INFLUENCE IN EUROPE: HUNGARY'S EXPERIENCE¹

Sergiy Solodkyy

1. THE GOALS OF RUSSIA

Hungarian researchers are convinced that the “hand of Moscow” factor’s impact on Hungarian politics is exaggerated. Even if such an impact exists, it does not play any significant role in making important decisions. The Hungarian leadership supports their country’s membership in the EU and NATO and supports the EU’s unity in the context of sanction policy towards Russia.

Vladimir Putin’s frequent visits to Hungary, Russian investments in the energy sector of this country, similar positions of Budapest and Moscow on the Ukrainian Education Law, or blocking NATO-Ukraine summits for the benefit of Russia are rather a coincidence of the interests of Russia and Hungary (according to most of the researchers in Hungary, including those critical of the current Government). All the attempts of the opposition in Hungary to take advantage of the issue of Russia’s influence on Viktor Orbán have failed.

¹ New Europe Center would like to express gratitude for assistance in preparing this material to the numerous colleagues and friends in Ukraine and Hungary, in particular to Balázs Jarabik, Győri Lóránt, András Rácz, András Deák and many other specialists who did not want to be identified. This discussion paper was prepared within the framework of the New Europe Center’s project “Atrophy of Trophies. How Can Ukraine Take Advantage of the Vulnerabilities of Russian Policies in the EU?” The work on the paper has been carried out from April 2018 to November 2018.

On the other hand, certain observers do not deny that Russia could make a “localized impact” through its “own” people among the political establishment: Hungary is making decisions that are foremost advantageous to itself (or to Viktor Orbán personally). However, according to those researchers, the Government will not make decisions contrary to the interests of Hungary and only beneficial to Moscow². This is not only due to the factor of political consciousness, but also due to the consideration of social sentiment. In other words, a Hungarian-anti-liberal (anti-liberal sentiment in Hungary is quite popular) is not necessarily a Hungarian Russophile.

However, the fact remains that Viktor Orbán has (deliberately or not) pursued policies in favor of Russia over the last eight years. Obviously, Moscow succeeds in realizing its interests either at Hungarian or international level (through the Budapest's mediation)³. The interests of Russia on the Hungarian direction could be as follows:

- Escalating the situation around national minorities in Ukraine. Knowing how the issue of protecting Hungarians abroad is sensitive to Budapest, Russia could support the instigation of relations around this issue. On the one hand, this creates another zone of conflict, which will require additional political and diplomatic resources allocation by the official Kyiv; on the other hand, it will contribute to the creation of a global narrative on Ukraine as a country where the rights of national minorities (and not only the Russian-speaking ones) are suppressed, which will be also beneficial to Russia.

- Polarizing the NATO and the EU. In the first case, Moscow pursues the goal of halting or reducing support for Ukraine in the security sphere, and in the second case, the lifting of the EU sanctions policy toward Russia. Russia could use Budapest's behavior within these institutions in its own interests.
- Fueling anti-American, anti-liberal, and right-wing anti-migrant sentiments in Hungary. This contributes to the fact that even moderate forces should play by the rules of the right-wing radicals, who allegedly have close ties with Moscow. This, in turn, contributes to the strengthening of anti-liberal trends within the country.

² Jarabik, B., *Putin's Budapest Bargain Is Built on Shaky Ground*, August 28, 2017. <https://themoscowtimes.com/articles/putins-budapest-bargain-built-on-shaky-ground-58768>

³ Kalan, D., *Hungary in the grip of a bear hug*, ECFR, May 5, 2016.



2. INSTRUMENTS USED BY RUSSIA

2.1 RECRUITING AND BLACKMAILING POLITICIANS.

According to the Transparency International rating, Hungary has one of the worst indicators of the corruption perception index among all EU countries (only Bulgaria shows worse figures)⁴. Russia has always been in favorable conditions in countries with a high level of corruption, as the use of covert corruption schemes has been one of the major levers of influence on decision-making in the post-Soviet space (not least in Ukraine). Hungarian researchers note that Russia could use both bribes and blackmail on Hungarian politicians in order to keep them on the hook. There is a hypothesis that certain Hungarian politicians of the older generation may be compromised through their dossiers that are stored in Moscow in the old archives of the Soviet KGB. There are suggestions in Budapest that it is unlikely that the true extent of Russian recruitment could be discovered in the legal way, perhaps only if one of the Russian spies would eventually expose the entire “Kremlin-dependent” network, or through hacking someone’s mailbox. Russia has never particularly concealed at least political support for the right-wing radical movements in Hungary, those who oppose migrants, the liberal order, of civil society. For example, the chief editor of the right-wing radical magazine *Demokrata* András Bencsik speaks fluent Russian, attends events organized

by the Russian Embassy, and participated in a conference in Moscow dedicated to the issues of international security⁵. There are plenty of similar examples in Hungary but it’s hard to talk about direct evidence of Russia’s support or intervention in each of them. Recently, the Hungarian media have published investigations into Russia’s interference, including the interventions by Russian intelligence services; however, such investigations are only followed up by rumors and recitation of the sources. For instance, one of the government sources told about the meeting of Prime Minister of Hungary Ferenc Gyurcsány with Vladimir Putin in March 2009, 11 days before the resignation of the former Hungarian government leader. During the meeting in a separate room, it became clear from the comments of the Russian leader that he was aware of the future resignation, although only Gyurcsány’s wife and several closest advisers should have known about it⁶. According to the Hungarian sources, it was also known that Russian interlocutors sometimes knew details about the romantic relations of certain politicians, although they became publicly known only six months after that⁷.

2.2. CONTACTS WITH RIGHT-WING RADICALS.

The most striking scandal concerning Russia’s subversive activities is associated with the exposure of the MEP from the Hungarian

⁴ Transparency International EU, ‘Hungary’s decline in the Corruption Perceptions Index is a dire warning to the EU’, February 21, 2018. <https://transparency.eu/cpi17/>

⁵ *The Daily Beast*, *How Putin’s Using Hungary to Destroy Europe*, September 2017. <https://www.thedailybeast.com/how-putins-using-hungary-to-destroy-europe>

⁶ Pethő, A., and Szabó, A., ‘The Eight Most Interesting Revelations from Our Orbán-Putin Story’, *Direkt36*, March 3, 2018. <https://www.direkt36.hu/en/a-nyolc-legerdekesebb-resz-az-orban-putyin-kapcsolatot-feltaro-cikkunkbol/>

⁷ *Ibid.*

right-wing party Jobbik Béla Kovács (at the time of this research preparation, the trial has not been completed yet, although the charges have been presented as early as in 2014). Neo-Nazis are among the key stakeholders whose ties to the Russian secret services have been widely covered in the press (Hungarian mass media are no exception). For instance, in October 2016, Hungarian investigators planned to conduct a search in the house of István Györkös, the leader of the right-wing radical paramilitary group Hungarian National Front (Magyar Nemzeti Arcvonal, MNA). As soon as the officers appeared in the house, 76-year-old neo-Nazi opened fire from his shotgun (and one of the officers has been killed in the shootout). As Hungarian journalists managed to find out, representatives of the Chief Intelligence Agency of Russia (GRU) have been in contact with Györkös and organized military exercises. The GRU officers have been working at the Russian Embassy in Budapest under a diplomatic cover and were frequent guests at Györkös' house; the GRU has also got control over the Hungarian neo-Nazi website The Bridgehead (Hídfő) launched by Györkös. All neo-Nazi rhetoric had subsequently disappeared from the website and had been replaced by pro-Kremlin articles⁸.

2.3. PERSONAL TIES TO THE HIGH-LEVEL LEADERSHIP.

It is known that Vladimir Putin devotes considerable efforts to the establishment of friendly relations with foreign leaders. In this case, the Russian leader managed to find

ways to friendship with the Hungarian Prime Minister. Viktor Orbán, who demonstrates an exemplary political vitality, has not always been perceived as a pro-Russian politician. Moreover, in 1988, the current Hungarian Prime Minister demonstrated strong anti-communist and anti-Moscow positions and has managed to obtain a scholarship from the George Soros Foundation to study in Oxford (ironically, a large-scale discreditation campaign against the Hungarian-born American philanthropist has been launched in Hungary in the recent years). In 2008, Orbán strongly criticized Russia for aggression against Georgia. However, according to certain sources, during the 2010 elections, he agreed with his economic adviser György Matolcsy (head of the Hungarian National Bank since 2013, one of the five most influential people in the country⁹) that liberal ideas are no longer in fashion, and therefore it is worth switching to a more populist, right-wing radical rhetoric¹⁰. In November 2009, Orbán visited St. Petersburg to meet Vladimir Putin, and next month he had a meeting with the Chinese leadership, thus launching his new political doctrine ("the Eastern Winds"). Due to personal communication with Vladimir Putin, Viktor Orbán managed to resolve several issues that brought him domestic political bonuses in the form of electoral sympathy (in particular, through lower electricity prices due to the controversial scheme of natural gas transportation).

⁸ Panyi, S., *The Great Escape of 'KGBéla', Hungarian MEP Accused of Spying for Russia*, Index.hu, October 10, 2017. https://index.hu/english/2017/10/10/kgbela_escape_russia_hungary/

⁹ A 100 leggazdagabb 2018. https://www.napi.hu/info/a_100_leggazdagabb_2018.html

¹⁰ *The Newsweek, The Plot Against Europe: Putin, Hungary and Russia's New Iron Curtain*, April 19, 2018. <https://www.newsweek.com/2018/04/27/putin-kremlin-russia-trump-orban-bannon-nationalism-iron-curtain-eu-891843.html>



2.4. ECONOMIC LEVERAGE.

Although Russian investments do not play a significant role in Hungary, several cases involving the name of Viktor Orbán are tied to Russian money. For instance, Viktor Orbán succeeded in securing the deal when 21.4% of shares of the Hungarian oil company MOL, belonging to the Russian company Surgutneftegaz, have eventually redeemed by the Hungarian Government (this had happened in 2011, which coincides with the moment of change in Viktor Orbán's rhetoric towards Russia). According to certain sources, this deal has been facilitated by Vladimir Putin's personal intervention and contributed to the strengthening of the image of Orbán as a politician who cares about the energy security of his country. Moscow has also shown obvious preferences toward Hungary in the context of natural gas supplies. Since 2011, the Hungarian natural gas transport company MET has been purchasing cheaper natural gas from the West, and Hungarian legislation has created quite favorable conditions for that. The scheme looked as follows: METI, one of the subsidiaries of MET, purchased cheap natural gas from the West and then sold it on the Austrian-Hungarian border to the Hungarian company MVMP that had preferences for natural gas transportation; on the same day, MVMP sold natural gas to MET with a minor profit; in turn, MET could sell natural gas in Hungary at any price. The Corruption Research Center in Budapest notes that Orbán could have been involved in this scheme, which allowed him to increase popularity among the Hungarians,

as prices for public utilities have decreased¹¹. Researchers point out that Gazprom did not make any claims on Hungary, although, according to the 1995 contract, Budapest was obliged to buy natural gas in accordance with the "take-or-pay" mechanism (Russia made similar claims on Ukraine and many other European countries). The low energy prices allegedly allowed Viktor Orbán to be re-elected in 2014. Russia is also helping Viktor Orbán in the field of nuclear energy. The Government of Hungary has decided to construct two new reactors at the Paks NPP. Well-known global companies (American Westinghouse and French Areva) were interested in the project, but the final decision was made in favor of Russia without any public tender. In August 2013, Orbán met with the head of Rosatom, and in January 2014, Orbán and Putin announced the agreement. The price of the contract was 10-billion-euro loan offered by the Russian Government¹².

2.5. FUELING TENSIONS AROUND THE VIOLATION OF THE RIGHTS OF NATIONAL MINORITIES IN UKRAINE.

In May 2010, the Hungarian Parliament adopted a law that simplifies the procedure for the acquisition of citizenship by ethnic Hungarians living abroad. According to various sources, more than one hundred thousand ethnic Hungarians, citizens of Ukraine, have obtained Hungarian citizenship (according to

¹¹ *The Budapest Beacon*, 'Billions diverted from Hungary state coffers to natural gas broker', January 14, 2015. <https://budapestbeacon.com/billions-diverted-from-hungary-state-coffers-to-natural-gas-broker/>

¹² Вейнер, Ч., «Новые формы российской инвестиционной активности в Венгрии», журнал «Современная Европа», ноябрь-декабрь 2016. <http://www.sov-europe.ru/2016/06-2016.pdf>

the 2001 census, 150,000 ethnic Hungarians live in Ukraine). Hungarian researchers note that Russia has no influence on Hungary's policy aimed at protecting the rights of Hungarians abroad, in particular, in Ukraine. Budapest has long been pursuing a consistent policy of support for the Hungarians of Transcarpathia, providing financial support to this region. The first conflict (although it wasn't public) occurred in the summer 2001, when Hungary approved the Status Law, which provided preferences for ethnic Hungarians living abroad and applied for the so-called "Hungarian Certificate"¹³. At that time, the Ukrainian Government expressed (informally) concerns that Budapest could go further in its intervention, covering it with the purpose of protecting its compatriots. Those concerns weren't groundless: as early as on December 1, 1991, a referendum on the status of a special self-governing unit in Ukraine has been held in the Transcarpathian region. In 2016, the head of the Transcarpathian Regional State Administration accused the "ex-communists and KGB" of organizing this referendum¹⁴. In October 2016, the mass media widely discussed the document allegedly obtained by hackers from the mailbox of the assistant to the Russian President Vladislav Surkov: the materials contained detailed proposals to destabilize the situation in Transcarpathia to promote the idea of federalization of Ukraine. One of the proposals involved the engagement of the Hungarian Democratic Union of

Ukraine in this operation¹⁵ (the authenticity of the the so-called "Shatun Plan" document has never been proved). In Russia, they are clearly watching the events surrounding the Hungarians in Ukraine. In late 2017, Hungarian media outlet Magyar Demokrata (right-wing radical and pro-Russian) interviewed Russian Ambassador Vladimir Sergeev, and the journalist directly pointed out in his question: "Today, Moscow and Budapest are on the same side of the barricades in the context of the Ukrainian Education Law." The Ambassador noted that Russia is completely "solidary" with Hungary, Romania, Poland, and Bulgaria in this matter. During the period of the escalation of diplomatic tensions around the Education Law, Russia's reaction was the least noticeable: the impression was that Russia decided not to do what the representatives of EU countries could do themselves¹⁶. Researchers claim that it was the Russian media and pro-Russian resources in Ukraine that began to actively fuel the hysteria about "total Ukrainization" allegedly launched by the Ukrainian Government. Expressing his protest, the President of Moldova specifically referred in his statement to the article in the Russian media. Russia was officially one of the last to protest: the document appeared only a week after the vote in the Verkhovna Rada. In the Russian statement, it was especially emphasized that the law has been already criticized by numerous states, and Russia called for "joint efforts, in particular through international organizations, in order to counteract the policies of the Ukrainian

¹³ Солодкий, С., «Закон про закордонного угорця: «втручання» з благими намірами?», газета «День», 26 липня 2001 року. <http://day.kyiv.ua/uk/article/den-planeti/zakon-pro-zakordonnogo-ugorcu-vtruchannya-z-blagimi-namirami>

¹⁴ Бізнес Закарпаття, «Москаль вимагає визнати незаконним закарпатський референдум 1 грудня 1991 р.», 12 квітня 2016 року. <https://www.businessz.com.ua/news/events/725>

¹⁵ LB.ua, «Хакеры выложили «план Суркова по дестабилизации в Украине», 24 октября 2016. https://lb.ua/news/2016/10/24/348732_hakeri_vilozhili_plan_surkova.html

¹⁶ МИД РФ, «Интервью Посла России в Венгрии В.Н.Сергеева еженедельному изданию «Магьяр демократа», 13 декабря 2017 года. http://www.mid.ru/ru/maps/hu/-/asset_publisher/VeB0YYuUfSvX/content/id/2993389



authorities that disregard universally accepted standards of human rights.”¹⁷ In February 2018, two attempted arsons have occurred at the Transcarpathian Hungarian Cultural Association, and in both cases, the investigation pointed to the “Russian trace.” The arson of February 27 was allegedly committed by three ATO soldiers, and the organizer was supposedly an officer of the Transnistrian security services; the arson of February 4 was allegedly committed by two Polish citizens, representatives of the pro-Russian right-wing radical organization Phalanx. “It’s obviously Russian job,” stated Foreign Minister Pavlo Klimkin¹⁸. Subsequently it became clear that the instigator of the arsons was a citizen of Germany, a supporter of right-wing radical ideas, and the Russian footprint in this context became even more evident. Suffice to say that this story has shown the extent of the European network of provocateurs whose services can be used by Russian security services to successfully double back their tracks.

2.6. INFLUENCE THROUGH THE HUNGARIAN MASS MEDIA.

Observers note that certain Hungarian mass media outlets belong to businessmen who are loyal to the current authorities. Researchers argue that the pro-Russian coverage has a disproportionately significant impact on

Hungarian social and political discourse¹⁹. The main actors in the expansion of the ideological influence of Russia in Hungary are political parties, whose messages, respectively, are disseminated by the mass media. The most visible pro-Russian bias is observed in right-wing radical politicians: mostly, in Jobbik, but also in the ruling Fidesz. There is a quite paradoxical situation in Hungary: while citizens share pro-Western ideas, political elites promote the Eastern direction. Numerous prominent Hungarian journalists have long embraced pro-Russian positions: Gábor Stier is a frequent visitor to the Valdai Club; Ferenc Szaniszló enjoys pro-Kremlin conspiracy theories (both graduated from Moscow State University). The daughter of the latter participated in the observation of the so-called “elections” in the occupied territories of Eastern Ukraine²⁰. Gábor Stier has been working for the right-wing radical outlet Demokrata. Periodically, he writes about Ukraine. For instance, in early July 2018, he published an article titled “Can Kyiv Be Trusted?” promoting the idea of further blocking NATO-Ukraine summits due to, as he wrote, the violation of the rights of Transcarpathian Hungarians and “strong nationalism in Western Ukraine.”²¹ In September 2015, the leading state TV channel of Hungary M1 began broadcasting news in Russian (although the Russian minority in the country is actually miniscule). Since the beginning of the annexation of Crimea,

¹⁷ Гайдай, Д., «Мовне яблуко розбрату, або Як навчатимуться національні меншини», 22 вересня 2017 року. https://dt.ua/international/movne-yabluko-rozbratu-abo-yak-navchatimutsya-nacionalni-menshini-254229_.html

¹⁸ Бі-Бі-Сі Україна, «Хто стоїть за підпалами угорського товариства в Ужгороді?», 5 березня 2018 року. <https://www.bbc.com/ukrainian/news-43284659>

¹⁹ «Індекс інформаційного впливу Кремля», 2017 рік, ГО «Детектор Медіа». http://ms.detector.media/content/files/dm_iik_ukr_pravka-compressed.pdf

²⁰ Kreko, P., and others, *The Weaponization of Culture: Kremlin's traditional agenda and the export of values to Central Europe*, 2016. http://www.politicalcapital.hu/wp-content/uploads/PC_reactionary_values_CEE_20160727.pdf

²¹ Gábor, S., ‘Lehet-e bízni Kijevben?’, *Demokrata*, July 5, 2018. <http://www.demokrata.hu/hir/belfold/lehet-e-bizni-kijevben>

numerous propaganda pages have appeared on Facebook, spreading right-wing radical, pro-Russian, and xenophobic views. Among others, there was even a page titled *Kiállunk Putyin mellett* (We support Putin)²². However, over time, most of them have been banned, and even at better times, the number of their followers did not exceed 20 thousand, which may indicate low effectiveness of this sort of activity. Russia does not appear to be inclined to disperse its resources to countries and instruments that do not prove to be effective. In the case of the mass media, it is more beneficial for Russia to refrain from direct intervention and to congratulate itself that its goals are achieved through the media activity of local politicians. Hungarian mass media are actually facing a lot of threats, primarily due to external power influences. According to the Freedom of the Press index, Hungary continues to decline steadily: in 2018, it ranked 73rd among 180 countries of the world, compared to 56th in 2013²³. Businessmen close to the Prime Minister's party Fidesz not only were able to get access to new media outlets in 2017, but also replaced foreign media companies that invested in Hungary through active buyouts of regional media. Nevertheless, it is still early to claim that the media landscape of the country is under total party control. Online media outlets keep publishing investigative reports revealing the corruption within the high-level authorities. By April 2018, the Hungarians had at least online access to *Magyar Nemzet*, critical toward the Government (although its international department was headed by pro-

Russian Gábor Stier). The owner of this outlet, Lajos Simicska, decided to close the newspaper immediately after the parliamentary elections won by the Fidesz. According to some reports, pro-government businessmen are interested in buying certain mass media oriented critically toward the Government: in particular, one of the most influential commercial channels RTL Klub and the online political news outlet Index.hu. Earlier, pro-government oligarchs took control of second most popular private TV channel TV2 and popular Internet portal Origo²⁴. The latter has been acquired by the son of the influential chairman of the Central Bank, Ádám Matolcsy whose name has often appeared in scandalous investigations. This trend may indicate a narrowing of the field of independent media, which means that even without Russia's influence, it will be hard for Ukraine to rely on the constructive role of Hungarian journalists in establishing cooperation between the two countries. However, Hungarian researchers note that Kyiv should pay more attention to communication with Hungarian media, especially with journalists born in Transcarpathia. Hungarian mass media rarely paid attention to Ukraine until the annexation of Crimea, perceiving Ukraine as a pro-Russian actor. Interest toward Ukraine emerged during the Revolution of Dignity; however, the media discourse was not always favorable to the Ukrainians. With the disputes around Transcarpathian Hungarians, the country's media are dominated by hostile tones.

²² Kreko, P., and others, *The Weaponization of Culture: Kremlin's traditional agenda and the export of values to Central Europe*, 2016. http://www.politicalcapital.hu/wp-content/uploads/PC_reactionary_values_CEE_20160727.pdf

²³ *Reporters without Borders, Hungary*. <https://rsf.org/en/hungary>

²⁴ «Індекс інформаційного впливу Кремля», 2017 рік, ГО «Детектор Медіа». http://ms.detector.media/content/files/dm_iik_ukr_pravka-compressed.pdf



3. BEST PRACTICES OF COUNTERING RUSSIA'S SUBVERSIVE POLICIES IN EUROPEAN STATES IN GENERAL

3.1. HUNGARIAN SOCIETY DOES NOT TRUST RUSSIA

Russia has never had a “soft power” in Hungary: first, Hungary is not a Slavic country; second, there is no significant Russian ethnic minority; and third, historical circumstances (the Soviet period) affect the cautious perception of the present-day Russia by the Hungarians.

Russia does not enjoy trust of the Hungarians to this day, maintaining the image of an irresponsible, retrograde, and corrupt country. In 2016, Russia signed an agreement to modernize the cars of one of the underground lines in Budapest. After the modernization, the trains began failing: the doors were jammed and did not open or shut up. The scale of this scandal was enormous, and even the foreign press wrote about it. The Swiss *Tages Anzeiger* titled their article “Devil’s Underground.”²⁵ Furthermore, Hungarian mass media dug into the fact that Hungarian capital’s authorities declined a cheaper Estonian offer during the tender, giving preference to the Russian company. The mayor of Budapest said: “Let the devil himself take up the construction of new cars, I just don’t want to waste my time.” Since then, headlines have appeared in the Hungarian press citing “Satan’s underground” or “Devil’s underground,” which isn’t the best

metaphor for the project proudly covered by the major Russian media. Some Hungarians started asking themselves: “What if Russians build us nuclear reactors of similar quality in Paks? That would be a disaster!”

At the same time, Hungarian researchers believe that the Hungarian leadership can’t be considered pro-Russian; as they state, sometimes it really makes decisions that are in line with the Kremlin’s goals, but they also coincide with the interests of Hungary. Hungarian leaders consistently use this very argument to justify their supposedly pro-Russian decisions: “We are constantly questioned whether we are pursuing pro-Russian, pro-European, or pro-American policies, and we answer that we simply do not follow such dimensions or approaches... If you ask us, we pursue the pro-Hungarian policy” (as previously stated by Hungarian Foreign Minister, Peter Szijjarto)²⁶. Moreover, they are in line with personal interests of Viktor Orbán, who seems to have learnt his own lessons: he could not keep power with liberal pro-Western positions and positive reputation in the Western world; however, as soon as he turned toward Russia, he has not only got the Prime Minister’s chair, but also managed to keep it for several terms.

Meanwhile, according to researchers, Viktor Orbán was willing to facilitate the mending of relations between Kyiv and Budapest if Ukraine’s Education Law, which, according to the Hungarian authorities, would discriminate

²⁵ *Tages Anzeiger*, ‘Die Metro des Teufels’, June 29, 2017. <https://blog.tagesanzeiger.ch/welttheater/index.php/38907/die-metro-des-teufels/>

²⁶ *Fiola, A.*, ‘From Russia with love: An energy deal for Hungary’, *The Washington Post*, February 16, 2015. https://www.washingtonpost.com/world/europe/from-russia-with-love-an-energy-deal-for-hungary/2015/02/16/05216670-b134-11e4-bf39-5560f3918d4b_story.html?noredirect=on&utm_term=.8dc3638b906e

against the rights of Ukrainian Hungarians, has not been adopted. Hungarian observers admit that until the annexation of Crimea and Russian aggression, the Hungarian media space has been rather indifferent toward Ukraine, provided minor coverage and considered it “a sort of extension of Russia under a different name.”²⁷ The only issue that was actually interesting for the Hungarians was associated with their compatriots in Transcarpathia. A term “Transcarpathian Syndrome” that can be found in analytical materials and journalist reports reflects the situation when bilateral relations were dominated by the issues related to the national minority and the situation in the Transcarpathian region. Political elites, as the conflict around the Education Law demonstrated, could not expand beyond this phenomenon that limits the chances for the development of in-depth and comprehensive cooperation. Moreover, the “Transcarpathian Syndrome” has moved from a bilateral agenda to an international one (Council of Europe, NATO)²⁸.

According to Hungarian researchers, after the Revolution of Dignity, Hungarian authorities decided to change that approach and expand the cooperation with Ukraine. Hungary recognized the post-revolutionary government of Ukraine, condemned the annexation of Crimea, and emphasized the importance of the territorial integrity and sovereignty of Ukraine. Hungarian observers claim that one of the symbolic, turning-point moments that had to prove Hungary's

commitment to the new era of relations with Ukraine was Viktor Orbán's speech on November 25, 2016 in Debrecen during the visit of Ukrainian Prime Minister Volodymyr Groysman²⁹. The leader of Hungarian Government called Ukraine “the geographical gate where the East begins,” which was in line with his foreign policy doctrine. Orbán emphasized the need to support Ukraine's European integration aspirations: “If it is the Ukrainian people's desire, we should speak louder about the idea of Ukraine becoming a member of the European Union in the medium term.”³⁰ Ukraine got used to hear such statements from Polish and Lithuanian leaders, but it was the first time when words like this came from their Hungarian counterpart. Orbán demanded that Ukrainians have been granted the visa-free regime with the EU as soon as possible (by calling it “the EU's moral obligation” for “the price paid by Ukrainians” meaning the resistance to Russia's aggression). Furthermore, Hungary proposed an action plan to support Ukraine including highway construction, establishment of new border checkpoints, and creation of special development funds. Also, Budapest opened a credit line of 50 million euros.

Of course, Ukrainians also noticed the other side of the coin. The Hungarian media narrative was not always in line with the interests of Ukrainians, as the revolution was portrayed as a moment when nationalists came to power, which would threaten

²⁷ Interview with a Hungarian researcher, June 2018.

²⁸ Мединський, І., Капчос, Б., «Угорщина–Україна. Партнерство, озираючись на Москву та Закарпаття», 21 квітня 2016 року.

²⁹ Prime Minister Viktor Orbán's speech at the Hungarian-Ukrainian Business Forum, Cabinet Office of the Prime Minister, November 25, 2016. <http://www.miniszterelnok.hu/prime-minister-viktor-orbans-speech-at-the-hungarian-ukrainian-business-forum/>

³⁰ Ibid.



the language and cultural rights of the Hungarian minority. Vladimir Putin's visit to Budapest (his first visit to the EU member state since June 2014) in February 2015 caused a lot of suspicion and concerns in Ukraine, as his meeting with Viktor Orbán occurred during the most intense hostilities near Debaltsevo³¹.

In any case, Hungary's symbolic steps that would have to indicate Budapest's willingness to "mend" the bilateral relations were evident. It is much easier for Viktor Orbán to explain to his own voters the benefit of supporting Ukraine than the importance of maintaining contacts with Russia. The main cause is that Hungarian society is suspicious toward Moscow for historical reasons. The US, on the other hand, enjoys generally favorable sentiment among the ordinary Hungarians (63%)³². Half of the Hungarians (48%) do not agree with the policy pursued by Vladimir Putin, while 33% support it³³. In the case of a relevant referendum, 76% of Hungarians would vote in favor of the NATO membership, and 75% would vote for the EU membership³⁴.

Therefore, public sentiment in Hungary is rather resistant to Russia's subversive policies. This, in fact, forces Moscow to be more precise and less visible. Hungarian

researchers note that if the irrefutable evidence of Russia's influence on the country's political elites has become known, the affected politicians would have lost power for a long time.

3.2. ATTEMPTS TO OVERCOME THE ENERGY DEPENDENCE ON RUSSIA

Although Hungary sent relatively ambiguous signals about intentions to put an end to energy dependence on Russia, Ukraine should be interested in certain decisions made by Budapest in the context of energy independence from Russia. The ambiguity of Hungarian policies has manifested in the two most symbolic examples. On the one hand, Orbán's Government has proven its commitment to the idea of national energy security through the decision to buy out shares of the Russian company Surgutneftegaz in 2011. On the other hand, the same period has been marked by the political rapprochement between Viktor Orbán and Vladimir Putin, with the decision on Russian investments in the construction of the Paks NPP reactors as a climax.

Hungarian researchers note not only the fact that the procedures for natural gas procurement have become more transparent in Hungary, but also the fact that the Hungarians are trying to reduce natural gas imports in general. For instance, whereas before 2004, the amount of import exceeded 12 billion cubic meters, in 2015 and in 2016, this figure decreased almost twice (though in 2017, Hungary once again imported a rather

³¹ Мединський, І., Капчос, Б., «Угорщина–Україна. Партнерство, озируючись на Москву та Закарпаття», 21 квітня 2016 року. <https://www.eurointegration.com.ua/articles/2016/04/21/7048108/>

³² Global Indicators Database, Pew Research Center, Spring 2017. <http://www.pewglobal.org/database/indicator/1/survey/all/>

³³ Globsec Trends 2018, Central Europe: One Region, Different Perspectives. <https://www.globsec.org/wp-content/uploads/2018/05/GLOBSEC-Trends-2018.pdf>

³⁴ Ibid.

significant amount of 9.3 billion cubic meters of natural gas)³⁵.

We could assume that Orbán's Government pursues national interests, and therefore, sometimes plays along with Russia to get relevant dividends. Moreover, in fundamental moments, Budapest truly respects solidarity with Western governments, for example, on the issue of sanction policy towards Russia. Hungary also refused to participate in Russia's Southern Stream project (obviously, not without external pressure). Hungary also solidarized with the Western countries regarding the expulsion of Russian diplomats in spring 2018 after the scandal around the poisoning of former Russian spy Skrypal. Potential assumption: Russian leadership provides Hungary with a certain room for maneuver, as Budapest is not able to break the policy of the entire NATO or the EU single-handedly, but Orbán's individual actions are sufficient to promote at least partial implementation of Russia's interests.

An important signal for Kyiv is that Hungarian companies continued providing natural gas to Ukraine, and although the amount of these supplies may not seem critical, it is important to realize that they continued even despite political and diplomatic tensions in the bilateral relations (up to blocking Ukraine-NATO negotiating formats). In 2017, Ukraine received 2 billion 834.7 million cubic meters of natural gas from Hungary, twice as much as the amount of import from Poland (1 billion 305.3 million cubic meters). Slovakia remained the

undisputed leader in the import of natural gas to Ukraine with 9 billion 910.1 million cubic meters. It is noteworthy that in the first half of 2018, Ukraine has reduced overall imports of natural gas by 36.7%, and accordingly reduced imports from Slovakia (by 47%) and Poland (by 39%), but increased imports from Hungary by 46% compared to the same period last year³⁶.

Hungary intends to get natural gas from Romania, which should put an end to the energy monopoly of Russia in its gas market. Hungarians plan to import at least 4 billion cubic meters of natural gas per year from the neighboring country, starting in 2021 or 2022, with the assistance of companies from the USA³⁷. According to Gazprom's data, in 2017, Hungary purchased almost 7 billion cubic meters of natural gas from Russia (in 2016, this figure amounted to 5.5 billion cubic meters)³⁸. Kyiv, however, remembers the times when Hungary stopped reverse supply in 2014 without any explanation (in Ukraine, it was suspected that this incident occurred due to Moscow's pressure).

However, there are other important ongoing processes in the field of energy independency in Hungary: for instance, supplies of natural gas from Romania. Several years ago, a large natural gas deposit has been discovered in the Romanian part of the Black Sea.

³⁵ <https://www.ceicdata.com/en/indicator/hungary/natural-gas-imports>

³⁶ «Україна в I півріччі знизила імпорт газу на 36,7%», Інтерфакс-Україна, 2 липня 2018 року. <https://ua.interfax.com.ua/news/general/515314.html>

³⁷ Reuters, Hungary to import Romanian gas, reducing reliance on Russia — PM Orbán, February 9, 2018. <https://uk.reuters.com/article/uk-hungary-gas-romania/hungary-to-import-romanian-gas-reducing-reliance-on-russia-pm-orban-idUKKBN1FT2D7>

³⁸ Інтерфакс, «Газпром» обнародовал данные об экспорте в 12 стран дальнего зарубежья в 2017 году, 4 января 2018. <http://www.interfax.ru/business/594394>



According to preliminary data, its reserves amount to at least 40 billion cubic meters of natural gas, but may reach 200 billion cubic meters. After extraction, Black Sea gas is planned to be transported to European countries via the new BRUA pipeline that should connect Bulgaria, Romania, Hungary, and Austria. Hungary, however, proposes to exclude the Austrians; in this way, Budapest supposedly strives to become a powerful regional gas hub³⁹.

The first phase of the pipeline should be put into operation in 2019. However, in the middle of 2018, a conflict broke out between Hungary and Romania: Hungarian officials blamed Romania for delaying the project, as the legislation on natural gas extraction has not been finalized. Bucharest, in turn, accused Hungary of failure to provide funds for the construction of the pipeline. The American company Exxon, responsible for the natural gas extraction part of the contract, also stated that they would wait for the adoption of legislation on taxation of natural gas extraction⁴⁰.

However, while in the case of the natural gas cooperation between Hungary and Romania, Ukraine's interests are still indirect and unclear (aside from the fact that Hungary's greater energy independence would allow Budapest to not look to Russia in terms of reverse supplies), there is a well-defined objective for Ukraine in the energy

sector. In 2017, the Ukrainian Government announced its willingness to engage in the drafting of a new natural gas corridor Croatia-Hungary-Ukraine, including the LNG terminal on the Croatian coast (these plans have been discussed during Viktor Yanukovich's presidency)⁴¹. The construction of this terminal is supported by the EU that provides a third of the required funds (360 million euros). At this moment, Hungary is sending mixed signals, up to the claims that this project is not profitable⁴². Budapest hoped that participation in this project would strengthen the positions of Hungarian companies in their negotiations with Russia's Gazprom. However, there is a long-standing energy conflict between Croatia and Hungary⁴³. The Croatian Office for Combating Corruption and Organized Crime has accused former Prime Minister Yves Sanader of a 10-million-euro bribe received from Hernádi Zsolt, chairman of the Hungarian oil and gas company MOL (Croatia demands his extradition). With that money, the Hungarian businessman allegedly tried to expand the managerial capabilities of his company in the Croatian partner company INA (this story has been running since 2011)⁴⁴.

³⁹ *Deutsche Welle, Romania and Hungary Clash over Black Sea Gas Distribution, July 18, 2018.* <https://www.msn.com/en-xl/europe/top-stories/romania-and-hungary-clash-over-black-sea-gas-distribution/ar-AAAhCI5>

⁴⁰ *BalkanInsight, Romania Resists Pressure to Rush Offshore Gas Bill, July 6, 2018.* <http://www.balkaninsight.com/en/article/romania-under-pressure-to-adopt-offshore-gas-bill-07-04-2018>

⁴¹ «Володимир Гройсман: Київ готовий долучитися до проекту формування нового газового коридору Хорватія-Угорщина-Україна», Кабінет Міністрів України, 13 червня 2017 року. <https://www.kmu.gov.ua/ua/news/250061842>

⁴² ICIS, *Hungary's Orbán government likely to target Romanian gas*, April 13, 2018. <https://www.icis.com/resources/news/2018/04/13/10211372/hungary-s-orban-government-likely-to-target-romanian-gas/>

⁴³ *Stratfor, Hungary's Motivation in an Energy Dispute*, December 27, 2013. <https://worldview.stratfor.com/article/hungarys-motivation-energy-dispute>

⁴⁴ *Total Croatia News, 'Hungary to Continue Ignoring Croatia's Arrest Warrant'*, July 29, 2018. <https://www.total-croatia-news.com/politics/30092-hungary-to-continue-ignoring-croatia-s-arrest-warrant>

3.3. EXPOSING A POLITICIAN WHO SPIED FOR RUSSIAN SECURITY SERVICES

The case of exposure of a politician who worked for Russian intelligence is unprecedented; it is the case of MEP Béla Kovács. The Hungarian Prosecutor's Office accused him of espionage activities as early as in 2014 (and he was deprived of parliamentary immunity at the European Parliament). No other country, despite numerous scandals associated with Russia's intervention (as, for example, in the case of the US and French elections), was unable to expose a politician of such high level. In Hungarian analysts' circles, there is no unanimous position regarding the case of Kovács. All of them agree that such an exposure will inevitably affect other politicians, at least it will force them to be more cautious in their contacts with Russian intelligence services, and at best, will force them to stop any suspicious cooperation. However, it all depends on the outcome of the court trial, which began in July 2018. According to one of the researchers, the Hungarian Government will not allow a politician of such high rank to be brought to justice. The reason is that Viktor Orbán supposedly would not dare to cross the Kremlin. The same researcher believes that the Fidesz party used Kovács, on the one hand, to weaken the positions of the right-wing radical party Jobbik, which basically preys on the same electoral field; however, on the other hand, Viktor Orbán wanted to double back the traces for those who accuse him of pro-Russian policies (as they say, how a "Putin's man" could harm another "Putin's man?"). The details of Kovács' espionage have been leaked to a newspaper affiliated at that time with Fidesz one week before the elections of 2014. However, Hungarian political analysts claim that if Kovács' case had any influence

on the popularity of Jobbik, it was rather minor⁴⁵. The election motive version is evidenced by the lengthy investigation and the lack of any arrests or searches; moreover, all the evidence had been instantly leaked to the press, which allowed Kovács' lawyers to refute them even before the start of the trial⁴⁶. The defense came down to the fact that Béla Kovács, as a Member of the European Parliament, did not have access to classified data; he had just a regular meeting with Russian diplomats, involving only a standard conversation. A researcher interviewed prior to the start of the trial was convinced that after the parliamentary election, Béla Kovács won't be of any use to Orbán: therefore, either the case would simply crumble, or Kovács would be allowed to escape the country⁴⁷. If the prosecution succeeds, Béla Kovács (or KGBéla, according to Hungarian jokes) is looking at eight years in prison⁴⁸. Regardless of the outcome, this case remains a landmark: it emphasizes once more that being "pro-Russian" in the Hungarian political dimension is dangerous (otherwise, Viktor Orbán's party would not move forward with it before the elections). Therefore, public suspicion towards Russia's subversive activities significantly reduces the field for maneuver for the political establishment of the country.

⁴⁵ Novak, B., 'KGBéla indicted for espionage', *The Budapest Beacon*, December 6, 2017. <https://budapestbeacon.com/kgbela-indicted-espionage/>

⁴⁶ Panyi, S., 'The Great Escape of 'KGBéla', Hungarian MEP Accused of Spying for Russia', *Index.hu*, October 10, 2017. https://index.hu/english/2017/10/10/kgbela_escape_russia_hungary/

⁴⁷ Interview with a Hungarian researcher, June 2018.

⁴⁸ Nemtsova, A., 'Moscow's Man in Europe's Parliament on Trial as a Spy', *The Daily Beast*, July 22, 2018. <https://www.thedailybeast.com/moscows-man-in-europes-parliament-on-trial-as-a-spy?ref=scroll>



3.4. EU AND US MEDIATION TO ADDRESS THE ISSUES THAT BENEFIT RUSSIA

Incidentally, we see attempts by the EU countries (primarily Germany) and the US to influence the Hungarian Government to prevent unwanted pro-Russian decisions. Quite often, Budapest responds sharply to critical remarks. The political leadership of Hungary has repeatedly issued strong comments on the statements by its partners in the EU on either anti-democratic trends in Hungary in relation to the harassment of the civil sector, or overwhelming corruption, or, in particular, pro-Russian decisions of the Hungarian leadership.

In August 2017, Hungary withdrew its Ambassador from the Netherlands as a response to the Ambassador of the Netherlands' criticism towards Viktor Orbán's Government policies. The official Budapest also accused the United States of intervening in the internal affairs when American diplomats criticized Hungarian authorities for pressuring the local media. Therefore, we could argue that the possibility of influencing Hungarian leadership by the third parties has its limitations, and the Hungarian Government can maintain the hard line regarding certain issues. Among such issues, according to Hungarian researchers surveyed by us, may well be the support for compatriots abroad: "We should not rely on the USA. Orbán will not succumb to this kind of pressure."⁴⁹

In certain cases, however, we can talk about the effectiveness of external influence, for example, in the case of terminating the Russian South Stream project; however, later, nothing

prevented the Hungarian side from joining another project, the Turkish Stream⁵⁰. It is likely that Hungary looks at the political position of the major EU and NATO countries in the context of sanctions policy toward Russia. Viktor Orbán is one of the few leaders of the Euro-Atlantic area criticizing sanctions against Moscow. Nevertheless, he does not dare to oppose the European Union's common policy on this issue⁵¹.

Ukraine counts on the United States in the context of resolution of the diplomatic conflict between Kyiv and Budapest around the Education Law⁵². The need to engage American moderators (in the rank of US Deputy Secretary of State, Wes Mitchell and even Secretary of State Mike Pompeo) arose when Ukrainian diplomatic resources were exhausted, and Hungary was still determined to block the NATO-Ukraine dialogue, in particular at the level of the Ukraine-NATO Commission (UNC) at the Alliance Summit in Brussels⁵³. Mitchell tried to resolve the issue and negotiated the talks between the two governments in June 2018, but still failed to settle the conflict (at least until the NATO summit of June 2018). This case shows that the influence of external actors in areas of fundamental importance for Hungary (and protection of national minorities

⁴⁹ Interview with a Hungarian researcher, August 2018.

⁵⁰ Интерфакс, «Болгария, Сербия и Венгрия будут развивать свои газовые сети для продления «Турецкого потока», 29 июня 2018 года. <http://www.interfax.ru/world/619076>

⁵¹ ECFR, 'Winning the normative war with Russia: An EU-Russia Power Audit', May 21, 2018. https://www.ecfr.eu/publications/summary/winning_the_normative_war_with_russia_an_eu_russia_power_audit#

⁵² Kreko, P., and Szicherle, P., 'Why Is Hungary Blocking Ukraine's Western Integration?', Atlantic Council, January 16, 2018. <http://www.atlanticcouncil.org/blogs/ukrainealert/why-is-hungary-blocking-ukraine-s-western-integration>

⁵³ Гетьманчук, А., «Індекс зовнішньої політики: Україна-США», березень-червень 2018 року. <https://truman.ua/uk/node/19>

is currently a top priority for the Hungarian Government) is limited: it seems that Viktor Orbán is ready to escalate with anyone but will not give up his positions on foreign Hungarians (not only the Hungarians of Transcarpathia).

However, this does not mean that Ukraine should not maintain communication with its key partners (US or Germany) at least to keep them informed about the course of events in the Ukrainian-Hungarian relations. Hungarian leader Viktor Orbán is particularly interested in establishing a partnership with US President Donald Trump. Although it is difficult to overestimate the interest of the White House in resolving conflict issues between Ukraine and Hungary, which obviously prompts Viktor Orbán to maintain the diplomatic tensions with the official Kyiv. Meanwhile, in Hungary, attention has been drawn to the replacement of the American Ambassador: since June 2018, this position has been occupied by David Cornstein, a businessman who made a fortune in the jewelry business. According to researchers, he is far from criticizing Hungary for violating the rights of journalists or any other anti-democratic manifestations; his main objective is to achieve goals that coincide with the interests of the US. "Regional security is within the interests of the USA, while Hungary acts rather in the interests of Russia, escalating the tensions with Ukraine. We can't rule out that over time American diplomacy will become more decisive in terms of pressure on Budapest," stated informally our interlocutor from Budapest⁵⁴.

However, the official Kyiv should remember that the US and the EU take on a mediating position, and therefore will hardly pick a side in bilateral misunderstandings between Ukraine and Hungary. Moreover, it should not be ruled out that Western partners may point to certain problems caused by the reluctance of Ukrainian politicians to adopt legislation that would reduce tensions around the Education Law.

⁵⁴ Interview with a Hungarian researcher, August 2018.



4. THE VULNERABILITIES THAT COULD BE USED BY RUSSIA IN ITS ANTI-UKRAINIAN POLICIES

Russia is primarily interested in preserving the tensions between Ukraine and Hungary around the Education Law. Budapest's reaction is in line with Russia's interests (even if Moscow's role in this case is minimal). The tensions in Ukrainian-Hungarian relations around the issue of national minorities allows Russian mass media and pro-Russian public opinion leaders in other EU countries to disseminate messages about oppression of national minorities and the rise of right-wing and xenophobic sentiment in Ukraine.

Hungarian researchers surveyed during the preparation of this paper generally reject the possibility of Hungary blocking EU sanctions policy towards Russia. However, it is obvious that Viktor Orbán will continue his rhetoric on the ineffectiveness and unprofitableness of sanctions against Russia.

"Orbán is a lawyer, and therefore he allows making any statements as long as they remain within the legal framework. He can criticize sanctions as much as he can, but he will not go against the entire European Union." said one of the Hungarian researchers⁵⁵.

The Hungarian Government widely exploited the thesis of significant losses sustained by the country's economy due to the sanctions. Currently, Budapest and Moscow state a rapid increase in trade turnover: over the nine months of 2018, Hungarian trade with Russia has increased by over 30% to \$ 5.1 billion. Sometimes Hungarian officials explain the cooperation with Russia by

the fact that Western Europe companies have long been signing enormous contracts, so why only Hungarian business should suffer? After Russia's aggression against Ukraine and the introduction of sanctions, different figures or losses have been stated in Hungary (about 6-7 billion euros).

It should be noted that the counter-sanctions imposed by Russia on agricultural products from the EU countries affected a very limited group of Hungarian products. In pre-sanction 2013, Hungary exported 78.1 million euros worth of those goods to Russia. This number is extremely low considering its share in total exports of goods (only 0.4%). And we don't even take into account the export of Hungarian goods to other EU countries, otherwise the figure would be even closer to 0.

The Hungarian authorities are unlikely to initiate a review of sanction policy by itself; however, it might well join the "sanction killers" camp. The main question is who will take the first step.

⁵⁵ Interview with a Hungarian researcher, August 2018.

5. RECOMMENDATIONS

1. ALLEVIATE THE TENSIONS.

The settlement of issues on the Education Law with Hungary would deprive Russia of its main leverage. The involvement of the EU countries and the United States is one of the mechanisms that should translate tense relations into a more constructive, sectoral discourse (however, it does not mean relying only on mediation). The longer this conflict will last, the more opportunities Russia will get to fuel global panic in relation to Ukraine: “rise of the neo-Nazi, xenophobic sentiments,” “persecution of national minorities,” etc. The Hungarian leadership will continue articulating their position on the disadvantages and ineffectiveness of the policy of Russia’s isolation. In general, Hungary’s policy does not enjoy EU-wide support, which means that Ukraine should easily find allies; however, third parties can only provide a framework for communication, while Kyiv and Budapest will still have to come up with practical solutions that would be suitable for the two sides. Without compromises, the escalation in bilateral relations is likely to increase. The Ukrainian Government should take into account the fact that some researchers and journalists who are critical of Viktor Orbán’s policy do not approve of Ukraine’s approaches to the promotion of the Education Law.

2. COOPERATE WITH THE NON-GOVERNMENTAL SECTOR AND JOURNALISTS.

The Hungarian Government’s influence on civil society institutions and mass media is significant. However, there are a lot of people in this sector who are focused on the development of relations between Ukraine and Hungary, especially in the academic sector, which often speaks of anti-liberal trends in the country introduced by Viktor

Orbán (primarily due to attacks on organizations that have collaborated with the George Soros Foundation). The Ukrainian Government should support initiatives to develop formats aimed at cooperation between the civil society institutions of the two countries. Hungarian researchers support and encourage the establishment of a forum for public diplomacy where representatives of the two countries could exchange their views; this would have helped reduce tensions between the two countries, at least at a lower, public level. Among those who should be involved in such communication are: Péter Krekó, Szabolcs Panyi, András Pethő, András Dezső, András Deák, Peter Tálas, Botond Feledy, Szicherle Patrik, Győri Lóránt, András Rácz and others.

3. IMPROVE COMMUNICATION.

The Ukrainian authorities should communicate the arguments in favor of their position more clearly in order to further develop their relations with Hungary. There is a significant lack of information on the implementation of the Education Law in Hungarian academic and journalistic circles, which has become the main obstacle in the bilateral relations (for instance: how many subjects and which ones will be taught in Hungarian; or will private school students be able to get education in Hungarian). Attacks on the institutions of national minorities in Ukraine, especially those that may involve Russian intelligence services, should be communicated more consistently and loudly. Foreign observers are increasingly skeptical of Ukraine’s statements about the “Russia’s hand,” as the cases are allegedly not moving further from suspicions. If there is any new information on the investigation of last year’s attacks on the Hungarian association in Uzhhorod, it is vital to report it to foreign journalists, researchers, and diplomats.



4. ENGAGE TRANSCARPATIA-BORN IMMIGRANTS.

Hungarian observers noted that Ukrainian officials have been paying insufficient attention to well-known Hungarians (politicians or journalists) born in Ukraine. Quite often, as noted by Hungarian researchers, those people are more critical of the actions of the Ukrainian authorities than other local opinion leaders. Ukraine should perceive those figures not as a threat but as a resource for establishing relations between the two countries.

with Croatia and Romania in energy projects that would contribute to reducing the Russian natural gas monopoly, as soon as the tensions around the Education Law are lifted.

5. REFRAIN FROM THE STATEMENTS ON THE “RUSSIA’S HAND.”

Declarations regarding the Hungarian Government performing Putin’s tasks first and foremost discredit Ukraine’s position (as there is no direct evidence of Russia’s influence on Hungary’s aggressive diplomatic approach toward Ukraine). In Hungary, anti-Russian sentiments are quite strong: current cooperation with Russia is not considered by the Hungarians as a threat to national security. Moreover, Hungarians perceive statements about the “Russia’s hand” in the same way as Ukrainians perceive statements from the Hungarian side about “right-wing radicals and nationalists being in power.”

6. DEVELOP COOPERATION IN THE ENERGY SECTOR.

The cooperation between Ukraine and Hungary on the issue of reverse natural gas supplies is one of the elements that indicate the possibility to deepen the relations in order to enhance the energy independence of both countries. Ukraine will need to continue the dialogue with Budapest on cooperation



ABOUT NEW EUROPE CENTER

*The **New Europe Center** was founded in 2017 as an independent think-tank. Despite its new brand, it is based on a research team that has been working together since 2009, at the Institute for World Policy. The New Europe Center became recognized by offering high-quality analysis on foreign policy issues in Ukraine and regional security by combining active, effective work with advocacy.*

The New Europe Center's vision is very much in line with the views of the majority of Ukrainians about the future of their country: Ukraine should be integrated into the European Union and NATO. By integration, we understand not so much formal membership as the adoption of the best standards and practices for Ukraine to properly belong to the Euroatlantic value system.

More about New Europe Center: www.neweurope.org.ua