

Publications

Sweeping Ambiguity: Hungary's referendum on EU accession

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In the spring of 2003, Hungarian society was asked by its government to legitimize its efforts to seek full membership in the European Union. Held almost ten years after the EU declared its basic openness to entrants from the formerly state-socialist bloc of Europe, the referendum of April 12 provided Hungarian citizens with the second, and probably last, explicit occasion to ponder about the geopolitical constraints and opportunity structures their state faces in the context of the radical rearrangement of European geopolitical space. (The first such opportunity was the NATO referendum of November 16, 1997.)

While the referendum's question "Do you agree that Hungary should become a member of the European Union?" sounds straightforward, its context - contemporary east-central Europe - gave it multiple, partly contradictory meanings. The question's focal element, that of "membership," is one source of the complexity. While it may be obvious that, to quote an apocryphal quip attributed to an anonymous EU official responding to complaints about the unkind treatment of the applicants, "it is not the EU that is asking for membership in Hungary" but vice versa, that obviousness rests on a rather narrow idea of what we mean by 'the EU' and 'Hungary.' If we restrict the former to the legislative, administrative and regulatory bodies commonly referred to as "Brussels" and we equate the latter with the state of the Republic of Hungary, the point becomes rather moot. The entire spectrum of Hungary's parliamentary parties agrees that the EU constitutes a clear and unambiguous telos for post-state-socialist Hungary. Anti-EU rhetoric in Hungary today comes for all the wrong (extreme-nationalist) reasons, from the extreme right.

What happens, however, if we think of the EU and Hungary as more than just systems of governmental authority? What if 'the EU' were to denote not only the central public bodies in Brussels, but also the political apparatuses, the cultural and political elites and masses of the member states, as well as those considerable segments of global multinational capital which are headquartered in the European Union? What if we meant, by 'Hungary,' not just the state, but also the political and cultural elites, the society at large as well as domestic capital? What if we were to imagine those two compound entities as social processes, engaged in a dynamic interplay both within and across their divide? One interesting result of such a shift in perspective is that it renders visible some ways in which the EU has indeed been "asking," to paraphrase the quip above, "for membership in Hungary." Two such processes are most visible. I find it fitting to describe them as (1) property and market grabbing and (2) partial seizure of sovereignty.

Hungary today is among the world's most "globalized," and over the last ten or so years the most rapidly "globalized," economies. It is a very open, small economy, and a very large majority of the productive assets located in Hungary are, by now, directly owned by foreign corporations. As a result, the recent, modest upturn in Hungary's GDP (following a good eight to ten years of recession) was entirely due to profits accruing to partly or fully foreign-owned corporations, overwhelmingly under medium-term tax

breaks. A good two-thirds of the multinationals that currently employ Hungary's reasonably well trained, disciplined and low-wage labor force is headquartered in the European Union. That proportion is judged by "Brussels" to be too low, as attested by the EU's Commissioner for Competition who recently scolded Hungary for being too open (sic!), i.e., too accessible for non-EU capital. This happened at a point where Hungary's trade dependence on its most significant EU-member partner, Germany, exceeded its levels of dependence on the USSR at any time during the Cold War. Be that as it may, the EU of the EU-based multinational companies has been very successful in "asking" and being welcome "to join Hungary," at least as far as that the latter's labor force, consumer market and geo-economic location are concerned.

In a parallel process, the EU initiated what it calls 'eastern enlargement.' The essence of this process is a series of promises of eventual full membership in the EU to the states on the EU's eastern perimeter, with transposition and implementation of the *acquis communautaire* (the EU's roughly eighty-thousand-pages-long body of legal and regulatory materials) as a key criterion along which each applicant would be judged. The EU demanded, in other words, that the applicant states accept, as binding, a body of laws written without asking them or even taking their interests, or peculiar conditions, into account. In acquiescing to this demand, the applicant states relinquished serious elements of their sovereignty to the European Union, in exchange for vague promises of eventual full membership. As the main purpose of the *acquis* is opening up and removing the initially highly protectionist European states' tariff and other barriers, it is easy to see how its implementation also paved the way for property and market grabbing by EU-based corporations in eastern Europe.

From the perspective of the society of the applicant state, the time elapsed between the initial implementation of the *acquis* - in east-central Europe, typically no later than around 1997 - and achievement of full membership can be described as a state of sovereignty loss. In the case of the most advanced "eastern" applicants like Hungary, all freedoms including the movement of labor, are to be accorded only seven years after initial admission in 2004, i.e., sometime in 2011. For sidelined applicants such as Romania or Bulgaria, it will be probably at least another five years. This period of sovereignty loss will be therefore about 14 to 19 years. To the extent that it is accurate to describe the European Union, as it is commonly done, as a sovereignty association, it appears that the EU has quite successfully added on various bits and pieces of the sovereignties of the applicant states, without according them anything even vaguely resembling equal status for a relatively long time.

Subject to various exogenous imperial structures throughout most of its recent history, this combination of economic underdog-status and injured or incomplete sovereignty is quite intimately familiar to members of the Hungarian society. Read from this angle, the question posed to the Hungarian polity in this referendum can be reconstructed as split into the following two:

1. "Given that EU-based multinational corporations have already acquired so much in property and market shares in Hungary, and given that much of formal sovereignty is already lost to the EU, do you agree that the Hungarian state should seek to gain a modicum of control over the running of its own affairs, and perhaps some say in the matter of determining the future of the rest of the world, by

partaking in the large-scale economic and political might of the European Union, even though we know that its say will always be insignificant?”

2. “Do you feel it is more important to voice your protest against the geopolitical status quo tilted in favor of the EU even at the cost of endangering Hungary’s chances to join?” Hungarian voters - those who bothered to vote, that is - responded with a sweeping affirmative to the first question. With a voter turnout of 45.6%, the referendum is legally binding (the requisite minimum voter turnout is set at 25%), and 83.76% of those who voted marked the “yes” rubric on their ballot sheets.[1]

It is remarkable, however, that a clear majority - 55% - of the eligible voters seems not to have been willing or able to choose between the above two readings, and decided to stay at home during the referendum described during the campaign by some of Hungary’s intellectual luminaries, in amazingly Orientalist terms, as the end of Hungary’s history of shuttling between “the East” and “the West.” The government, which sought a clear and convincing mandate from the referendum, has received, however, an ambiguous message. With only 38.22% of the eligible voters having explicitly voted for EU-membership, Hungary has produced the weakest mandate for accession of all enlargement referenda whose legal content returned a “yes.” Instead of clarifying matters, the Hungarian referendum thus opened a gap between a legally valid affirmation on the one hand and a weak political mandate on the other.

Note: **1.** http://www.election.hu/outroot/en/10_0.html