Hungarian parliament to select new president

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On May 2, the Hungarian parliament will elect a new president. The ruling Fidesz (Civic Union) party has a two-thirds majority and the election of its candidate, European Parliament deputy Janos Ader, is regarded as guaranteed. Ader is a close associate of Prime Minister Victor Orban. His assumption of the country's highest office will invariably consolidate and advance the policies of Orban's right-wing government.

Ader's predecessor, Pal Schmitt, resigned a few weeks ago following accusations he had plagiarised his university doctorate thesis. Schmitt was a bland puppet of Orban who unstintingly abided by the demands made upon him by the government. In less than two years he underwrote no less than 360 new laws.

Revelations about the dubious nature of Schmitt's thesis came at an extremely convenient moment for the government, which has seized the opportunity to place a more substantial figure into the presidential palace. Should upcoming parliamentary elections result in a removal of Orban's current majority the president would then play a crucial role.

Ader is regarded as a hard-liner inside Fidesz. The lawyer, who has sat as a deputy in the European Parliament since 2009, played a leading role in drawing up the country's new electoral law and changes made to the judicial system. Both changes are highly controversial. According to poll researchers the electoral law is aimed at favouring Fidesz in the elections planned for 2014. The judicial reform is currently being investigated by the EU for infringing European treaty obligations.

Ader made his political position clear immediately after his nomination. In a statement he declared he wanted to represent the whole Hungarian nation, and estimated the number of Hungarians at 15 million. This is a deliberate provocation against the country's neighbours, in particular Slovakia. The Hungarian population totals 10 million inhabitants; the remaining 5 million consist of minorities in adjoining countries.

In 2010 Fidesz had already passed a law awarding Hungarian citizenship to ethnic Hungarians in neighbouring countries, leading to a rise in tensions with border states. The government was seeking to divert attention from its social attacks by stirring up nationalism.

Ader, born in 1959 in the northwestern Hungarian province of Csorna, graduated from the Budapest Eotvos Lorant University in 1983 and was active in right-wing, anti-communist student circles. In 1988 he co-founded Orban's Civic Union on a platform of hysterical anti-communism and the demand for a free-market economy.

He was parliamentary chair during the first Orban government from 1998-2002. Between 2002 and 2006 he led the Fidesz parliamentary group and was temporarily the leader of Fidesz from 2002 to 2003. He was one of the leading candidates in the last presidential election in 2010.

The election of Ader is expected to be the preamble to a major cabinet reshuffle. Growing tensions within the government reflect the country's intensifying economic crisis that has led to conflicts with the International Monetary Fund and the European Union. The most likely victims in a reshuffle are Economics and Finance Minister Gyorgy Matolcsy, Education Secretary Rózsa Hoffmann and her boss, the minister of "National Resources", Miklós Rétheyli.

Orban is forced to make these changes in personnel because the government is under increasing pressure. Talks are planned in the next few weeks with the IMF and the EU Commission to decide on much needed financial aid for Hungary. The disbursement of the funds will be subject to the introduction of more drastic austerity measures.

According to a forecast by the OECD, Hungarian gross domestic product will decline by 0.6 percent in

2012. In 2011 the Hungarian economy had grown by 1.7 percent. “The economy is expected to fall into recession early in 2012”, the OECD report concludes. What is required is “greater austerity and growth-promoting activities” and further labour market reforms.

Polls reveal that not only has Orban lost popular support due to his economic policies, he is also increasingly unpopular with foreign investors. A recent survey by the German-Hungarian Chamber of Commerce declared that 87 percent of investors were dissatisfied with the government. In the list of countries preferred by German and Austrian companies Hungary has slipped from fourth to tenth place.

“The biggest problem for the companies are the lack of predictability regarding economic policies and lack of confidence in the judicial system”, the Chamber of Commerce stated. Twenty-nine percent of the surveyed companies would no longer invest their money in Hungary. “This is a serious signal that more effort has to made in economic policy”, the report notes.

The social situation in Hungary has deteriorated dramatically due to the austerity measures introduced by the Fidesz government in recent years. The economist and chairman of “ATTAC Hungary”, Matyas Benyik, reported in Vienna recently that almost one in two inhabitants of the country lives in poverty. According to his data, the real poverty rate in Hungary is about 40 percent, i.e., 4 million Hungarians.

Vera Zalka, chairman of the “Foundation for the Hungarian Social Forum Movements”, explained that the situation for pensioners and children in the country is especially dire. Many Hungarians are forced to work for a minimum wage, which is hardly enough to survive. Many people have lost hope and see no light at the end of the tunnel.

In February dozens of people commenced a “hunger march” under the motto “work and bread” directed against the right-wing government of Orban. In the course of a week the protesters marched 200 kilometres in extreme cold from the northern Hungarian city of Miskolc to Budapest. Imre Toth, one of the organizers of the “hunger march”, declared that the lives of ordinary people were becoming increasingly intolerable.

The level of private debt in the country has also reached a new record level. Thousands of families face foreclosure and eviction because they are unable to finance their mortgages, many of which are reckoned in foreign currency and can no longer be repaid. The Hungarian banks had already carried out around 5,000 foreclosures by mid-March.