



Weekly Briefing

**Hungary external relations briefing:
Orban's recent visit in Beijing – And its
reverberations in Hungarian foreign policy**

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Introduction

Foreign policy in itself is a complex set of policies and measures in relation to other countries and regions. It is the natural desire of every country to pursue an efficient and independent foreign policy that adequately reflects the political and economic interests of that country. However, in our interconnected world, where mutual and asymmetrical dependencies characterize the scope of action of countries, this goal can be very difficult to achieve. The freedom of smaller countries in particular appears to be restricted by the very complex network of dependencies. At the same time, however, there are also countries that take advantage of the interdependencies that characterize the modern economy and global politics. In the case of Hungary, we can find very clear evidence of the attempts and measures taken to assert the country's interests in the political and economic sphere. This foreign policy has been implemented since 2010 and can also be interpreted as a break with the foreign policy before 2010, which accepted dependencies as a matter of course and did not try to loosen the limits of what a small country has to do in the midst of the war in Ukraine and other geopolitical tensions. If we want to summarize the ultimate goal of the political steps taken by the Hungarian economy between 2021 and 2023, all these things are basically the content of what we call sovereign foreign policy, which is why we can definitely claim that Hungarian foreign policy is an explicit case of "sovereignist" foreign policy. Only in this theoretical context can we understand why the criticism of Orban's visit to Beijing and even his meeting with the Russian prime minister is unjustified. Why actually? Any criticism in the context of bilateral and multilateral meetings is a violation of the sovereignty of the country in question. We cannot question the right of a sovereign country to participate in negotiations. In this briefing, we will address the question of how Orban's visit to Beijing and his meeting with the Russian president were interpreted in the Western and Hungarian media. The briefing will separate these two issues and focus more on the interpretation of Orban's visit and his meeting with the Chinese head of state.

The visit in Beijing

Orban's visit to Beijing has indeed triggered considerable debate and provoked fierce criticism in both Western and opposition Hungarian media. Viktor Orban's visit to Beijing, which took place on the occasion of the Belt and Road Initiative (BRI) Anniversary Forum in October 2023, was an important step to underline Hungary's growing interest in the changing dynamics of global politics and economic partnerships. Essentially, Hungary's interest lies in maintaining bridges to both worlds and gaining free access to resources in the form of capital and technology transfer.

The BRI, which was attended by twenty heads of state and government with representatives from 130 other countries, underlines the international importance of China's Belt and Road Initiative (BRI). At the same time, it is clear that the EU member states, with the exception of Hungary, have basically boycotted the BRI, as none of the heads of state and government attended the forum this year. Bni IntelliNews underlined "The Hungarian premier is one of the 20 heads of state and the only EU leader to attend the two-day Belt and Road Forum, ..."¹ The element that of the European heads of state and government only Victor Orban attended the conference has been highlighted in other analyzes and articles.

During his visit, Orban emphasized the idea that we are currently witnessing the end or decline of Western dominance and the rise of the East. This concept has been interpreted by several analysts, although the phenomenon of shifting economic and political centers is a widely researched phenomenon and therefore not exactly thought-provoking. We could add that his sentences reflect a realistic and pragmatic approach. His observation that Europe must navigate between protectionist trade policies, forging economic alliances and seizing the opportunities arising from the evolving global order describes the situation in which the EU finds itself in the second decade of the 21st century. While most EU members seem to be choosing the alternative of protectionist trade policies in the name of decoupling or de-risking and following the US stance in world affairs, Hungary is trying to bridge the gap between the two emerging bipolar worlds.

Orban's commitment to deepening economic ties with China, reflected in the signing of ten economic agreements, is a clear indicator of Hungary's pursuit of diversified trade partnerships. While critics might raise concerns about the potential geopolitical implications of such a policy, it must be recognized that each nation pursues its own interests with its foreign policy, which can sometimes lead to criticism from others. While other media only emphasize that Hungary is the only country from the EU participating in the conference, this news portal has also added some information about the success of economic cooperation. "By

¹ <https://www.intellinews.com/hungarian-pm-viktor-orban-only-eu-only-leader-in-beijing-for-bri-forum-297155/>

the end of 2022, Hungary had the largest volume of Chinese investments in the region and inward Chinese FDI investments are likely to break new records. Hungary is expected to double last year's investment record of €6.5bn, with much of those investments coming from Chinese companies,² the news portal quoted the Hungarian foreign minister, Mr. Szijjarto. The news portal also drew readers' attention to more critical topics such as the Budapest-Belgrade railroad reconstruction project, which recently came to a standstill due to a lack of funding. The reason for this could be the rising costs caused by the unexpectedly high inflation rate in Hungary. The higher prices may have made it impossible to complete the project on the basis of the original figures. At the same time, since the article was published, information that the project had been discontinued has been denied by several sources.

On a positive note, China Construction Bank, the second largest bank in the world, opened a new branch in the Hungarian capital in April this year. This investment means that two major Chinese banks (including the Bank of China) are already represented in Hungary. As significant Chinese investments are being made in Hungary, the need for financing that can be provided by China Construction Bank is growing.

The Hungarian Prime Minister also met with Chinese President Xi Jinping during his visit to Beijing. When the trip was announced, the leading newspaper of the Hungarian opposition published an article setting out its own version of the aim of the Belt and Road Initiative: "A One Belt, One Road is considered China's primary attempt at foreign influence. It involves connecting Asian, European, and African countries with roads, ports, and pipelines, creating a total of 65 affected countries. However, the European Union hasn't been enthusiastic about it for the past five years, suspecting that Beijing aims to establish an economic and political sphere of influence. An indication of this is the inclusion of two phrases in the bilateral agreements presented by the Chinese leadership to individual countries: 'community of common destiny' and 'community of shared future for mankind.' These terms are not just grandiose, harmless statements; the character used for the word 'community' in them is the same one used for the European Union. This clearly means that China aims to have countries engaging with it sign a contract that expects cooperation among EU member states within an alliance formed under its leadership. It's no coincidence that Italy has been trying to distance itself from China's embrace recently."³ Aside from the biased framing of the Belt and Road Initiative, the article also includes a factual error, since 共同体 stands for community while 欧盟 stands for European Union. The characters are obviously

² <https://www.intellinews.com/hungarian-pm-viktor-orban-only-eu-only-leader-in-beijing-for-bri-forum-297155/>

³ https://nepszava.hu/3208317_orban-viktor-kina-latogatas-2023-oktober

not the same. The misunderstanding is clear the interpretation lacks knowledge of Chinese culture and language too.

Echoing the visit, news portals quoted the Chinese ambassador to Hungary, Mr. Gong Tao, as saying that Sino-Hungarian relations were good and that trust between the two countries had reached a new level. The ambassador highlighted the Hungarian prime minister's visit to Chinese banks and companies such as China Construction Bank, car manufacturer BYD, Industrial and Commerce Bank of China and other high-tech companies, and also emphasized that China and Hungary signed ten agreements during the Belt and Road Forum.⁴

The reactions to Orban's visit were quite different in the Western and opposition Hungarian media. Western media, which often focused on concerns about China's global influence, raised questions about Hungary's rapprochement with Beijing. Indeed, "rapprochement" and even "alliance" are words that can mislead readers, as they make readers suspect that Hungary and China are allies. In fact, the two countries have friendly relations in both the political and economic spheres, but they are far from being allies in the sense we use the word in international relations. Some saw Hungary's foreign policy as a deviation from EU policies and values, while others saw it as an example of pragmatism in a changing global order.

The Hungarian media, on the other hand, also highlighted the economic benefits of the visit and emphasized how important it was for Hungary to maintain friendly relations with China. Orban's emphasis on Hungary's role as a good friend of China in Central Europe was received positively by some sections of the Hungarian press. The Prime Minister said: "By contrast, we are working on the expansion of our economic relations, equally towards the East and the West. I am convinced that this is the only way to preserve Hungary's competitiveness and security. This is why we are here in China, and this is what we will talk about in the coming days." To emphasize the economic aspects of the visit, the Hungarian media focused on the prime minister's trip to Shenzhen in China. In the city often referred to as China's Silicon Valley, the Hungarian Prime Minister visited the exhibition "40th Anniversary of Guangdong Province Reform and Development" at the Museum of Contemporary Art and Urban Planning. Later, Viktor Orban held further talks with the heads of major Chinese companies in the region and visited the Nanshan Cultural Center.⁵

As already mentioned, the international press focused primarily on the fact that Orban was the only European head of state to attend the Belt and Road Forum. At the same time,

⁴ <https://nyugatifeny.hu/2023/10/27/orban-viktor-pezsgot-bont-erre-a-bokra-vart-a-legjobban-az-elmult-evekben>

⁵ <https://magyarhaz.net.hu/english/2023/10/pm-orban-holds-talks-in-chinas-silicon-valley>

analysts did not go much further in their analysis and drew different conclusions, while the meeting with the Russian president attracted more media attention. Reuters emphasized that Chinese President Xi Jinping had told Viktor Orbán that he was a "friend" of China. The news portal also quoted the Chinese leader as saying that both nations should develop their economic and political relations. The article added that, in contrast to the closer relations between China and Hungary, European states are seeking to "de-risk" China. They put this way: "Under the government of Orbán since 2010, Hungary has increasingly drawn closer to the orbit of China, an important partner in trade and investment. That contrasts with other EU nations that are considering diversifying from China and becoming less dependent on the world's second-largest economy."⁶ What the article does not mention is that China's share of Hungarian trade is still far from competing with the EU for obvious reasons, and even today Western countries dominate the stock of foreign direct investment in Hungary and the Western role in technology import is not challenged by the growing Chinese investment in Hungary.

To summarize, Orbán's visit to Beijing is an example of how foreign policy can be a complex balancing act or a rational, pragmatic foreign policy. Since Covid-19 and the start of the Russian-Ukrainian war, the global landscape has changed and nations have had to adapt to these changes in order to secure their interests. Hungary has also done so, and we can even say that it is playing a leading role in this adaptation process. The discussions and debates surrounding this visit reflect the broader discourse on Hungary's role on the international stage and the choices it is making in an increasingly multipolar world. The article put this way: "In the matter of EU funds due to Hungary, the negotiations have reached a phase where the room for maneuver has narrowed for both parties: the Hungarian government is compelled to meet the demands of Brussels, and the European Commission is a captive of the rule-of-law commitments when it comes to payments. At this point, it is practically only political mistakes that could lead to at least the cohesion funds not being released in the near future. However, Prime Minister Viktor Orbán was already quite close to this limit with his meeting with Chinese leader Xi Jinping and his latest statements against Brussels."⁷ In the next part of the analysis, we will see the reactions to this meeting in domestic and international media.

⁶ <https://www.reuters.com/world/chinas-xi-says-he-considers-hungarys-orban-friend-2023-10-17/>

⁷ <https://www.portfolio.hu/unios-forrasok/20231031/kenyszerpalyara-kerult-a-vita-a-kormany-es-brusszel-kozott-az-unios-forrasokrol-648661>

Meeting with the Russian President, Vladimir Putin

Prior to the Belt and Road Forum, the meeting with the Russian president was denied and excluded from the options, yet a bilateral meeting between the two leaders took place during the Belt and Road Forum. According to the AP news agency, the meeting is a boon for the Russian president, who can interpret the meeting as evidence of the EU's dwindling unity towards Russia. The AP report summarizes Russian-Hungarian relations as follows: “Hungary’s stance on the war has confounded its European partners and led to deadlocks in providing financial and military assistance to Kyiv. Orbán has refused to supply Ukraine with weapons and not allowed their transfer across the Hungarian-Ukrainian border. He has also threatened to veto EU sanctions against Moscow, though has always ultimately voted in favor of them.” What the analysis misses is that the Hungarian attitude to the Russian war was a pragmatic one, which had to be based on the following facts:

1. Hungary has no energy resources worth mentioning.
2. Russia has been the main supplier of energy in Hungary for decades.
3. For this reason, the energy infrastructure was built to channel Russian energy into the economy, and other options were not available when this infrastructure was built.
4. Despite recent attempts to diversify energy imports, it is very difficult to achieve this immediately for two reasons:
 - a. The country is landlocked and the lack of direct access to sea routes limits Hungary's ability to obtain energy from sources other than Russia.
 - b. There are not many alternative pipelines to be found, and even in those cases, transfer fees increase dramatically.

In this context, it is understandable why Hungary treated relations with Russia with particular caution. Despite this rational approach, the interpretation of the meeting with the Russian president in the Hungarian opposition media was predominantly negative. RTV emphasized personal moments of the meeting: “A video from the meeting recently surfaced, and in the footage, it can be seen that the Hungarian Prime Minister was nervous when sitting across from Putin. Orbán repeatedly adjusted his tie, then began to fidget. Finally, he organized his documents and picked up his pen.”⁸

Then the article focused on the topic discussed at the meeting: Hungarian-Russian cooperation in gas and oil transportation as well as nuclear energy cooperation issues. The two heads of state last met before the Russian invasion of Ukraine in January 2022, the

⁸ https://rtl.hu/belfold/2023/10/17/zavarbaejto-felvetel-jelent-meg-orban-viktor-es-vlagyimir-putyin-talalkozojarol?utm_source=hirkereso-hu&utm_medium=textlink&utm_campaign=hirkereso-rss&utm_content=belf%C3%B6ld_zavarbaejto-felvetel-jelent-meg-orban-viktor-es-vlagyimir-putyin-talalkozojarol

newspaper continued. At the time, Mr. Orbán emphasized that the meeting also served as a peace mission, but he was unaware of the attack that took place three weeks later. (The American Hungarian Newspaper went further in its interpretation of gestures: “While Putin was speaking, Orbán visibly processed what he had heard and what had happened earlier. It made him extremely nervous. His metacommunication reveals that unexpected unpleasant developments occurred. His entire demeanor shows not only confusion but also fear and dread as he struggles to control his movements. This is a symptom of his schizophrenic paranoid condition, but it has a triggering cause. Anxiety and dread.”⁹ The above quote is a very simple and obvious proof of biased political analysis; it does not need further comment from our side.)

The news portal VG.hu emphasized in its article that the Hungarian Prime Minister has not received any reassuring answers from the Russian President regarding peace in Ukraine. The article added that Vladimir Putin considered it important to talk to the Hungarian head of government about global and European affairs.

Summary

This briefing examined foreign policy as a complex arena, particularly in the context of Hungary's diplomatic activities. We focused on the fact that in today's interconnected world, interdependence limits the room for maneuver for countries, especially smaller ones. Since 2010, Hungary has pursued a "sovereignist" foreign policy that differs from its pre-2010 approach, which accepted interdependence. This stance is reflected in Hungary's engagement with China and Russia, which seeks a balance between Eastern and Western economic relations. Prime Minister Viktor Orbán's participation in the Belt and Road Initiative forum in Beijing, the absence of other EU members and his meeting with the Chinese and Russian heads of state have been the subject of controversy in the Western and opposition Hungarian media. While some criticize that Hungary might lean too much towards China, others see these actions as pragmatic steps to secure Hungarian interests in a time of global power shift. The briefing also refers to Hungary's significant Chinese investments and emphasizes the importance of sovereign negotiating rights. Finally, the briefing also mentions the critical view of Orbán's engagement with Vladimir Putin in light of the current EU stance towards Russia.

⁹ <https://nepszava.us/video-orban-zavart-felelme-clarulja-hogy-putyin-kotelet-tett-a-nyakaba/>