Chapter 9
From a Community of Feelings to Estrangement: Hungary and Germany since 1990

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Hungary and Germany have come a long way since 1990. The aim of this chapter is to review this relationship as it unfolded since the fall of the Berlin wall, the German unification and the Hungarian democratic transformation in 1989–1990. As will be seen, two distinct periods can be clearly identified. In the first, until 2004, the strategic interests of the two countries aligned as Germany supported the Euro-Atlantic integration of Hungary, the main foreign policy goal of the respective governments in Budapest. After Hungary's EU accession in 2004 and especially after 2010, new characteristics and new patterns could be observed in the relationship between Germany and Hungary as the two countries began to clash with ever-increasing frequency, in line with Handl's prediction that relations between Germany and the countries of the region should loosen after the accession. Based on the insights of role theory, we argue that the main reason for this lies in the strikingly differing foreign policy role concepts of Germany and Hungary in the period after 2010. In keeping with the structure of the other papers, in this volume, we firstly review the bilateral political relations since 1990 before turning to the economic relations and, thirdly, to the multilateral arena.

1. Bilateral Political Relations since 1990

After the transformations of 1989–1990, the relationship between Germany and Hungary could not have been better. This 'special relationship' was due to several factors. The decision of the last one-party government in September 1989 to let the East German refugees travel to the West has been a crucial catalyst of the collapse of the Berlin Wall two months later. By 1989, the bilateral economic ties were already strong: Germany was the second biggest trade partner for Hungary. As opposed to Poland or Czechoslovakia, there were no historical 'sore points' in the German–Hungarian relations nor unresolved minority or reparations payment issues. The peaceful democratisation of the country was a model for other former communist Central European countries and was clearly in the interest of Germany. From the start, Germany lent a helping hand in modernising Hungary's economy, through cheap loans, debt cancellation and non-refundable humanitarian assistance. In return, Hungary was an island of stability in a turbulent and problematic region. While Czechoslovakia and the Soviet Union were disintegrating, wars flared up in ex-Yugoslavia, nationalist governments

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were formed in Slovakia and Serbia and successive political crises gripped almost all countries, Hungary was the only polity in the region where the first democratically elected government filled out its full mandate. What is more, the same six parties were re-elected to the parliament in 1994, no radical, nationalist or communist parties amongst them. Talking about the stability of the continent, Wolfgang Schäuble, the then chairman of the CDU parliamentary group, gushed in 1993 that Hungary played the same stabilising role in the region as Germany did in Europe.[1] President Göncz Árpád went so far as to say that Hungary and Germany have a 'community of feelings' (BILCIK 2012, 164).

Feelings are all well and good, but there were more to the German–Hungarian relations than that. In essence, the two capitals had the same overarching political and economic interests after 1990. In order to acquire great power-allies and modernise the economy, the successive democratic Hungarian governments wanted to enter NATO and the European Union, respectively, as quickly as possible. It was clear from the beginning, that to achieve this aim, the enlisting of Germany's support was crucial. In other words, Germany was both an important bilateral *and* multilateral partner (KISS J. 2002). For its part, despite the occasional and casual attempts to drag out this process, Bonn was a strong supporter of this Hungarian aim. Overall, at the top level of heads of government, the Kohl era was characterised by the German chancellor's role of Western patron Number One of the Hungarian accession (KISS J. 2002). Apart from economic considerations, Germany had manifest interests in this: due to its geographic location, the country would have been the first to suffer the negative spillover effects of possible economic crises, migration flows, political instability, civil wars and the activity of transnational criminal networks in Eastern Europe.

Another area of common interest were economic relations. Germany played a large part in the stabilisation of Hungary's economy after the painful transformations of 1989–1990. Once this has been achieved, and the necessary reforms were under way, bilateral commercial relations and German foreign direct investment (FDI) started to grow significantly to the point, where Germany was by far the biggest trade partner and biggest investor, laying the foundation for good economic relations (see the next chapter). In addition, Hungary gave significant political, military and logistical support during the 1990s to NATO, even before it became a member of the alliance. Due to its geographic location and relatively up-to-date military, Hungary provided NATO with airbases for the pacification of Bosnia and, subsequently, for the Allied Force-operation, i.e. the bombing of Serbia in 1999. Hungarian airfields and logistical support was crucial for both missions. The Hungarian Armed Forces participated with troops in the IFOR/SFOR peacekeeping mission in Bosnia and the KFOR mission in Kosovo, both under the umbrella of NATO. Overall, Hungary clearly demonstrated that it is able to help NATO achieve its goals and both missions were a great boost for Hungary's NATO accession in 1999. Ronald D. Asmus even went so far as to say that without NATO's successful Balkans mission, its Eastern enlargement of 1999 would never have happened (ASMUS 2003, 190). Germany was very much impressed with

[1] „W. Schäuble látogatása a nagykövetségen", MNL OL, Külügyminisztérium Tük, 28. doboz, 00179, 1993. január 15.

Hungary's positive contribution in solving these conflicts.[2] In addition, it is also noteworthy, that vis-à-vis the various political conflicts in Eastern Europe at the time, Germany and Hungary almost always saw eye to eye and supported the same outcomes and solutions. Hungary was also behind Germany's unsuccessful bid in the 1990s for a permanent UN Security Council seat.[3]

The only important area where significant tensions were apparent was the issue of the Hungarian minorities in the neighbouring countries. Here, Germany's position was constant and clear from the beginning. It cautiously supported Hungarian attempts to put pressure on Romania and Slovakia to improve the situation of the Hungarian minority in their countries. However, it always refrained from giving support to Hungarian demands for autonomy in these countries. This reflected the longstanding German conviction, that individual minority rights are to be upheld but the insistence on collective minority rights (like autonomy) might endanger regional stability and serve as a precedent, causing interminable ethnic disputes in Europe. Moreover, Germany was repeatedly troubled by statements from less-than-diplomatic Hungarian politicians accusing neighbouring countries with the maltreatment of their Hungarian minorities. Once again, Germany's main aim in the region was political stability and anything that might jeopardise this, as for example, feuds over autonomy, was to be discouraged. "Even the token stability of the region is more important to the German government than the effective solving of minority problems" – sighed an exasperated Hungarian diplomat in 2002.[4]

All in all, speaking about the period before Hungary joined NATO in 1999 and the European Union in 2004 one might identify 4 + 2 issue areas, where Hungary and Germany had common interests and where both countries could help the other in achieving these interests. To begin with the four areas which were important for Germany, Bonn was, firstly, very much interested in the political and economic stability of the region. As already mentioned, Hungary, without a doubt 'delivered' in this respect, as opposed to other, more crisis-prone countries in the region: between 1990–2002, Hungary had four prime ministers, while Romania and Bulgaria had seven, Poland and Latvia nine and Lithuania no less than 12.[5] In addition, Hungary's fairly stable economic structures provided a good basis for German investments: despite the occasional legal and administrative hiccups, German investors were enthusiastic about Hungary as a destination. In various polls, German investors cited 'stability' as a major reason why they invested in Hungary, and not the usual suspects like 'cheap workforce' or 'geographic proximity' (Kondász–Engert 2002, 75).

The second area was the topic of German minorities living in Hungary. As repeatedly recognised by German politicians, Hungary treated its 120,000-strong German minority in an exemplary fashion, granting them wide-ranging rights as laid down in the 1992

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2 For example: „Jelentés V. Rühe német védelmi miniszter magyarországi látogatásáról (1996. 04. 09–11.)", KKM Irattár, Külügyminisztérium Admin, 109. csomó, 3216-7, 1996. április 26.

3 For example: „Háttéranyag Orbán Viktor miniszterelnök úr németországi látogatásához (ENSZ)", KKM Irattár, Külügyminisztérium Admin, 8549, 1998. október 27.

4 „Konzultáció Berlinben", KKM Irattár, KKM Irattár, Külügyminisztérium Admin, 2773, 2002. február 4.

5 And Hungary only had four because the first Prime Minister, Antall József died in 1993, before the end of his tenure. However, his sudden death had not put the government in jeopardy, as his successor finished the term without problems.

German–Hungarian Treaty of Friendship and the 1993 Law on Minorities.[6] This has to be contrasted with the issue of Germans in Poland for example, where this topic has caused considerable friction between Warsaw and Bonn. No such thing would happen in the German–Hungarian relationship. Connected to this was the third favourable condition, namely the fact that there were no disagreements or bad feelings about the common history of the 20th century. While the Nazi destruction and subsequent occupation of the Polish and Czechoslovak states cast its long shadow unto German–Polish and German–Czech relations in the 1990s (and, arguably, still today), especially with regards to the reparation issue, no such contentious topic was to be found with Hungary. Once again, Hungary proved to be a much less problematic partner for Germany than others. Fourth, Hungary was a fairly Germanophile country, with strong cultural, linguistic and scientific links to Germany. In other words, Hungary was a promising area for the advancement of German soft power. The German language, especially among the older population, was fairly widely spoken and extensively taught in schools. It is no surprise, that the only German-speaking university outside of the German-speaking countries, the Andrássy Gyula German Speaking University, founded in 2001, is to be found in Budapest. Repeated surveys found that the Hungarian population has a very high opinion of Germany in general and German technology in particular (MÁRKUS G. 2000).

For Hungary, Germany contributed to achieving its goals in two major ways. First, the German federal and state authorities as well as German firms and investors helped with the eminent goal of respective Hungarian governments, namely the economic, social and administrative modernisation of the country. In the years 1989–1993, Germany provided financial help through cheap credits, humanitarian assistance and debt relief, to the tune of 3.5 billion DM.[7] Per capita, this meant 340 DM German assistance for every Hungarian. This compares with 237 DM per capita for Poland and 63 DM for Romania. German firms invested 8.7 billion USD in Hungary in the period of 1990–2002, a share of 33% of all investments in Hungary. In the 1990s, Hungary was way ahead of its rivals in this regard, as well: per capita German investment in Hungary was four times as much as in Poland and 150 times as much as in Russia (DIETZ et al. 2001, 49). German financial and administrative help materialised in other areas, as well. The German state set up a fund for giving cheap loans to Hungarian small and medium enterprises. The Hungarian Army received two major shipments of military equipment in the mid-nineties from the stockpiles of the army of the former German Democratic Republic, free of charge. German experts helped to build and strengthen the capacities of the Hungarian state and local administration, especially in the area of law-enforcement and border control. Hungarian workers had a variety of possibilities to work legally in Germany through avenues specifically tailored for Eastern European states. In 1996, 14,000 Hungarians worked in Germany through such advantageous programs. More dramatically, in the first winter of the democratically elected Antall Government, a serious shortage of coal developed, with potentially grave consequences for the legitimacy of the newly founded Hungarian democracy. At the beginning of 1991,

[6] For example: „A magyar-német kétoldalú kapcsolatok helyzete az egyesülés után, és a bilaterális együttműködés perspektívái", MNL OL, Külügyminisztérium Admin, 44. doboz, LSZ 109-1, dátum nélkül.

[7] Antwort der Bundesregierung auf die Große Anfrage der Fraktionen der CDU/CSU und F.D.P., Drucksache 12/6162, 1993. november 12.

Germany quickly offered a one-off, non-refundable assistance of 50 million DM, to help Hungary get through its heating season. Further examples might be added.

Secondly, Germany was the most steadfast supporter of the Hungarian EU and NATO integration. Bonn was instrumental in building a consensus inside these two organisations with regard to the accession of the Eastern European states. This is true even if Germany had its periods when, due to domestic or international considerations, it occasionally tried to slow down the very process of Eastern enlargement it set in motion. Russia, an important security and economic partner of Germany, was, for one, very much against NATO's enlargement. Domestic constituencies, like the mighty agricultural and industry lobbies were also less than enthusiastic about the prospect of Hungary, Poland and all the others joining the European Union, threatening their market positions. The German public at large was also far from convinced of the utility of the Eastern enlargement. According to Becker, various polls show that the alleged German pro-enlargement consensus was in reality only a project of the German political and opinion making elite (Becker 2011, 143). All this meant that the Kohl and Schröder governments had to spend quite a significant amount of time, energy and political clout to convince sceptics inside and outside of Germany. This they did with considerable skill, as the relatively quick NATO accession of Hungary, Poland and the Czech Republic in 1999, and the somewhat less quick Eastern enlargement of the European Union in 2004, showed.

The notion of an almost problem-free German–Hungarian community of feelings (and interests, we might add) started to fray after the turn of the century. At the risk of oversimplifying, we might distinguish between the period of 2002–2010 and 2010–2018. In the first period there repeatedly began to emerge certain points of friction, which was in itself almost a novelty in German–Hungarian relations. In the second, the issues of disagreement became both more frequent and more salient. It is the period of 2002–2010, i.e. the last year of the first Orbán Government (1998–2002) and the two terms of the socialist-liberal governments under Prime Minister Medgyessy Péter (2002–2004) and Gyurcsány Ferenc (2004–2009) to which we now turn. Significantly, this was also the period when Hungary joined the European Union, giving the Hungarian foreign policy much more room to manoeuver and many more options to choose from than before the accession.

The first tensions developed over the hardly fought Hungarian elections of 2002, when the ruling Fidesz party, amongst other things, accused the Socialists of being in the pocket of the international finance world and therefore being traitors of the nation (Origo 2002). For the German press and the government, this hitherto unknown rhetoric rang alarm bells. Even a report from the Konrad-Adenauer-Foundation, the party foundation of the CDU, (itself a political partner of the Fidesz) highlighted the distressing elements of the campaign of Orbán Viktor's party (Weigelt 2002, 26–27). No surprise, then, that the Hungarian ambassador to Germany reported home that the occasionally brutal tone of the campaign damaged Hungary's reputation and the overwhelmingly positive image of Hungary in Germany seriously deteriorated.[8]

The next friction developed over the war in Iraq. The socialist-liberal Hungarian government strongly backed the tough line Washington was taking towards Saddam Hussein, even hinting at the possibility of supporting an intervention with or without

[8] „2002. évi nagyköveti beszámoló jelentés", KKM Irattár, Külügyminisztérium Tük, 839/T, 2002. június 24.

a United Nations Security Council resolution (TÁLAS–PÓTI 2004, 318). Germany, on the other side, was strictly against the plans of the Bush Administration. Budapest was thus in the delicate position of having to take sides between its two most important partners. While the alignment with the USA was perhaps understandable, the signing of the ignominious Letter of Eight by the Hungarian Prime Minister, professing full support for any American measure against Iraq, was characterised as a 'political mistake', mostly because this step was taken without prior consultation with Berlin (TÁLAS–PÓTI 2004, 318). Overall, the disagreement over Iraq most certainly damaged the bilateral German–Hungarian relationship. This incident occurring in early 2003, when Hungary's EU accession was all but sealed, one might also conjecture that this kind of Hungarian positioning would have been unthinkable a couple of years earlier. Yet by 2003, Budapest was in a position where it could afford to distance itself so decidedly from Berlin.

Apart from minor issues, no further serious tensions emerged until 2010, at least on a bilateral level. This was probably also due to the fact, that after 2006, the socialist-liberal government was confronted by a sequence of domestic political problems, consuming much of the energy of the decision-makers. The 2008 economic crisis reinforced this trend, leading to a near paralysation of the government, culminating in the break-up of the coalition in 2008 and the resignation of Prime Minister Gyurcsány in 2009.

After the resounding electoral victory of the Fidesz in early 2010, things rapidly changed. Basically, one might categorise the issues of disagreements into two brackets: first came tensions over the alleged or real endangering of the rule of law in Hungary. These issues shaped the years 2010–2015 (HETTYEY–RÁCZ 2012). After 2015, the main clashing point changed over to the field of migration policy. Armed with a strong electoral mandate and a clear mission to reform the country, the new government set out to finally carry out the real transformation of Hungary – as opposed to the 'incomplete' and 'unsuccessful' transformation of 1990 (Fidesz 2010). The centrepiece of this 'revolution in the voting booth' was a massive program of legislation. The two-thirds majority of Fidesz was, in itself, something rather untypical by German standards. Early on, Chancellor Merkel repeatedly emphasised the necessity of responsibility in using such a significant majority and hoping that the democratic majority will take into account the democratic minority.[9] The first issue of real disagreements emerged was the media law of 2010. The Merkel Government quickly called upon the Commission to investigate whether the law was in compliance with European norms. Due to the pressure from the Commission, the Hungarian Parliament modified the bill, but Berlin was still not satisfied with some elements and also let its criticism be known through Minister of State Werner Hoyer (FDP).[10] This episode already showed elements of the preferred tactic of the successive Merkel governments. First, Berlin opted to 'multilateralise' the criticism and, in a sense, 'hide' behind the seemingly un-political façade of the Commission. Second, open criticism was usually left to the junior partners in the respective coalitions, who had less close ties to Fidesz, than the CDU–CSU,

[9] For example Index.hu 2010.

[10] Bundestag: Antwort der Bundesregierung auf die Kleine Anfrage der Abgeordneten Katrin Werner, Sevim Dagdelen, Annette Groth, weiterer Abgeordneter und der Fraktion DIE LINKE, Drucksache 17/7468, 2011. november 11.

making it easier for them to stand up to the Hungarian Government. In the Second Merkel Government, this was the liberal FDP, in the third, the social democratic SPD.

Next in line in the disagreements about rule of law issues was a bill mandating a lower retirement age for judges and the alleged violation of the independence of data protection authorities. The new Hungarian Constitution of 2011 came under fire for the curtailment of the competences of the Constitutional Court.[11] After 2012, sectoral taxes on financial institutions, energy service providers, and telecommunications, retail, and advertising companies seriously affected German firms. While not questioning the legality of the extra taxes, the German Government criticised that they were levied without prior consultation. It also should be pointed out that none of the affected major German investors left Hungary because of the taxes, showing that the financial consequences of these measures could be absorbed.

We suggest that the overall tendency of the German criticisms after the 2010 Hungarian elections can be summed up the following way: it was mostly the media, the opposition parties and, in a more cautious fashion, the junior partners in the coalitions who levelled significant criticism against the Orbán Government while the CDU–CSU, Angela Merkel and large parts of her governments did not want to risk an open confrontation with Hungary (Nagy 2012, 5). First, it was maintained that while there might be occasional shortcomings, the rule of law in Hungary is not seriously threatened by the Orbán Government, all the less as Budapest was ready to modify parts of its laws which were criticised by the Commission. Secondly, during the Eurozone crisis, the Fidesz-led government proved to be a valuable ally in the German quest to reform the Mediterranean countries (see below). Thirdly, the 14 Fidesz MEPs made up the sixth-largest national group in the European People Party (EPP) caucus of which the CDU and CSU are themselves parts.

The second area of disagreements, which came to the fore in 2015, was the migration crisis. Once again, the same patterns could be discerned. The German media, opposition parties and the junior partner (this time, the SPD) took swipes at the border fence, the treatment of the migrants/refugees in Hungary and the rhetoric of the government. Under pressure from the press, which showed desperate people camping in squalid conditions in Budapest and even walking on motor highways toward Austria and Germany, and convinced of a humanitarian need to act, Angela Merkel decided to adopt an open-border migration policy and admitted over a million refugees that year – a decision that cost Merkel and the CDU–CSU dearly in upcoming regional and federal elections. Despite the fact that she felt the need to act the way she did partly because of Hungary's perceived or real failure to care for the migrants, Merkel continued her very cautious stance towards Hungary. Privately, she even instructed her party colleagues not to criticise Orbán in public because, in a way, Hungary was indeed contributing to lessen the burden on Germany.[12] The one major exception is the issue of the mandatory quota where the Chancellor repeatedly called for Hungarian solidarity (see below).

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[11] Bundestag: Antwort der Bundesregierung auf die Kleine Anfrage der Abgeordneten Volker Beck (Köln), Manuel Sarrazin, Marieluise Beck (Bremen), weiterer Abgeordneter und der Fraktion BÜNDNIS 90/DIE GRÜNEN, Drucksache 17/8709, 2012. február 15.

[12] Interview with CDU official, March 2016.

2. Economic Relations since 1990

Over the years, Germany and German firms have built up a leading position in the Hungarian economy up to a point where one might talk of dependence. Ever since the early 1990s, Germany has been the biggest trade partner for Hungary by far. In 2016, 27.5% of Hungary's export went to Germany. (The second biggest export partner, Romania, had a share of only 5%.) (KSH s. a.) Germany supplied 26.4% of Hungary's imports in the same year. (Austria was second with 6.4%.) (KSH s. a.) However, Germany's share in Hungary's trade used to be even higher than currently. In the early 2000s, it was over 30%. The same applies to foreign direct investments (FDI), where Germany is also by far the biggest player. In 2015, German firms had a share of 25% in the total stock of investments in Hungary (Central Bank of Hungary 2016). American firms were in second place with 18%. Yet, once again, Germany's lead was much higher in the early 2000s, when it had a share of 33%. At the very least, Hungary's dependence on Germany has decreased significantly in the past 15 years as the country was able to diversify its trade partners and investors. Ironically, the EU accession of Hungary meant that Germany's economic position in Hungary weakened – at least somewhat.

The 6,000 German firms in Hungary currently employ no less than 300,000 people or 7% of the total workforce (Kormany.hu 2017). In line with the policies of the second and third Orbán Government which aimed at the reduction of foreign-owned banks in the Hungarian financial sector, German investor DZ Bank sold its share in Takarékbank to the state-owned National Development Bank. Similarly, in 2014 German state-backed lender BayernLB sold its Hungarian MKB unit to the government, ending an ill-fated investment that has cost it a total of 2 billion Euros in losses over the last 20 years. Yet it was not the banking sector that German firms were most interested in anyway, but the automotive sector and it is here where risks loom. 66% of Germany's imports from Hungary and 57% of Germany's exports to Hungary are made up of cars and vehicles, the highest such shares of the V4 countries. This is problematic for two reasons: if German automakers have problems, so will Hungary. When global car market sales collapsed in 2009, the economies of the Czech Republic, Slovakia and Hungary fell into recession, while Poland, which was much less reliant on the automotive sector in its trade, was able to maintain economic growth. Secondly, this trade structure is in the long run associated with the risk of dependence on overly homogeneous production structures, and on failure to develop in the promising IT and telecommunications sector (Poplawski 2016, 25–30). Recently, Prime Minister Orbán also voiced his disapproval over the allegedly low wages German firms were paying their Hungarian workers: how can Germany talk about solidarity when German companies pay 80% less for the same work than they pay their workers in Germany, Orbán asked in 2017, indicating that the Hungarian Government is ready to put pressure on German investors.

3. Institutional Relations since 1990

In the period before 2010, Hungary and Germany cooperated on a wide range of issues both in the EU and NATO. Speaking about the latter, Hungary played a significant part in the stabilisation of Bosnia as well as the Allied Force mission against Serbia in 1999,

when Budapest committed two of its airports for the hosting of the NATO warplanes flying sorties over Serbia. Hungary and Germany closely cooperated in Afghanistan as well: in an incident at the very beginning of NATO's ISAF mission a bus carrying German troops was attacked, and a contingent of Hungarian army doctors were the first to arrive on the scene of a bombing in Kabul, starting triage and evacuation procedures there. "The rest of the Hungarian team did a similarly good job at the military hospital. Their professionalism left a legacy of respect and good will that helped cooperation across a broader spectrum" (Marton–Wagner 2017, 155). In 2006, Hungary took over a Provincial Reconstruction Team in the north of Afghanistan, in the area of the Regional Command North (RC-N), headed by Germany. This meant that German and Hungarian troops cooperated closely on a wide range of tasks, including planning, reconnaissance, logistics and patrolling. Germany even supplied the Hungarian Army with modern Kevlar helmets when the deteriorating security situation in 2008 made this necessary. German and Hungarian troops also served together under NATO command in Kosovo, Bosnia and various other theatres.

In the first period after Hungary joined the EU in 2004, the efforts were focused on learning the rules of the game in Brussels. This socialisation process took quite a bit of time, and coupled with the aforementioned domestic political and economic problems meant that Budapest was initially rather passive on the European stage. Germany and Hungary were in agreement over many issues including the two core areas of Germany's presidency in 2007, energy policy and the question of the constitution. In the former, being reliant on Russian energy imports, Budapest supported the adoption of the new energy action plan aimed at reducing its own emissions by at least 20% by 2020 (Fürst 2008, 409–410). In the latter, Hungary was the first member state where the Lisbon Treaty was approved by a national parliament on 17 December 2007 in order to make sure that the enlarged EU remains effective. In her first visit to Budapest in August 2007, Chancellor Merkel expressly thanked Prime Minister Gyurcsány and leader of the opposition Orbán for Hungary's overall support during the German presidency (Index 2007). Significant frictions only emerged when in March 2009, a desperate Gyurcsány pleaded for an EU rescue package for crisis-hit Eastern European countries (i.e. Hungary) to the tune of 160–190 billion Euros. Merkel steadfastly declined a European assistance package to the region as a whole, sticking to the joint loan program of the IMF and EU which was given to Hungary in 2008. "A dedicated bail-out for the ten ex-communist countries that have joined the EU since 2004 is clearly a step too far. Germany will hold federal elections later this year, and voters there are acutely sensitive to suggestions that Germany and other rich nations should bail out weak or profligate members of the European club", commented *The Economist* (The Economist 2009).

As already mentioned, in the first years of the Second Orbán Government (2010–2014), Germany and Hungary had many bilateral disagreements over the domestic rule of law-issues. Yet in the European arena, Hungary proved to be a very valuable ally. These years were characterised by the Eurozone crisis in the southern member states. To put it briefly, the Merkel Government saw the solution of the competitiveness problems of these countries in so-called 'structural reforms', i.e. austerity measures coupled with wage restraint and the cut-back of state expenditures. To stabilise them in the short term, massive financial assistance packages were given to these countries by the European Union and the IMF, but, according to Berlin, in the long term these structural reforms had to be put in place to steer the southern periphery back on a sustainable economic path. Crucially for Berlin,

the Eastern European member states steadfastly supported the necessity of the 'German medicine'. As Stefan Kornelius writes, Merkel "increasingly found allies in the heads of governments from Central Europe and the Baltic states, who knew what it was like to fall into the abyss, and were becoming more and more annoyed with the southern Europeans who – as the Poles saw it, for instance – were complaining about what was actually still a high standard of living" (KORNELIUS 2013, 228).

Hungary was one of these valuable Eastern allies, although it was in a quite similar position than the southerners: recession, an overblown state sector and exploding private and government debt. After some hesitation, the incoming Orbán Administration decided in 2010 to embark on an austerity course, imbuing the German medicine with conviction. (Also, there was not much of an alternative as Berlin and the Commission made it clear to Orbán in the first weeks of his second term that they will not support his initial plan of running huge budget deficits to kick-start the economy with government spending.) Hungary will reduce the annual budget deficit to under three percent "even if it's raining cats and dogs" said the prime Minister in August 2011, adding that Hungary will not swerve back to the 'Greek road'" (Mfor.hu 2011). Orbán was as good as his word, as the Second Fidesz Government managed to reign in the budget deficits, reduce the debt burden and revitalise the economy. As former Ambassador to Berlin Czukor József commented, the efforts of the Orbán Government were highly regarded by Berlin as the stabilisation of Hungary meant that it will not be reliant on further European (i. e. German) assistance (CZUKOR 2014). Knowing that Merkel's third term was overshadowed by the Eurozone crisis and that the bail-out of the southern countries was extremely unpopular in Germany, Hungary's support and model-like economic policy was extremely valuable for Berlin for it showed that the German medicine, if applied properly, works.

Turning to the third term of the Orbán Government (2014–2018), the migration crisis was the issue of main contention on the European level between Hungary and Germany. Basically, while sharing some similar ideas over the topic, the two governments disagreed strongly over the issue of the mandatory quota for the resettlement of 160,000 refugees as decided by the Interior Ministers in 2015. (Hungary's quota would be 1,294 persons.) Hungary opposed the idea right from the beginning but was outvoted. Budapest went even so far as to challenge the scheme with Bratislava in front of the European Court of Justice, but the Court dismissed "in their entirety" the actions brought by Slovakia and Hungary, vindicating the EU decision-making process that created the scheme (RANKIN 2017). Based on this ruling, the European Commission initiated legal action against Hungary, along with Poland and the Czech Republic, who similarly rejected taking part in the scheme. (Slovakia eventually complied, taking in some refugees.) (KHAN 2017.) Berlin's take on this issue was clear and consistent throughout. From the beginning, the government emphasised that solidarity cannot be a one-way street and that "it is the obligation of all member states never to lose sight of the whole – and that includes respecting the values on which the European Union was built" (DONAHUE–DELFS 2018). Merkel also repeatedly stated that it was unacceptable that Greece and Italy should have to carry the burden alone only because they have the geographical location that they do and the refugees land in them (JONES 2017).

Yet there were also other issues of common European interest, where standpoints of the two governments diverged, if not collided. The recurring topic of the EU budget is one example, where Hungary is very much interested in keeping the cohesion funds as large as

possible and Germany is trying to reduce the size of the overall budget (Hettyey 2013). On a rhetorical level, significant disagreements also emerged over the sanctions against Russia: while repeatedly questioning the usefulness of the measure, Budapest has nevertheless voted for extending them. Hungary is also very much interested in enlarging the EU (and NATO). The current National Security Strategy states that Hungary's goal is for all of its neighbouring states to join (or, at the minimum, enjoy a deep level of cooperation) (Government of Hungary 2012). Germany also supports the accession of the Western Balkans states, yet with a very sceptic public towards the issue, it is usually much more cautious in this question (Lippert 2011, 5). In energy policy, Hungary once again follows a very different course from Germany: while the Second Merkel Government decided to concentrate on renewables and phase out nuclear energy by 2022, Budapest is pushing forward with the expansion of the nuclear plant in Paks. Also, Hungary was among the Eastern European states with the lowest share of renewables in their total energy consumption (Anderson 2017). Lastly, the Orbán governments also seem to be very sceptical towards the normative dimension of the Common Foreign and Security Policy (CFSP). More than once, Hungary made it clear that countries with rule of law or human rights problems like China, Turkey and Israel should not be criticised by the EU – a notion which flies in the face of Germany's 'civilian power' foreign policy credo.[13]

4. Conclusion

After reviewing the past 25 years of German–Hungarian relations, one can identify two periods. The first was the era before Hungary's accession to the EU in 2004. These years were characterised by a lack of serious disagreements between the two countries owing to an alignment of strategic interests in the Euro-Atlantic integration of Hungary. After Hungary's accession to NATO and EU was sealed, i.e. around 2002, first, albeit only occasional, cracks appeared, as over the Iraq war. Yet it was not until 2010 that these frictions began to show a regularity and depth that pointed to a slow but gradual political estrangement between Germany and Hungary. Apart from the various contentious political issues, clear evidence for this estrangement can be found in a recent poll by the Nézőpont Intézet, which showed that 43% of the German respondents had a bad opinion of Hungary. 57% of the German respondents also had a bad opinion of the political relations between their countries (Nézőpont Intézet 2017). A huge part of the press coverage about the other country is also characterised by a total estrangement to the point of bigotry: Merkel as "Europe's gravedigger" and Hungary as "autocracy" are just two examples from mainstream newspapers (Bayer 2017; Dobbert 2017). Such language would have been unthinkable prior to 2010.

We identify two causes for this development. The first is that having joined the EU, Hungary simply had more foreign policy options, a greater room for manoeuver and more allies to choose from. This is very much in line with Handl's expectations that relations between Germany and the Visegrád countries should continue to loosen after enlargement. Put it simply, Hungary could afford to oppose German positions and even endanger some

[13] For example Hirado.hu 2018.

German interests after 2004. This was almost unthinkable before it became clear that Hungary will join the EU. Overall, the cost of non-compliance with German positions lowered significantly once Hungary joined.[14]

This is a necessary but not sufficient explanation for the events, as the estrangement between the two countries really began to show itself only after 2010, that is, six years after Hungary joined the EU. And how come that other countries who similarly joined in 2004 have not developed such sustained disagreements with Berlin? How can we account for the fact that on a bilateral and multilateral level frictions are increasing up to the point where the two governments seemingly disagree even on the meaning und usefulness of words like 'liberal/illiberal', 'migrant/refugee' or 'human rights'? How is it that Hungary has become critical of a constituent part of European and German foreign policy, namely its normative nature? I argue that the other factor explaining the ever-increasing frictions between Germany and Hungary is the foreign policy role concept(s) of the second and, especially, the third Orbán Government. In short, role concepts entail 'the policymakers' own definitions of the general kinds of decisions, commitments, rules, and actions suitable to their state, and of the functions, if any, their state should perform on a continuing basis in the international system (HOLSTI 1970). Role concepts are therefore essential for understanding a country's foreign policy, because they reflect the perceptions, values systems and world views of the decision-makers. These role concepts are rooted in the nation's history, culture and societal characteristics as well as the expectations other states and international institutions have of, in this case, Hungary and Germany. Yet these 'characteristics' and 'expectations' are interpreted by the decision-makers: they are the ones who define role concepts for the nation. This means, that role concepts might, from time to time, change, as power is being handed over to other politicians who interpret the appropriate role for Hungary or Germany differently than their predecessors.

For Germany, Hanns W. Maull argued convincingly, this role concept is that of a 'civilian power' (MAULL 1990). For Hungary, the jury is still out, as no systematic investigation has been conducted on this topic. What would be needed is, in the tradition of Holsti's groundbreaking method, a thorough examination of the decision-makers' speeches and public statements since 2010 to identify the various role(s) the government is adhering to. Without such an investigation we can only wager that roles like 'defender of Europe' 'vanguard' or 'trailblazer' might apply. Yet whatever the Hungarian concept is, it is clear that it is very different from Germany's role concept. In other words, it is not just that current German and Hungarian governments have different interests in one or the other issue areas which might (or might not) be reconciled. No, these conflicting interests are just symptoms of a much deeper cause, namely the estrangement of the two countries brought about by their differing role concepts. It is not just interests that clash: it is also the deeply held worldviews, perceptions and value systems of the decision-makers, their notions of what is right and wrong, what is normal and un-normal, and, ultimately, what is European and not-European.

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