

BREAKING OUT FROM THE DEAD END



DISCUSSION PAPER

on the necessity and directions of changing the political system in Hungary

V21 Group

September 2025

HUNGARY IN A CUL-DE-SAC



FAMILY FRIENDLY COUNTRY

ENTRY

Do you mean, it should be added: for which family?

Source: borsod24.hu

Hungary today is at a dead end, in a cul-de-sac – politically, economically, and morally. The economy is stagnating under state burdens, unnecessary government interventions, and the additional uncertainties generated by those in power. Inflation is stubborn, and despite all incantations, it continues to erode the value of wages and pensions. The country has now fallen significantly behind others in the region. The quality of public services is deteriorating: healthcare, education, social welfare, and transport are all in free fall. Under the regime proclaimed as the System of National Cooperation (NER), after a decade and a half, millions struggle to make ends meet, while those favoured by the government have become unimaginably wealthy.

It is the policies of the Orbán regime that have driven Hungary into this dead end. The government has abused its two-thirds majority in parliament, has by now effectively removed itself from meaningful oversight, and uses public funds to enrich a select few. Wherever possible, it eliminates market competition. Success and business advancement depend not on performance, but on personal ties to Fidesz leaders. EU funds that could help modernise the country have become partially inaccessible due to the dismantling of the rule of law and the spread of systemic corruption.

It is now clear that the Orbán government is not only incapable of leading the country out of this impasse, but also unwilling to do so. Above all, this is because the Orbán system is built on corruption: its beneficiaries can preserve their dubiously acquired billions only by maintaining the conditions they have created, while continuing the accumulation of luxury goods that irritates millions. Ruling by decrees also serves the preservation of power,

maintaining states of emergency for years based on spurious grounds. Parliament has been reduced to mere scenery, while decisions are taken by Viktor Orbán and a handful of his associates. The government's propaganda empire spends astronomical sums on generating ever new images of enemies, fuelling hate, setting Hungarians against one another, and diverting attention from the country's real problems. After migrants, Soros and anti-gender campaigns, the current agenda features Ukraine, the opposition "backed by Brussels", and the defence of sovereignty.

Hungary needs a complete democratic renewal: a new political system and a government whose purpose is not to enrich the few, but to serve the common good. The 2026 parliamentary elections will not be about left or right, but about the kind of country we wish to live in. At the ballot box we shall decide on issues that determine our future, and we must choose between:

- rule by decree or parliamentary democracy?
- corrupt state capitalism or a social market economy?
- alliance with Russia or membership of the European Union?

In Hungary, the parliamentary opposition has suffered four consecutive defeats. From this experience we may conclude: under the current electoral system, Orbán and his regime can only be removed if a majority of Hungarian voters' support, with their constituency vote, the one and most promising challenger. If the strongest opposition party's candidate wins in most of the 106 constituencies, Orbán's regime could be brought to an end by parliamentary means. This could be a non-violent route to regime change. Under a new government, a fair electoral system must be created to restore a genuine multi-party democracy in Hungary.

With the ideas set out in this discussion paper the V21 Group, composed of former members of governments, seeks to assist Hungarian citizens in preparing for the elections. We list themes and offer arguments to help persuade our fellow citizens who are still undecided: despite the flood of government propaganda Hungary has reached a dead end. The only way out is the election of a new government, empowered by the will of the voters, that will bring about a change of system and return the country to the community of European nations, to the path of democracy and prosperity.

PUBLIC SERVICES ON THE BRINK OF COLLAPSE



HOSPITAL

HIRING – Anaesthesiologist, Vascular Surgeon, Traumatologist, Pathologist, Radiologist, Neurologist, Otolologist, Psychiatrist...

Source: hang.hu

During its fifteen years in power, the Orbán regime has continuously and deliberately dismantled Hungary's public services. These are not accidental mistakes, but a conscious policy that diverts public funds for maintaining power and enriching the chosen few, rather than serving the people. Healthcare, education, social provision and transport are collapsing before our eyes. The consequences are visible every day: rundown schools, long waiting lists in hospitals, neglected elderly people, and an ageing, outdated transport system.

The fundamental task and responsibility of good governance is to provide well-funded, high-quality public services accessible to all. Their development must follow professional rather than political considerations. Good governance organises and finances state services according to the following principles:

EQUAL ACCESS AND FAIRNESS

Public services must be available to all citizens, regardless of their individual financial circumstances. Healthcare, education, social care and transport must not be luxuries, but basic rights to which everyone is equally entitled, with needs duly considered.

THE PRIMACY OF THE PUBLIC INTEREST

Public resources must be used to improve people's well-being, and not to enrich groups favoured by politicians or to preserve their power. The purpose of public services is not to serve the private interests of those in office, but to promote the development of society as a whole.

QUALITY AND EFFICIENCY

Public services must operate at a high standard. This means fast and reliable healthcare, modern and accessible education, and convenient and efficient transport. Resources must be used transparently and sustainably, without any waste.

PROFESSIONAL AUTONOMY

Choices in healthcare, education or local government must not be dictated by party politics or power interests: public services must be run on professional grounds. The unreasonable centralisation of Orbán's government must be dismantled, with decisions relocated to the appropriate levels.

ADEQUATE FUNDING

Public services require continuous and stable financing. These crucial sectors must not be deliberately underfunded to push people towards the private sector. Public funds must be used for guaranteeing sustainable operation in the long term.

FAIR UTILITY COST SUPPORT

Under the inequitable system of "household utility cost reduction", state support is granted to those who consume large amounts of energy or water, rather than to those who are truly in need. A new system is required, in which individuals and households receive assistance according to their social situation and income.

SOCIAL PROTECTION AND SECURITY FOR FAMILIES

People are not born into equal conditions, and disadvantages suffered in childhood are difficult to overcome later in life. This is why policies are needed to equalise chances: targeted support for disadvantaged regions and families, strengthened social mobility, universal access to public services, and protection for those in crises situations such as illness or unemployment. By building the institutions of a social market economy, poverty can be reduced and social inequalities diminished.

DECLINE INSTEAD OF ECONOMIC CONVERGENCE



Orbán to the Minister of economy: Somehow this economy doesn't want to fly

Answer: I don't understand, my calculations are exact

Source: hang.hu

For half a decade now, Hungary's economy has been unable to move forward – largely due to irresponsible government policy, political improvisation, and an arbitrary economic strategy that ignores actual circumstances. Until recently, it appeared that repeated errors and misleading promises had no political consequences. Yet people are struggling more and more to get by: the cost of living and housing has risen alarmingly for most Hungarian families, while food prices have soared, too. The government noisily declared that in 2025 the economy would finally “take off” and “by 2030 we shall catch up with Austria”, but instead Hungary has slipped to the bottom of the EU tables in many respects. The failure cannot be blamed on economic actors or on external circumstances: we must face the fact that the bleak statistics reflect the consequences of a corrupt, heavy-handed and incompetent Orbán regime.

The responsibility and duty of governance is to ensure that the national economy grows in a sustainable manner, and that state instruments and financial resources serve not merely the enrichment of a narrow circle but the benefit of society as a whole. The Market economy must be restored and reorganised in Hungary along the following principles:

A GENUINE MARKET ECONOMY AND FAIR COMPETITION

The economy cannot develop without eliminating state corruption and ensuring fair competition. The conditions for a real market economy are transparency in public procurement, legal certainty for businesses, a competition-friendly economic policy, and reduced state intervention. European examples show that the key to combating corruption is the restoration of judicial independence and the establishment of an independent anti-corruption prosecution service.

ACCESS TO AND EFFECTIVE USE OF EU FUNDS

The development and modernisation of the Hungarian economy depend heavily on EU funding and participation in common European programmes. Yet these resources are currently restricted because of state corruption. The Orbán government treats domestic and external criticism of its corrupt system as a political attack, and refuses to take the corrective measures needed to guarantee the transparent use of EU funds. As a result, Hungary has already lost billions of Euros in non-repayable development grants and preferential loans. Restoring the rule of law and the functioning of democratic institutions is a prerequisite for regaining access to EU funds. This is both a national interest and the basis for future development.

A HIGHER ADDEDVALUE ECONOMY

After a decade and a half of Orbán's rule, Hungary's economy has been flooded by foreign factories, supported with massive state subsidies, i.e. taxpayers' money, carrying out relatively low value-added assembly work. Such plants do not require many skilled workers, nor do they offer decent wages, while their material and energy needs pose serious environmental and economic sustainability consequences. This too is a dead-end track. The modernisation of the Hungarian economy requires state support for innovation, development and research, the promotion of digitalisation, and encouragement of industries and activities demanding high levels of knowledge.

SUPPORT FOR SMALL AND MEDIUM-SIZED ENTERPRISES

Hungarian small and medium-sized enterprises (SMEs) not linked to NER are currently disadvantaged in public procurement and state support, although they are key players in the economy. To boost the competitiveness of the SME sector, the proven range of support tools must finally be mobilised: reducing administrative burdens, removing barriers to access to both domestic and international markets, and supporting professional training programmes.

WAGE CONVERGENCE, ATTRACTIVE DOMESTIC WAGES

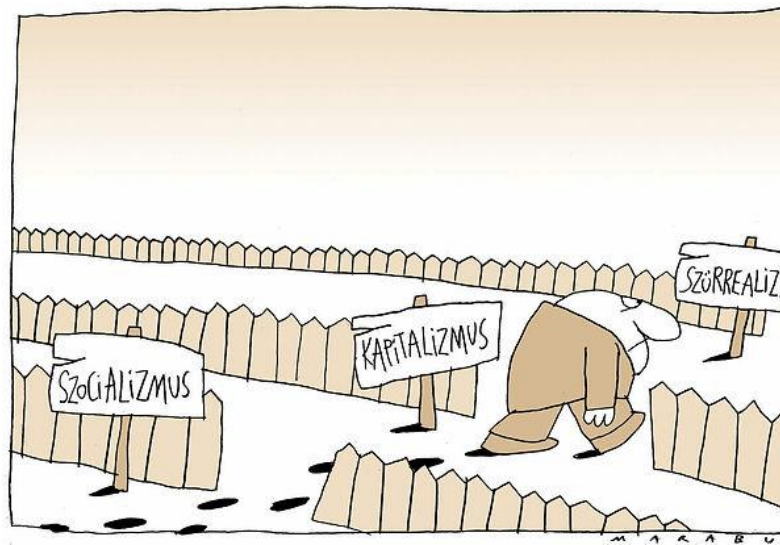
Hungarian wage levels are low, partly because misguided government development policy has left the economy with a disproportionately high share of low- and medium-value-added activities. In theory, a single income tax rate applies to earnings, but the Orbán government has introduced a series of politically motivated exemptions from personal income tax, while imposing record levels of tax burden on consumption paid from taxed wages. The long-term objective must be to increase the proportion of higher value-added, i.e. more productive jobs, thereby getting closer to EU wage levels. Such a policy would mean fewer families emigrate and would encourage some of those working abroad to return home. In the shorter term, earnings at the lowest levels (around the minimum wage) should be tax-free. Alongside a fairer tax system, it is essential to strengthen workplace rights. In the public sector, predictable pay systems must be established in cooperation with trade unions. Social dialogue between employees, employers' organisations and the government must be restored.

SECURE SUPPLY AND SAVING OF ENERGY, PROMOTING THE GREEN TRANSITION

Plans for economic development must be aligned with energy security and energy supply strategies, to ensure the necessary energy for industry and services. Improving the energy efficiency of buildings can significantly reduce energy consumption, and thus waste. A

diversified and secure energy supply will prevent the country from being at the mercy of energy policy games of Russia – or of anyone else.

WITHOUT THE RULE OF LAW, THERE IS NO FREEDOM



SOCIALISM – CAPITALISM – SURREALISM

Source: marabu-bloglap.blogspot.com

The rule of law is not an abstract notion but the foundation of fair government. It ensures that those in power cannot use legislation or the nation's resources for their own purposes, and that no one is placed above the law. Yet over the past fifteen years, the Orbán government has deliberately dismantled the rule of law, to dominate the country unhindered and turn public funds into private wealth. By constantly reshaping the electoral system, those in power have guaranteed that they can remain in office even when the majority of voters no longer supports them. By weakening the independence of the judiciary, they have ensured that corruption has no consequences. The result: democracy has been hollowed out and rule by decree has become the norm.

Restoring the rule of law requires comprehensive reforms that guarantee parliamentary democracy, legal certainty, the balance of powers, fair elections, the independence of the judiciary, the autonomy of local governments, and freedom of the press. For Hungary to return to democracy governed by the rule of law, where power is not unlimited and public funds are not diverted to private interests, the following measures are essential:

STRENGTHENING PARLIAMENTARY DEMOCRACY INSTEAD OF RULE BY DECREE

The legislature must again become a forum for professional lawmaking, democratic debate, and genuine oversight. The role of the National Assembly must be restored and the rights of MPs ensured. Opposition representatives must also be given meaningful opportunities to participate in lawmaking, and the professional independence of parliamentary committees must be guaranteed. For parliamentary democracy to function stably, the application of special legal measures must be limited to genuinely exceptional cases, subject to strict time limits.

A NEW CONSTITUTION WITH BROAD SOCIAL CONSULTATION

The basis of a long-term stable and predictable constitutional order is the broadest possible social acceptance and stability of the constitution. It is therefore vital to adopt a new constitution founded on comprehensive social dialogue, involving civil organisations, professional groups and political communities. The rules for constitutional amendments must be framed so that they serve the public interest rather than reflect the temporary balance of political power. To this end, the conditions for amendments must be tightened and social debate strengthened.

A MORE TRANSPARENT AND FAIR ELECTORAL SYSTEM

A fundamental prerequisite for democratic elections is fair political competition on equal terms. The rules of the constituency system must therefore be adjusted, preferably based on proposals from an independent expert body. Provisions that confer disproportionate advantage on any participant must be removed. Equally important are stronger transparency in campaign financing, a balanced system of postal voting, and the impartial operation of public media under the supervision of an independent body.

AN INDEPENDENT JUDICIARY

The independence of the courts is one of the cornerstones of a democratic state governed by the rule of law. The judiciary must be reformed to rest on professionalism and autonomy. The head of the Supreme Court must be chosen on professional grounds, with the involvement of the judicial community. A new independent body should investigate cases of corruption. Judges must be given greater protection to ensure their freedom from political influence.

SUPPORTING THE AUTONOMY OF LOCAL GOVERNMENTS

The role of local communities is of paramount importance for democracy. Local governments must be competent and have adequate financial resources to decide independently on the provision of local public services. Local elections must offer equal chances to all participants. Local communities and elected city leaders, familiar with local conditions and able to respond directly to residents' needs, must be given a greater role in decision-making.

IMPARTIAL PUBLIC MEDIA AND THE PROTECTION OF PRESS FREEDOM

The role and duty of public media is to provide objective information. To ensure this, they must operate free of political influence, overseen by an independent professional body. The funding system of public media must be reformed to make it transparent and sustainable. It is crucial that state advertising be distributed according to transparent market principles, thereby supporting media pluralism. Guarantees for the independent operation of the press must be strengthened so that freedom of expression cannot be suppressed by either political or economic means.

PARTICIPATION IN LAWMAKING

It must be consistently enforced that individuals and organisations can express their views on draft legislation. This not only makes lawmaking more predictable but also prevents numerous conflicts. Draft legislation must be published online in good time so that anyone can comment, and forums must be established where trade unions, employers' organisations, professional bodies and civil society groups can consult – and reach agreements – with the government body preparing the legislation.

FOREIGN POLICY CONFLICTS IN THE SERVICE OF CORRUPTION



Xi Jinping: If you wish more sovereignty, Mr. Orbán, just tell me, we can help with bigger amounts, too.

Source: hang.hu

Today, Hungarian foreign policy is marked by the adoption of Putin's blueprint for dismantling the rule of law, the uncritical embrace of American far-right populism, and the service of Russian and Chinese imperial interests. As a result, over the past fifteen years Orbán has become increasingly isolated within our own alliance system. In foreign affairs, the government is sitting back-to-front on the horse, too: it declares battles against our allies, while courting the challengers and adversaries of the West. Its true purpose is not the "defence of sovereignty" but the preservation of systemic corruption. The European Union is mocked daily, its leaders ridiculed, even as the government seeks to pocket the benefits of membership. In Russia's war against Ukraine, the Orbán government parrots and disseminates Moscow's self-justifying propaganda instead of standing with the victim alongside its NATO allies.

Orbán has reduced diplomacy from the level of state interest to the level of party politics. Since Fidesz was expelled from the largest European party family, the European People's Party, it has allied itself exclusively with far-right parties and notorious dictators. This runs counter to Hungary's national interests, both at the level of foreign policy and in terms of wider national strategy, and it harms the interests of Hungarian minorities living in other states and of the diaspora as well.

Hungary must pursue a balanced and pragmatic foreign policy that rebuilds trust, secures access to the benefits of NATO and EU membership – including suspended EU funds – and allows meaningful participation in alliance decision-making, in shaping common policies and further enlargements. For stable and beneficial international relations, good governance should be guided by the following principles:

COOPERATION WITH THE EUROPEAN UNION, ACCESS TO EU FUNDS AND PROGRAMMES

The restoration of the rule of law and compliance with EU norms go hand in hand. Effective action against corruption, accession to the European Public Prosecutor's Office, and the establishment of an independent anti-corruption prosecution service at home could make EU funds accessible. Government communication on the EU must shift from constant conflict-

seeking to a constructive tone, in line with the view held by the overwhelming majority of public opinion.

STRENGTHENING SECURITY COOPERATION

Hungary's security is guaranteed by NATO's military shield and close cooperation with EU allies. Within our means, we must play an active role in NATO's common defence policy. It is in our vital interest to support a lasting settlement of the war in Ukraine, respecting the country's sovereignty, good-neighbourly relations, and the interests of the Hungarian minority living there.

LASTING GOOD RELATIONS WITH NEIGHBOURING STATES

Hungary currently borders seven states, since the political transformation after 1990 gave statehood to all the nations with whom we have coexisted for more than a thousand years. This situation both facilitates the development of bilateral relations tailored to each neighbour's specificities and creates new tasks for Hungarian diplomacy. The goal with our neighbours must be to realise joint projects that outlast changes of government and strengthen mutual rapprochement, including in energy supply, transport, environmental protection, control of pandemics and migration, tourism, culture and more.

SUPPORT FOR HUNGARIAN MINORITIES

It is our constitutional duty to uphold the rights of Hungarian minorities in neighbouring states. Hungarians living abroad must not be used to bolster the domestic votes of one or another party, to divide minorities politically, or set them against Hungarians at home. The task is to improve the conditions for their survival in their homelands. This requires constructive cooperation with the majority nations and political leadership of the countries concerned.

REGIONAL COOPERATION

Landlocked Hungary can draw on the joint actions of various Central and Eastern European regional groupings. As a member of the Visegrád Four, we could become an influential shaping force in the EU, through active participation in European decision-making and common foreign policy – provided there is strong internal cohesion among the four countries. Through Poland, the V4 can link to broader regions, including NATO's strengthened north-eastern pillar and the revived German–French–Polish “Weimar Triangle”. Hungary's scope for action is likewise broadened by the Three Seas Initiative, which brings together 12 EU member states between the Baltic, Black and Adriatic Seas.

ENERGY SECURITY

Because of its landlocked position, secure energy supply is of vital importance to Hungary. Only by developing diversified, sustainable sources of supply and transport can the country avoid being vulnerable to political or natural risks, or to the energy policy manoeuvres of Russia or other great powers.

GLOBAL RELATIONS

Given our geopolitical embeddedness, Hungary has no alternative to European economic relations, especially in trade. At the same time, we must seek beneficial business opportunities with more distant countries in the global East and South. Relations with major economic players are particularly important, but Hungary must not become subservient to either China or Russia.

VISION: A SOVEREIGN, SUCCESSFUL, EUROPEAN HUNGARY!



If the Orbán system can be removed, then – and only then – can Hungary embark on a new path of development. The goal is global competitiveness, democracy and the rule of law, and the growing prosperity of citizens. With governments serving the whole nation and working for the common good, our country could, by the middle of the 21st century, become a modern, democratic and economically thriving European state that leaves behind the political divisions of recent decades.

The new era will begin with the strengthening of democratic institutions and the overcoming of political polarisation. Citizens will trust state institutions and actively participate in democratic processes, because:

- Hungary will have a new constitution, based on broad social consensus, ensuring the separation and balance of powers, the independence of democratic institutions, and the conditions for local self-government;
- the rule of law will rest on solid foundations, with an independent judiciary free from all political influence;
- the electoral system will be proportional and fair, allowing political diversity and representation of the real majority in society;
- governance will be based on professionalism and transparency, with no room for corruption, public procurement conducted transparently, and public funds used for the country's genuine development;
- public media will be independent and balanced, guaranteeing freedom of expression and fair public debate.

Economic development will be guided by high added value, innovation and sustainable growth. The country will begin to transform its economic structure, breaking with low-end assembly work and the corruption-based model:

- Hungary will become one of the region's leading innovation hubs, strong in industries such as artificial intelligence, green technologies, healthcare and robotics;

- it will have a strong and competitive domestic SME sector, one of the foundations of economic stability;
- its tax system will be fair and competitive, supporting both enterprises and employees in a balanced manner;
- Hungary will become one of the EU's key logistics centres, exploiting its strategic geographical position to play a central role in European freight transport;
- agriculture and the food industry will be modernised sustainably, making the country a major exporter of organic food in Europe;
- the country will run a low-carbon economy, relying heavily on renewable energy (solar, wind, biomass and geothermal). Cities will operate sustainably, with smart, green-energy-based transport systems and energy-efficient infrastructure;
- Hungary will pursue a sustainable energy policy guaranteeing secure and uninterrupted energy supply without geopolitical vulnerability;
- Hungarian workers will receive wages closing up to the European average, making their homeland not a place to leave but an attractive place to live. Some of those who emigrated for work, will return, as the working environment and quality of life gradually converge with Western European levels.

Hungary will be a country where people need not fear for their future, because the state provides well-functioning public services:

- education will approach world-class standards and adapt to the challenges of the 21st-century labour market;
- healthcare will be modern and accessible to all, so that no one is forced into private provision;
- society will be open and cohesive, social mobility will be strengthened and poverty significantly reduced;
- sustainable housing and family support systems will provide younger generations with a stable start in life.
- The political stability and democratic development of the country will establish Hungary as a reliable and active member of the European Union and the transatlantic community, making it a stabilising force in the region;
- it will pursue a sovereign and balanced foreign policy, free from the influence of great powers;
- as a member of a renewed Visegrád Four, Hungary will be one of the shapers of regional and EU policies, taking an active role in European decision-making and common foreign policy;
- it will be a stable and reliable member of NATO, guaranteeing national security and the continuous development of defence capabilities;
- it will be a close strategic partner of the EU, leveraging transatlantic relations for economic and technological progress;
- it will maintain good relations with economic actors in more distant eastern and southern regions, not being subservient to neither China nor Russia.

After the closure of the Orbán era, Hungary can in the foreseeable future become a modern, successful and proud European country, guaranteeing prosperity for its citizens. Population decline comes to a halt, and economic emigration decreases. It will depend on the choice of the nation's citizens whether, in 2026, the country is able to change government and set out again on the path of progress towards a promising future.

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