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The influence of illiberal democracy on the effectiveness of attempts to control lobbying in Hungary (2010–2014)

Abstract: Lobbying, understood as all actions performed by or on behalf of interest groups directed at influencing of the process of policy formation and implementation, occurs in every political regime. The article examines whether the illiberal type of democracy that exists in Hungary (2010–2014) exerts an influence on the effectiveness of lobbying control.

Illiberal democracy differs from liberal democracy with regard to five systemic core principles, such as the rule of law, government control and accountability, the integrity of political elites, media freedom and civil rights and protection of minorities. This article shows that all of these systemic criteria constituting illiberal democracy were met in Hungary between 2010–2014. Examination of the case of Hungary with regard to lobbying control suggests that illiberal democracy had diminished the effectiveness of lobbying control in this country.

Key words: illiberal democracy, lobbying, Hungary, liberal democracy, rule of law

Introduction

Lobbying occurs in various forms in almost every known political system. Due to the fact that it is almost impossible to eliminate it from the political system, governments, especially in democracies, are interested in devising ways to control lobbying effectively. Lobbying may become a useful tool, which enables members of the parliament and the government to gain knowledge about interest groups' main problems and find solutions to them. However, there is a risk that citizens will not have the possibility to obtain information about the way in which political decisions are made (i.e., how and who is trying to influence the government during the process of policy-making) unless lobbying is regulated efficiently. This issue is especially significant in contemporary democratic

states, in which the legislative and executive branch of power is elected (directly or indirectly) by the citizens, none of whom should be privileged above others. Democracy can be protected only if the state and interest groups establish clear rules guaranteeing that lobbying organizations are “transparent and accountable and bound by common standards of good practice and ethical conduct” (Parvin, 2007, p. 34). For instance, Philip Parvin indicates that if lobbying is carried out in this way, it can even strengthen “parliamentary democracy, providing new and diverse channels through which different groups and the wider public might feed into the democratic system” (Parvin, 2007, p. 34).

There are some significant differences among political and social scientists regarding the definition of lobbying. Gary Armstrong and Philip Kotler argue that lobbying means “building and maintaining relations with legislators and government officials [in order] to influence legislation and regulation” (Armstrong, Kotler, 2010, p. 472). Their definition emphasizes the role of personal relationships that exist between members of parliament or the executive branch and lobbyists. It excludes any grassroots action (e.g. email campaigns, demonstrations) from the sphere of lobbying. In contrast, Wyn Grant perceives lobbying as a wider phenomenon: “Lobbying refers to attempts to exert influence on the formation or implementation of public policy” (Grant, 2003a, p. 314). This interpretation assumes that lobbying activities include all kinds of relations between lobbyists and authorities, as well as other actions in which members of the latter group are not directly involved, such as demonstrations, strikes, and television and internet campaigns. Wyn Grant’s definition seems to be better suited to modern democratic states than Gary Armstrong and Philip Kotler’s concept. Of course, many political decisions are still reached during meetings between lobbyists and the authorities. However, bottom-up actions through which lobbyists try to influence authorities also often end successfully. For instance, Daniel Bergan’s experiment conducted on the members of the New Hampshire state legislature confirmed this. The result of this research shows that email lobbying campaigns substantially influenced legislators’ voting behavior (Bergen, 2009, pp. 327–352).

Political and social scientists have some difficulties in identifying who actually performs lobbying activity. Clive Thomas and Ronald Hrebenar created one of the broadest classifications, distinguishing five groups of lobbyists: contract lobbyists; in-house lobbyists; government legislative liaisons; citizen, cause or volunteer lobbyists; and private individuals, ‘hobbyists’ or self-appointed lobbyists (Thomas, 2004, pp. 152–153).

Lobbyists from the first four groups always act on behalf of someone else (e.g. corporations, companies and local governments which employ them, or non-profit organizations). Members of the last group “lobby for pet projects, direct personal benefits or against a policy or proposal they find particularly objectionable” (Thomas, 2004, p. 153). Lester Milbrath presented a different approach to this issue. In this perspective, every attempt at impacting the government’s political decisions should be treated as an example of lobbying if it is carried out “by someone other than a citizen acting on his own behalf” (Milbrath, 1968, p. 442). From this point of view, a person who tries to achieve their political interests individually by influencing the government should not be treated as a lobbyist. This might be a very reasonable position, as it seems virtually impossible to effectively analyze lobbying if we consider people who undertake any political action in their own political interest (such as criticizing government decisions that directly affect them on Facebook) to be lobbyists. For the purpose of this article, I consider lobbyists to be only those entities which try to affect authorities’ political decisions on behalf of interest groups. Wyn Grant defines interest groups as “organizations seeking to advance a particular sectional interest or cause while not seeking to form a government or part of a government” (Grant, 2003b, p. 266). This definition embraces non-profit associations, trade unions, companies and any other institution that is even partially involved in the process of policy-making unless it also tries to formally gain power in the country. In the latter part of the article, the term ‘lobbying’ refers to all actions performed by or on behalf of interest groups directed at the influencing the process of policy formation and implementation.

One of the most crucial aspects of studies on lobbying relates to its effective control. Lobbying is effectively controlled if it is completely transparent, which means that the public have easy access to the following information: “(a) who is lobbying public representatives, (b) on what issues they are being lobbied, (c) when and how they are being lobbied, (d) how much is being spent in the process, (e) what is the result of these lobbying efforts?” (Bartha, 2014, p. 7), and the authorities cannot refuse to share this information with the public. Four out of five systemic core principles that constitute liberal democracy enhance the effectiveness of lobbying control in the state. These features include: the government following the rule of law, especially with regard to the stability, explicitness and general and prospective nature of passed laws; the existence of completely independent institutions which can verify whether the government is fol-

lowing the rule of law, as well as repeal any unconstitutional laws; low levels of corruption among political elites, which discourages interest groups from illegally influencing politicians' decisions (i.e. bribery); and fully free, autonomous media outlets which are critical of the government and are capable of investigating ties between the government and interest groups. These systemic core principles allow the legislative process to be conducted in an entirely transparent way. The fifth principle – civil rights and protection of minorities – is not a meaningful factor affecting the effectiveness of lobbying control.

Against this backdrop, the aim of this article is to examine whether the illiberal model of democracy in Hungary influenced the effectiveness of attempts to control lobbying between 2010–2014, or whether it was irrelevant in this regard. Within this period of time, Hungary transformed from a liberal to an illiberal democracy. I argue that the worsening quality of democracy in illiberal democracies, mainly with regard to the rule of law, the takeover of previously independent oversight institutions by the ruling political parties, the considerable rise in corruption practices among members of the government, and the partial decline of media freedom may also have consequences on the effectiveness of lobbying control. Thus, I suggest the following hypothesis: the illiberal model of democracy exerts a negative influence on the effectiveness of lobbying control in Hungary.

The Hungarian example was examined because there is a predominant opinion in academic discourse that, since 2010, Hungary has rejected the path of socio-political development towards liberal democracy, choosing its illiberal version instead (Karolewski, Benedikter, 2017, pp. 179–180, 184–185). Analysis of the Hungarian case study will be treated as an introduction to a discussion of the possible correlation between the illiberal model of democracy and the effectiveness of lobbying control worldwide. This analysis is innovative as no research showing this type of correlation seems to exist.

Systemic criteria constituting liberal and illiberal democracy

Democracy has radically changed over the centuries in terms of its size, scale and scope (Schmitter, 2011, pp. 191–192), as well as with regard to many further aspects (Schmitter, 2011, pp. 193–198). Currently, a country is identified as democratic only if some guarantees are anchored

institutionally, in particular free, regular and competitive elections, freedom of association, freedom of speech and access to various, alternative sources of information (Dahl's concept of full polyarchy) (Dahl, 2005, p. 332). We can distinguish two types of democracy (liberal and illiberal democracy) that fulfill all elements of full polyarchy. They operate differently with regard to the five systemic core principles (the rule of law, government control and accountability, integrity of political elites, media freedom and civil rights and protection of minorities).

The first distinction between liberal and illiberal democracy concerns the rule of law. In this article, the term is defined as "compliance with the law, when the law is general, public, prospective, clear, consistent, performable, and stable" (Sánchez-Cuenca, 2003, p. 69). In the illiberal democratic country, laws are not constructed and implemented according to those principles. Moreover, in illiberal democracies, the government often does not follow the rule of law unless it suits the interests of the power elite. Conversely, in liberal democracies the rule of law is applied in most of the cases. Rare violations of the rule of law also occur in liberal democracies, but such situations take place considerably less often in liberal than illiberal democracies. The second difference concerns control over government actions and accountability. In liberal democracies, there are independent institutions (e.g. the Constitutional Tribunal, the Supreme Court or the lower courts), which can convict politicians even if they belong to the ruling elite and repeal government policies if they are illegal. Furthermore, these decisions are respected and implemented by the government or other public institutions. In illiberal democratic countries, the government either does not recognize unfavorable decisions or subjugates these institutions according to their preferences (Merkel, 2004, p. 49).

The third distinction refers to the level of corruption. It is high in illiberal democracies (Alonso, Keane, Merkel, 2011, p. 11), while political elites are corrupt to the lesser extent in liberal democratic states. However, there are no countries in which this kind of misuse of power has been completely eliminated, even among the highly transparent and accountable elites of the Scandinavian countries. This is why the criteria of media freedom – the fourth dissimilarity between the analyzed political regimes – are so crucial for the survival of a liberal democracy. Liberal democracies are characterized by fully free media. It is often media outlets that reveal corrupt practices among the authorities in liberal democratic states. Media activity can lead to a politician's fall from grace and even to convictions in liberal democra-

cies. The media are only partially free in the illiberal democracy (Alonso, Keane, Merkel, 2011, p. 11). A significant number of them are controlled by the ruling political parties or their allies. Nevertheless, there are a few influential media outlets which are independent and try to monitor the government's activity. This is one of the crucial differences between illiberal democracies and authoritarian systems.

The fifth difference between liberal and illiberal democracy involves civil rights and the state's policies regarding minorities. In illiberal democratic countries, civil rights are often partially suspended (Merkel, 2004, p. 49), and minorities are also exposed to discrimination. On the other hand, civil rights function flawlessly in the liberal democracies, in particular due to the independent system of courts. Liberal democracies protect minorities and guarantee their "right to speak their languages, practice their culture and express their identities" (Diamond, 2002, p. 213). Table 1 summarizes the comparative analysis of liberal and illiberal democracy through the prism of areas differentiating these political regimes (cf. Alonso, Keane, Merkel, 2011, p. 11).

Table 1

Discrepancies between the systemic criteria constituting liberal and illiberal democracies

Areas of differentiation between liberal and illiberal democracy	Systemic criteria constituting liberal democracy	Systemic criteria constituting illiberal democracy
1	2	3
The rule of law	The government usually follows the rule of law.	The government often breaches the rule of law if it is in its political interest to do so.
Government control and accountability	There are institutions independent from the government, which can hold political elites accountable and have the right to repeal their unlawful policies. The government recognizes all decisions made by the independent institutions.	The government is not <i>de facto</i> overseen by any institution. The government rejects implementing decisions taken by oversight bodies which are unfavorable to it. These institutions are deprived of the majority of their competences or are captured by the ruling political elites soon after they form the government.
Integrity of political elites	Political elites are corrupt to a small extent	Corrupt political elites
Media freedom	Free and independent media	Majority of media controlled by the government or its allies

1	2	3
Civil rights and protection of minorities	Citizens can benefit from civil right law. Minorities' rights are protected by the law.	Some rights are suspended or abolished. Minorities are exposed to discrimination and are not protected by the law.

Source: Own compilation based on S. Alonso, J. Keane, W. Merkel, *Editors' introduction: Rethinking the future of representative democracy*, in: *The Future of Representative Democracy*, eds. S. Alonso, J. Keane, W. Merkel, Cambridge University Press, Cambridge 2011, pp. 1–22; W. Merkel, *Embedded and Defective Democracies*, “Democratization,” vol. 11, no. 5, December 2004, pp. 33–58.

Illiberal democracy’s influence on lobbying control in Hungary

Based on the comparative analysis of liberal and illiberal democracy presented in this article, Hungary was part of the latter group of political systems between 2010–2014. Five systemic criteria constituting illiberal democracy were fulfilled in Hungary in this period of time.

The second government of Viktor Orbán (2010–2014) formed by the Hungarian Civic Alliance (Fidesz) and the Christian Democratic People’s Party (KDNP), which achieved a 2/3 majority in the parliamentary elections in 2010 (Magyar, 2016, p. 15), allowing parties to change the constitution without the opposition’s consent, did not follow the rule of law (Magyar, 2016, p. 289). In 2010, the Hungarian parliament repealed the only law (The Lobbying Act) that comprehensively regulated lobbying in Hungary (Bartha, 2014, p. 8), and since then has passed many laws which were inconsistent with the rule of law. Some of these had a retroactive effect, e.g. the law which obliged judges to retire at the age of 62 (it replaced the act that allowed judges to serve until the age of 70) came into force without any transition period and also applied to judges who exceeded this age before the act was adopted. In this way, hundreds of judges were suddenly forced into retirement (Kovács, 2015, p. 283).

Between 2010–2014, the Hungarian parliament passed not only general, but also many specific laws which aimed to enable corporations and companies tied to the government to strengthen their position in the sector of the economy within which they operated. New laws contained regulations which supported selected companies against their competitors. Two laws introducing an extra tax on financial institutions and imposing a new tax on supermarkets are good illustrations of such practices. In the former case, the new legislation imposed a tax on all insurance companies except

for those founded between 2007–2010. However, it turned out that there was only one considerable insurance company (CIG) set up in this period of time that could have taken advantage of the new law. It belonged to Járαι Zsigmond – a close associate of Prime Minister Viktor Orbán. Járαι Zsigmond was a Minister of Finance in his first government which was in power between 1998–2002 (Bartha, 2014, pp. 29–30). The latter legislation set a tax that applied to all supermarket chains operating in Hungary apart from the one (CBA) whose owners had close relations with members of the government (Bartha, 2014, p. 29).

Any attempts to successfully control lobbying activity during the process of law-making were ineffective due to the fact that, since 2010, Hungarian law has lacked other crucial features constituting the rule of law: stability and explicitness. Even the most significant legal act in Hungary – a new constitution that came into force in 2012 – was substantially changed five times within three years (Kovács, 2015, p. 273). Furthermore, “the degree of legal uncertainty is also indicated by the unprecedentedly large number of acts (859) and amendments (538) passed during the second Orbán government” (Ágh, Dieringer, Bönker, 2015, p. 16) (the Hungarian parliament passed significantly fewer laws in its previous terms; 587 between 2006–2010, 573 between 2002–2006 and 460 between 1998–2002 [Archives of the Hungarian National Assembly, 2014]). Many of these were presented to the public, proceeded and adopted by the parliament within only one day, preventing any substantial debate on the issue. For instance, the most crucial amendments to the ‘supermarket tax’ act have been passed that way (Bartha, 2014, p. 29). Moreover, due to the fact that the law regulating access to public information turned out to be very imprecise, it is extremely difficult and sometimes impossible to gain any information regarding lobbyists’ role in the process of policy-making, even after the new law has been implemented. In 2010–2014, this law has been changed many times (Kovács, 2015, p. 284, Hegedüs, 2016, p. 9) so public institutions could take advantage of various vague provisions and loopholes and refuse to release information concerning the process of policy-making to the public.

Undoubtedly, the fact that Hungarian law was not stable and was not created in an explicit way affected the effectiveness of lobbying control substantially, especially with regard to such issues as who actually performed lobbying activity, as well as what methods were applied and how much money was spent. This is corroborated by the fact that even institutions (e.g. watchdogs) interested in examining whether any lobbyist

influenced the legislative process were unable to do so, because the speed of the political decision-making was too fast to allow any meaningful oversight. The process of creating specific laws should have been subject to close scrutiny, because their aim was to grant some companies an operating advantage in a particular branch of the economy. It is therefore no wonder that many interest groups attempted to influence the content of these projects. Unfortunately, specific laws were not only proceeded in the shortest possible time, but they were also frequently altered, so it was impossible to find out how lobbying was carried out for these acts (for instance, when and how members of the government were lobbied). Taking those facts into consideration leads to the conclusion that considerable deficiencies in the rule of law in Hungary diminished the effectiveness of lobbying control in this country.

Since 2010, there have been no institutions in Hungary which could effectively control the government's activity, including relations between its members and lobbyists. The Constitutional Tribunal attempted to be such an institution in terms of law-making, especially during the first three years of Viktor Orbán's second government. For instance, in 2010 the Tribunal repealed the law that retroactively imposed a 98% tax on severance pay in the public sector between 2005–2010 (Freedom House, 2011). However, the government, instead of honoring this ruling – as all former governments had – reintroduced the same tax after the parliament substantially slashed the Constitutional Tribunal's competences. Within four years, the Tribunal lost the majority of its competences, which left it impotent in terms of effective judicial review. For instance, unless new laws threaten citizens' fundamental rights, the Constitutional Tribunal is no longer allowed to examine cases related to the public budget (Kovács, 2013, p. 261). This means that the Tribunal cannot verify whether laws imposing new taxes on various branches of the economy are consistent with the constitution, even if they directly favor specific companies and thus constitute discrimination. Since April 2013, the majority of the Constitutional Tribunal's members have been nominated by Fidesz and KDNP. From then on, all government decisions questioned by the opposition and non-governmental organizations have been ruled in favor of the government (Hegedüs, 2016, pp. 8–9). Also, the judicial system has been captured by the power elite. In particular, judges who had strong ties with the ruling political parties were appointed to both lower courts and the Supreme Court between 2010–2014. The lower courts made some decisions which went against the government's political interests, but in case

of the Supreme Court nearly all rulings were beneficial to the government (Ágh, Dieringer, Bönker, 2015, pp. 16–17). Public officials, aware of the fact that they would not be punished for breaking the law, sometimes deliberately delayed the implementation of courts' decisions propitious to the government's opponents (Hegedüs, 2016, p. 10). Overall, it has produced a political system in which the ruling parties can not only pass every law without any negative legal consequences, but also forged an alliance between the government and the companies owned either by the political elite's family members and cronies or employing them. As a result, these companies support Fidesz and KDNP (i.e. via financing media favorable to the government and refusing to buy advertisements in opposition media outlets). During the frequent meetings between members of this alliance, representatives of the companies influenced the government's political decisions on many crucial socio-economic matters, which were then implemented within next couple of days (Bartha, 2014, p. 20). Neither politicians nor representatives of the companies shared with the public any information concerning the course of these meetings, the lobbyists' aims or information submitted to decision-makers.

In the majority of cases, the public could not obtain any information about the process of policy-making that took place between the members of the government and lobbyists during their meetings, because there were no truly independent institutions which might force politicians to reveal them, or convict these people if they refused to do so. Thus, it can be stated that the effectiveness of lobbying control in Hungary was negatively influenced by the fact that, in practice, not only can members of the government not be held accountable or their decisions monitored, but illiberal democracy in Hungary fostered collusion between the state and some enterprises.

Against this backdrop, corruption has become a significant problem in Hungary in terms of policy formation and implementation. While interest groups initiate corrupt practices in the majority of democratic countries, in Hungary it was the government that was mainly responsible for the promotion of corruption. The government decided who would belong to this politico-economic alliance, which had a corrupt nature. Within this system, the coalition of ruling political parties used "its legislative power to interfere with even minor segments of the economy and benefit its private-sector clients" (Kovács, 2015, p. 286). A new law regulating the trade in tobacco products is one striking example of this phenomenon. In April 2013, the Fidesz-KDNP coalition passed the Tobacco Retailing

Act, which reduced the number of tobacco retail licenses from 40,000 to 5000 and redistributed them almost exclusively among companies that had close ties with the members of the government. A couple of months later, it introduced amendments to this law enabling companies that possessed the license to remarkably increase their revenues. Journalists accidentally discovered that one of the versions of the Tobacco Retailing Act was prepared on the laptop of the CEO of a Hungarian tobacco company, János Sánta, which then obtained more than 10% of licenses. The government admitted that János Sánta was involved in the legislation process but it did not explain what the nature of his engagement was (e.g. which members of the government did this person meet? What data and expertise did he provide?) (Bartha, 2014, pp. 30–31). Consequently, the public knew nothing about the way in which lobbying was carried out in the case of the Tobacco Retailing Act. Citizens could only be certain that the government's allies took advantage of the new law. There were many more cases of corruption concerning public procurement contracts, as well as further corruption scandals between 2010–2014 (Hegedüs, 2016, p. 10). There was a lack of transparency in the relations between lobbyists and the government, and no attempts to enhance transparency were made from either side. Thus, it should not be a surprise that Hungary obtained a worse score (it was very low even before 2010) in studies on corruption in 2014 than in the previous years, conducted by international organizations such as the World Justice Project (The World Justice Project, 2013, p. 97; The World Justice Project, 2014, p. 100) and Freedom House (Hegedüs, 2016, p. 1).

Corrupt politicians frequently tried to conceal compromising details on their unofficial ties with interest groups from the public. Even when watchdogs obtained a little information on secret lobbying practices (as happened in case of the Tobacco Retailing Act), members of the Hungarian government did not provide any further details about them. They were afraid that this information might discredit them and cause a loss in their parties' popularity. Thus, the public were deprived of any specifics on uncontrolled lobbying, particularly with regard to the way in which lobbying activities were carried out and the amount of money that was involved in these practices. Undoubtedly, the fact that political elites were corrupt to a very large extent notably reduced the effectiveness of lobbying control in Hungary.

Freedom House has examined the media's status in Hungary since 2002. Until 2010, it was rated as 'free' (Karlekar, 2010, p. 15; Karlekar

2011, p. 14). The score declined after the formation of the second Orbán government. Since 2011, every year the media's status in Hungary has been described as 'partially free' by Freedom House (Karlekar, Dunham, 2012, p. 15; Karlekar, Dunham, 2013, p. 14; Karlekar, Dunham, 2014, p. 20; Dunham, Nelson, Aghekyan, 2015, p. 22). This assessment is completely justified for several reasons. Firstly, the public media were taken over by the government in 2010, and since then they have served as state propaganda outlets (Kovács, 2013, p. 257). Even in the private sector, the majority of newspapers, magazines, online news outlets and one of two most powerful private television channels belong to companies that are allied with the government (e.g., TV2, Metropol, Helyi Téma, Magyar Nemzet [Bartha, 2014, p. 24; Kovács, 2015, p. 280]). They provide the public solely with news and commentary that is favorable to the government. Still, other powerful television channels, as well as some online news outlets, remained neutral in Hungary throughout the second Orbán government (e.g., RTL Klub, Origo.hu [Bartha, 2014, pp. 24–25; Kovács, 2015, p. 279]) but there were few opposition media outlets in this country between 2010–2014 (e.g., Klubrádió, Népszabadság [Bartha, 2014, p. 24; Kovács, 2014, 270]). Also, journalists restrained themselves in reporting news that might be interpreted as hurting the government politically or legally. This was caused by the fear of losing advertising revenue, which in Hungary mainly comes from the state or companies allied with the ruling parties. Between 2010–2014, opposition media outlets lost this source of income to pro-government media. Journalists were also afraid that the Media Council¹ would impose considerable fines on the companies they worked for if they revealed information that could be unfavorable to the government.

Unsurprisingly, the vast majority of the media outlets did not undertake any serious attempts to examine how lobbying was carried out in Hungary in this political environment. Pro-government media outlets did not want to do this because they supported Fidesz and KDNP. Any cor-

¹ The Media Council is an administrative organ of the National Media and Infocommunications Authority, which is a regulatory body that “oversees all media, public and private, including broadcast, print, and online outlets” (Kovács, “Hungary in 2015”, p. 281). The Media Council has the right to impose significant fines for activities that are very difficult to define, such as inciting hatred against majorities. Although the Media Council is formally an autonomous institution, in fact it is strongly biased in favor of the ruling parties as only government loyalists have been nominated to this institution by the parliament.

ruption scandals, including those involving lobbying activity, could cause the government to lose popularity and thus power. In turn, this would almost certainly mean also the loss of revenue for these media outlets, since state-owned companies controlled by the current opposition would not buy advertisements in these outlets. While the 'neutral' media abstained from closely investigating specific relations between the government and its allied companies, because they also wanted to sell advertisements to them, the opposition media did not have enough resources to be able to carefully examine lobbying activities.

The role of the media is to investigate various lobbying practices and disclose information about them to the society if public institutions let citizens down in this matter. However, in the majority of cases, the Hungarian media either did not want to or were not able to discover who the lobbyists that tried to influence the government's policy were, how they did this and what were the results of their actions. Without any doubt, the lack of complete media freedom diminished the effectiveness of lobbying control in Hungary.

Hungary did not fully protect civil rights or minorities from discrimination even before Orbán formed his second government in 2010 (Freedom House, 2010), but these problems deepened significantly afterwards. Although the Romani people constitute by far the largest ethnic minority in Hungary (about 5–7% of Hungarians), they have few representatives in the parliament and have long been treated as 'second-class citizens,' e.g. many Romani children were put into schools for children with mental disabilities (Freedom House, 2014). This population also suffered from harassment and hate speech, which usually did not meet with the proper response from the public institutions (Ágh, Dieringer, Bönker, 2016, p. 16). The LGBT community was another minority facing similar problems, as the police and members of the government were among the groups that were responsible for harassing LGBT people (Freedom House, 2016). Various religious groups have also been treated unequally in Hungary. In 2011, the Hungarian parliament passed the law on the legal status of churches, which divided religious organizations into two types: religious communities (90% of religious organizations belong to this group) and churches. Only organizations from the latter group were subsidized by the state (Freedom House, 2014). The new law included well-known religious organizations such as the Hungarian Islamic Council in the category of 'religious communities.' The Hungarian Islamic Council had to lobby the authorities for a year until it was recognized by the parliament as

a church (Molnár, 2012). On the other hand, the Catholic Church and the Hungarian Reformed Church were treated as churches from the moment the law was introduced. These religious organizations also turned out to be effective lobbyists in other aspects of the public sphere. For instance, they were able to persuade the government to grant higher subsidies to parish schools than to state schools (Balogh, 2016).

Neither disadvantaged nor privileged interest groups informed the public about the lobbying activities they conducted. The government and members of parliament also did not reveal any arguments or reports which were submitted by organizations that belonged to the disadvantaged or privileged groups. Consequently, the effectiveness of lobbying control did not depend on the status of the interest group that performed the lobbying activity in Hungary between 2010–2014. The fact that some minorities were not protected by the law and treated worse than others was irrelevant to the effectiveness of lobbying control in Hungary.

Conclusions

Five systemic core principles constituting illiberal democracy were fulfilled in Hungary between 2010–2014. The article shows that four of them (the rule of law, control over and accountability of the government, integrity of the political elite and media freedom) adversely affected the effectiveness of lobbying control conducted in this country.

The Fidesz-KDNP coalition very often breached the rule of law. For many acts passed by these parties, watchdogs could not determine who had lobbied public representatives, how they had been lobbied and how much money the lobbying activities had cost, due to the fact that Hungarian laws lacked stability and explicitness (for instance, the case of the ‘supermarket tax’ act). Therefore, these organizations did not have enough time to perform a comprehensive investigation of the interest groups’ role in the process of law-making for many acts, because they were passed within a couple of days and then changed repeatedly.

Between 2010–2014, the Fidesz-KDNP coalition captured the institutions that could hold politicians accountable for breaking the law (i.e. the Supreme Court and the lower courts). Furthermore, the Constitutional Tribunal’s competences were considerably reduced, so it could not repeal specific laws which were clearly unconstitutional, because they favored a few companies and discriminated against others that operated in the same

branch of the economy. Undoubtedly, the government's policy with regard to the judicial system substantially lowered the effectiveness of lobbying control, because there were no independent controlling institutions that could force interest groups and the government to reveal information on the course of their unofficial meetings to the watchdogs. The most crucial political decisions, including regarding specific laws, were made during these meetings, but the public did not have access to information on their details (e.g. what data lobbyists submitted to the government).

The number of corruption practices dramatically increased in Hungary between 2010–2014, especially with regard to the legislative process and public procurement contracts. The government always protected politicians involved in these operations and declined to disclose any specific information on the relations between public servants and interest groups, even if there was a suspicion that a crime had been committed (for instance, the case of the Tobacco Retailing Act). The public could not access any information about the details of illegal lobbying activities, which were growing in number, from official sources (i.e. public institutions). Without any doubt, the fact that Hungarian political elites were highly corrupt negatively impacted the effectiveness of attempts to control lobbying.

Since 2011, Hungary has been classified by Freedom House as a state with only partially free media. This is due mainly to the fact that the vast majority of media outlets were either captured by the government (the case of the public media outlets), or were owned by its cronies. It should not be a surprise that they did not provide any details about lobbying practices to the public. Neutral media outlets did not want to examine government-interest groups relations either, because they wanted to sell advertisements to the biggest Hungarian companies, which mostly belonged either to the state or the government's allies. Although there were some opposition media outlets, they usually did not have enough resources to be able to conduct investigations into secret lobbying activities. Therefore, it can be claimed that the public could not count on media outlets to gain information about interest groups' role in the process of policy making.

The last systemic criterion constituting illiberal democracy – civil rights and the protection of minorities – did not affect the effectiveness of lobbying control in Hungary, and was in this sense a neutral factor. This statement is justified by the fact that there was no difference between the lobbying activities of the privileged and disadvantaged minorities in terms of their transparency. In both cases, the public knew nothing about the way in which these groups carried out lobbying actions (how often did they

meet with politicians? With whom exactly did they talk? What expertise did they submit to them?). Neither representatives of these minorities nor politicians released any information to the public on these matters.

Nevertheless, based on the Hungarian case, it might be argued that the illiberal model of democracy diminishes the effectiveness of lobbying control. However, this article should be treated as the beginning of a discussion about possible links between this type of political regime and the effectiveness of attempts to control lobbying. More studies are needed in this area of research in order to be able to ascertain that Hungary is not an exception in this matter.

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Wpływ demokracji nieliberalnej na poziom efektywności kontroli działalności lobbingowej na Węgrzech (2010–2014)

Streszczenie

Zjawisko lobbingu, rozumiane jako wszystkie działania wykonywane przez bądź w imieniu grup interesu, ukierunkowane na oddziaływanie na proces podejmowania i implementowania decyzji politycznych, występuje w każdym reżimie politycznym. W niniejszym artykule zbadano czy nieliberalny model demokracji funkcjonujący na Węgrzech (2010–2014) wywierał wpływ na poziom efektywności działań mających na celu kontrolowanie lobbingu. Nieliberalna demokracja różni się od swego liberalnego odpowiednika w pięciu obszarach: rządów prawa, kontroli działań rządu i parlamentu przez niezależne od władz państwowych instytucje, poziomu korupcji wśród elit politycznych, stopnia wolności mediów oraz ochrony praw mniejszości. W artykule wykazano, że Węgry spełniały kryteria demokracji nieliberalnej dla każdego z obszarów w latach 2010–2014. Na podstawie przeprowadzonych badań stwierdzono, że nieliberalny model demokracji istniejący na Węgrzech zmniejszał efektywność kontroli działań lobbingowych w tym państwie.

Słowa kluczowe: demokracja nieliberalna, lobbing, Węgry, demokracja liberalna, rządy prawa