



## The inapplicability of traditional small state theory in Central Europe – the case of Hungary

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During the development of the traditional schools of international relations (IR) after the Second World War, a wide range of tools were invented to analyze the foreign policy of small states. Representatives of the neorealist and neoliberal traditions created their own theoretical and practical framework for interpreting the foreign policy and the international status of states lacking sufficient resources. Nonetheless, this theory has not been frequently applied within Central European states, partly because of the regional tendency to place more emphasis on empirical than on theoretical research.

However, the application of the advances made within small state studies (SSS) to Central European countries – in order to learn whether the theoretical predictions observations are met with in reality – promises important and fruitful results both at the theoretical and practical levels. In this paper we seek to put this in practice, comparing some of the most general expectations of SSS with the actual foreign policy of Hungary after the regime change. According to our hypothesis, the neorealist–neoliberal tradition of small state theory fails to account for the international behavior of Budapest. The reasons for this include the special political and social development of the region, and the limited applicability of small state theory in general terms.

In order to prove our hypothesis, we first set up a conceptual framework of smallness. Next we summarize the mainstream neorealist and neoliberal ideas in the field, emphasizing their common ground, and with reference to four fundamental expectations as to Hungary's behavior. Thirdly, we identify the most obvious discrepancy between theory and practice in terms of Hungarian foreign policy since the regime change. Finally, we seek to detect some causes behind this phenomenon, using a rather constructivist approach which, apart from the Scandinavian school, has for the most part remained forgotten when it comes to small state foreign policy.

Our paper does not seek to provide a historical evaluation of small state studies, or a full-detailed foreign policy analysis. The primary goal of the research is to highlight certain observations and results of comparing the theory with the practice, and to offer some thought-provoking ideas regarding small state studies and foreign policy investigations in Central European states.

## Is Hungary a small state?

When discussing small states, the first question to be addressed is what do we mean by "small." Within the discipline of SSS, much work has been done in this regard in terms of competing conceptual frameworks and methods. The two most basic ways to define a small state include the quantitative and qualitative approaches,<sup>1</sup> both of which have advantages and disadvantages simultaneously. Nonetheless, choosing a definition is not only a methodological step but also a conceptual one: the quantitative approach – in which a small state's primary attribute is its scarcity of resources – translates the notion of size as a measurable variable, while the qualitative approach basically puts an equality sign between smallness and weakness.

In this study, we will use the term "smallness" and "size" in a quantitative manner and define small states as those political entities whose capacities in terms of population, area, economy and military are below the average for a given region. This conceptualization has at least three major advantages. First, being unwilling to state *a priori* that lacking resources equals weakness enables us to analyze small states from a broader perspective. Second, this model contains four different aspects of size, strengthening its multi-dimensional nature. Third, as we do not believe that smallness is an absolute concept, we define its limits in a relative way, in terms of comparison with other regional actors – as Calenzo and Muhindo suggested.<sup>2</sup> This approach will make it possible for us to render the concept more flexible and responsive to changes, not just within the small state but in its wider neighborhood as well.<sup>3</sup>

The delimitation of the region in which we analyze a small state will also have a crucial impact on our results. It will be necessary to define a region which includes the main partners of the country and excludes irrelevant ones. Regarding Hungary, its most important region is the European Union, but that alone would exclude major political and economic partners of the country, such as Ukraine, Serbia and Norway. The mere region of Visegrad cooperation<sup>4</sup> would be too small, while Eurasia as a region would also be misleading. For these reasons we will examine Hungary as belonging to a region which includes (1) the 28 members of the European Union, (2) the candidate and potential candidate countries of the EU,<sup>5</sup> (3) the participants of the Eastern Partnership program,<sup>6</sup> (4) other members of the European Economic Community,<sup>7</sup> and (5) the Russian Federation. Altogether this region has 46 members, including 17 of the 20 most important export and 15 of the 20 most important import partners of Hungary, constituting 78 per cent and 75 per cent respectively of the total volume of Hungarian foreign trade.<sup>8</sup> Budapest<sup>9</sup> has a permanent diplomatic mission in all of

<sup>1</sup> See M. Maas Mathias, "The elusive definition of the small state," *International Politics* Vol. XLVI, No. 1, 2009, pp. 65–83.

<sup>2</sup> G. Calenzo, M. Muhindo, "Neorealism and international subsystems of small states," *Interdisciplinary Political Studies* Vol. I, No. 2, 2011, p. 159.

<sup>3</sup> If we accept that smallness is a relative term, then it is vital to include the possible changes of other states, not just the subject of our analysis.

<sup>4</sup> Which includes Slovakia, Hungary, the Czech Republic and Poland.

<sup>5</sup> Albania, Iceland, Macedonia (FYR), Montenegro, Serbia, Turkey, Bosnia and Kosovo.

<sup>6</sup> Armenia, Azerbaijan, Georgia, Moldova, Ukraine, Belorussia

<sup>7</sup> Norway, Switzerland and Lichtenstein

<sup>8</sup> See the database of Observatory of Economic Complexity. Available online: <http://atlas.media.mit.edu/> (accessed on September 22, 2015).

<sup>9</sup> "Külképviseletek," [Foreign offices], Government of Hungary. Available online: <http://www.kormany.hu/hu/kulgazdasagi-es-kulugyminiszterium/kulkepviseletek> (accessed on September 22, 2015).

the countries except for Luxemburg, Malta, Iceland, Armenia and Liechtenstein – in each of which, however, it has an honorary consul.

In the framework of the present study, we will examine the situation of Budapest within the EU and in the above-defined region (the “broader neighborhood”) as well.

In Table 1, it can be clearly seen that Hungary's attributes fulfill the criteria of smallness. The size of the country, in terms of territory, population, and economic and military capacities, are all below the average both of the EU and the broader neighborhood. Moreover, Budapest's relative position has remained quite the same during the past 25 years.

**Table 1.** Hungary in the EU and the broader neighborhood (2014)<sup>10</sup>

	territory (km <sup>2</sup> )	population	GDP (millions of US dollars)	military capacities (% of GDP)
Hungary	90,530	9,861,673	137,104	0.85%
EU avg.	151,306	18,154,103	659,309	1.52%
broader neighborhood avg.	502,160	18,164,300	494,481	1.62%

## Small states in international relations

According to the mainstream international relations school of thought, the smallness of a country has a determinate effect on its international room to maneuver, making it more vulnerable and exposed to the environment. Its foreign policy will be more dependent on external factors – primarily geopolitics and the behavior of stronger states – while its internal politics will have less impact on its foreign policy.

Such expectations derive from “general academic knowledge” and have been present in the discipline since the very first appearance of political science and international relations literature, including Thucydides’ Melian Dialogue, where Athens and Sparta are seen as the subjects, and the tiny island of Melos an object, of inter-state dynamics. “The strong do what they have the power to do and the weak accept what they have to accept,”<sup>11</sup> says the representative of the Athenians. This notion has remained strong and influential in modern IR and has become an unspoken assumption of political researchers.

The approach that identifies smallness (i.e. the lack of resources) with weakness also derives from early attempts to conceptualize the notion of “power”. After the Second World War, a wide range of academics tried to operationalize the word, which made the debate over power, according to Hans J. Morgenthau, “one of the most difficult and controversial problems of political science.”<sup>12</sup>

<sup>10</sup> “World Bank Database,” 2015. Available online: <http://data.worldbank.org/indicator> (accessed on September 22, 2015).

<sup>11</sup> Thucydides, *The Melian dialogue*, 5.84–116, Rex Warner tr., p. 2. Available online: <http://lygdamus.com/resources/New%20PDFS/Melian.pdf> (accessed on September 22, 2015).

<sup>12</sup> Cited by D. A. Baldwin, “Power in international relations,” in T. Risse, T. Carlsnaes, S. Walter, eds, *Handbook of international relations*, London: SAGE, 2013, p. 177.

The most influential school of thought established the concept based on the quantity and quality of material resources possessed by a given actor. The full spectrum of such resources (territory, population, natural assets, etc.) determines the state's weight and, ultimately, power in international relations. Consequently, power plays a function in international relations similar to that played by money in an economy – a measurable and comparable indicator of the available resources of an actor, a quantitative attribute which can easily be used to describe someone's position in the political and economic sphere.<sup>13</sup>

This *resource-based concept* was so widespread that it has since dominated the thinking of analysts and decision makers. According to Richard Rosencrance,

In the 1930s the standard international relations textbook would have ranked the great powers in terms of key natural resources . . . Analysts presumed that the state with the largest stock of raw materials . . . would prevail. CIA estimates during the Cold War were based on such conclusions.<sup>14</sup>

In one of the most influential books of the discipline of international relations, Kenneth Waltz ranked countries according to their capacities,<sup>15</sup> while Ray Cline even created a quantitative formula to describe power, which included population, territory, size of the economy and military, strategy, and political will in the equation.<sup>16</sup>

Although many theoretical advances have subsequently been made, the first theories of small states embraced this concept of power and developed their ideas accordingly. They interpreted the foreign policies of such countries as reactions to their weakness, which they could either accept or boldly defy. In the 1960s, David Vital argued that there are basically three possible strategies for a small state:<sup>17</sup> the passive strategy (which is based on the notion that smallness deprives a state of any kind of foreign policy capacity), the active strategy (which aims to reduce the disparity between the state and its environment) and the defensive strategy (which concentrates on internal growth, with the sole purpose of foreign policy being identified as maintenance of the status quo). The choice between these possibilities, Vital added, is not a mere decision made within a small state, but more like a consequence of its location and role in the international community: countries located within the sphere of interest of great states will prefer to follow a passive or defensive policy, since what leverage they have (if any) is narrower. The predominant choice of a small state, in Vital's view, is the policy of forming alliances, which in his vocabulary basically means choosing a protector. McGowan and Gottwald identified the current state of development as an important aspect of small state foreign policy, saying that modern small states, with their relatively stable income and position, will likely follow acquiescence or preservation strategies.<sup>18</sup> Using the analogy of the jungle for the international system, Schweiler argued that small states can choose between the role of lambs – weak entities with the sole purpose of survival – and jackals searching for a bandwagon to stronger states in the hope of unearned revenues.<sup>19</sup>

<sup>13</sup> J. S. Nye, *The future of power*, New York: Public Affairs, 2011, p. 3.

<sup>14</sup> "R. Rosencrance, "The rise of the virtual state," *Foreign Affairs* Vol. LXXV, No. 4, 1996, p. 54.

<sup>15</sup> Baldwin, op. cit.

<sup>16</sup> Nye, op. cit. p. 4.

<sup>17</sup> D. Vital, *The inequality of states: a study of the small power in international relations*, Oxford: Oxford University Press, 1967, pp. 117–22.

<sup>18</sup> P. J. McGowan, K-P. Gottwald, "Small state foreign policies: a comparative study of participation, conflict, and political and economic dependence in Black Africa," *International Studies Quarterly* Vol. IXX, No. 4, 1975, pp. 469–500.

<sup>19</sup> Calenzo, Muhindo, op. cit. p. 150.

According to Maurice East and others, smallness translates into the lack of a substantial set of interests, which manifests itself in highly limited foreign policy activity in terms of geography and policy areas.<sup>20</sup>

All in all, neorealist thinkers developed a school of thought which has been characterized by Iver Neumann and Sieglinde Gstöhl as a capacity-based investigation of small states. According to this perspective, a lack of capabilities determines a country's foreign policy to a substantial degree, making it almost irrelevant in international relations. The most advisable decision for a small state in this regard is to form its foreign policy according to its external environment, to stay under the radar, and to form strong alliances (bandwagoning). While the basic tenet of this theory – namely the identifying of a lack of resources with weakness – has become questionable at best, still this approach has remained the “basic way of studying small states.”<sup>21</sup>

Another tendency of modern IR regarding small states is the neoliberal approach of highlighting the role of national and international institutions.<sup>22</sup> Since relations between states were institutionalized after 1945, their balance of power has changed significantly. While in many cases, the perception of inequality was institutionalized and became an integral part of the new structures (such as the Security Council of the United Nations), there are many other examples in which states have enjoyed a status of formal – or practical – equality (such as the General Assembly). In both cases, the spread of international organizations (IOs) and the development of international law has created a sense of stability in world politics, which manifests itself in the strategy of small states to prefer institutionalized frameworks, norms and IOs. According to Rothstein, apart from the perception of equality, there are two other reasons behind this behavior – firstly, membership in such organizations can provide economic, military, political (etc.) security for small states; and secondly, efficient IOs can limit the power and influence of the great powers in international politics.<sup>23</sup>

Another aspect of the institutional approach is the role of a state's internal institutions. Peter J. Katzenstein developed the idea of democratic corporatism as an attribute of European small states. According to this theorist, the external vulnerability of small economies made their governments more reactive to changes, which give birth to quick and effective ways of building consensus among the most important economic and social stakeholders. In times of crisis, the culture of democratic corporatism can actually mean an advantage for small states.<sup>24</sup>

Many found the conclusions of Katzenstein rather debatable, and several pieces appeared in the literature arguing against the idea of democratic corporatism. According to Baldur Thorhallson,<sup>25</sup> the size and characteristics of a state's administration matters more than

<sup>20</sup> M.A. East, “Size and foreign policy behavior: a test of two models,” *World Politics* Vol. XXV, No. 4, 1973, pp. 556–76.

<sup>21</sup> I. B. Neumann, S. Gstöhl, “Introduction. Lilliputians in Gulliver's world,” in C. Igebritsen, Christine, I. B. Neumann, S. Gstöhl, J. Beyer, eds, *Small states in international relations*, Reykjavik: University of Iceland Press, 2006, pp. 16–20.

<sup>22</sup> *Ibid.*, pp. 20–2.

<sup>23</sup> R. O. Keohane, “Lilliputians' dilemmas: small states in international politics,” in C. Igebritsen, Christine, I. B. Neumann, S. Gstöhl, J. Beyer, eds, *op. cit.*, pp. 58–59.

<sup>24</sup> P. J. Katzenstein, *Small states in world markets: industrial policy in Europe*, Ithaca: Cornell University Press, 1985.

<sup>25</sup> B. Thorhallson, “The role of small states in the European Union,” in C. Igebritsen, Christine, I. B. Neumann, S. Gstöhl, J. Beyer, eds, *op. cit.*, pp. 218–31.

perceived cultural differences. According to him, small states have to prioritize their efforts in international relations, since they cannot afford to maintain a large policy office – which on the one hand can mean a huge deficiency in terms of human resources and administrative capacities,<sup>26</sup> but on the other, a focusing of efforts can sometimes lead to a much more effective diplomacy, which can be flexible in less important matters while directing resources to more relevant questions.

Overall, the traditional school of small state studies includes these two theoretical frameworks. The neorealist theory focuses on capabilities and the discrepancy between small and large states in international relations. From this perspective, a lack of resources equates to weakness, and the only foreign policy aim is survival, which is usually achieved through an effective alliance policy. The neoliberal tradition, on the other hand, focuses on the role of internal and external institutions.

Although the two schools appear to be quite different, they both derive from the same modernist understanding of power and smallness. They share the *a priori* expectation that a small state is essentially weak, differing only as to the most effective strategy for survival. Because of their common theoretical ground, we can connect these two ideas and form a single, modernist (or traditional) school of thought according to which a small state's foreign policy

- will be determined mostly by external rather than internal political developments;
- will aim first and foremost at forming strong alliances or joining strong IOs which can guarantee its security;
- will be geographically and politically limited, concentrating on its immediate neighborhood and its priority policy areas;
- will be characterized by the intention to strengthen international values and norms, at least rhetorically, at the expense of its own interests.

It is important to note that after 1990, the constructivist turn reached the discipline of small state studies as well, introducing innovative ideas in the field. This movement was driven by theoretical advances in IR, most importantly the evolution of a changing concept of power. According to the new approach, power is not a measurable attribute of a single actor but rather an element in the relation of two or more separate entities. In such a framework, "A" has power over "B" if it can alter the latter's behavior according to its own interests without the need of any additional material resources.<sup>27</sup> While in sociology the birth of the *relational approach* dates back to 1965 with the publication of Harold Lasswell and Abraham Kaplan's *Power and Society: a Framework for Political Inquiry*, this concept of the changing nature of power was absorbed by modern IR only in the early 1990s. The new wave included, among other things, the new concept of Joseph Nye's soft power theory<sup>28</sup> and that of Susan Strange's structural power, as well as the general idea of discursive power.<sup>29</sup> On the basis of these advances, several researchers in small state studies came out with new strategies which were available to states regardless of their size, providing opportunities for them to follow their interests. Christine Ingebritsen analyzed the normal entrepreneurial role of Scandinavian countries, which provided them the opportunity to change the fundamental unwritten norms

<sup>26</sup> Ibid, p. 218.

<sup>27</sup> Baldwin, op. cit. p. 18.

<sup>28</sup> Nye, op. cit.

<sup>29</sup> G. Nugroho, "Constructivism and international relations theories," *Global Strategies* Vol. II, No. 1, 2008, pp. 85–98.

of international politics to their advantage.<sup>30</sup> Introducing the term "virtual enlargement," Allan Chong investigated the positive moral connotations attached to smallness, making it easier for small states to be successful mediators and to promote their political and economic system to attract investors.<sup>31</sup> The common element in all these studies is that they argue against the notion of the general disability of small states, but do not define what sort of state is likely to choose a given strategy.

This constructivist research program based on relations holds important and revolutionary consequences for small state studies. Nonetheless, the various theories do not form a distinct school of thought, since they lack a common conceptual and theoretical framework. We cannot, therefore, describe an epistemologically and ontologically distinct constructivist theory of small states, because of this lack of a coherent set of common ideas.

In short, then, we have summarized the differences between the three major approaches to small states studies. The first two can be called traditional or modernist theories, since – having the same starting point – they include like ways of thinking and argumentation. The third, postmodern school contains important ideas for researchers, however it does not include a generalized common set of methods and concepts.

**Table 2.** The major schools of small state studies

type of school	traditional/modernist schools		constructivist schools
general place in IR theory	neorealist tradition	neoliberal tradition	constructivist tradition
approach	capabilities	institutions	relations
relationship between smallness and weakness	smallness equals weakness	smallness usually equals weakness with some possible advantages	no necessary causal connection
driver of foreign policy	external environment	external environment (and internal institutions)	identity, norms, external and internal environment
best strategies for small states	survival through building alliances	survival through fostering the development of IOs and international law	no particular strategy

## Applying small state theory to Hungary

In translating the observations of traditional small state theory into the Central European environment after 1990, we should expect that

- party politics has not effected foreign policy to a large extent;

<sup>30</sup> C. Ingebritsen, "Norm entrepreneurs: Scandinavia's role in world politics," in C. Ingebritsen, Christine, I. B. Neumann, S. Gstöhl, J. Beyer, eds, op. cit., pp. 273–86.

<sup>31</sup> A. Chong, "Small state soft power strategies: virtual enlargement in the cases of the Vatican City State and Singapore," *Cambridge Review of International Affairs* Vol. XXIII, No. 3, 2010, pp. 383–405.

- geopolitics and economic disadvantages have determined Hungary's foreign policy, which is characterized by a strong affiliation with institutions which can guarantee its security, namely the European Union and NATO;
- Hungary has conducted a politically and geographically limited foreign policy focusing almost solely on the neighborhood;
- values have outweighed interests in the foreign policy discourse of the government.

In order to determine whether these expectations have been met, we shall present a short and focused analysis of Hungary's foreign policy aims from the perspective of the above mentioned observations.

### ***The internally conflicted triangle of Hungarian foreign policy***

In the early 1990s, during the years of the Antall-government, the Hungarian political elite promptly set the aims of the newly independent Hungarian Republic. Accordingly, the main pillars of Hungarian foreign policy became integration into Euro-Atlantic institutions,<sup>32</sup> maintaining good relations within the neighborhood, and the protection of Hungarian minorities abroad.<sup>33</sup> On the whole, these targets more or less correlate with small state theory, with the minor exception of the protection of Hungarian minorities abroad. Since the discipline of SSS was conceived in Anglo-Saxon countries, it works with the concept of a nation state and does not consider cases in which the geographical extent of a national community's living area differs from its political borders, as is the case with Hungary.<sup>34</sup>

It quickly became clear that the Hungarian political elite lacked a wide consensus regarding the relative importance of these three aims. There have been constant debates over this, which was reflected in the foreign policy strategies of the various governments. According to Györi Szabó, "two markedly different approaches evolved in Hungarian politics."<sup>35</sup> The first of these, which was articulated by right-wing parties and governments, prioritized the interests of Hungarian communities abroad over EU and NATO integration and neighborhood policy. According to this view, the Hungarian nation includes not only the community of Hungarian citizens, but those who are "stuck" outside of the country as the result of the Treaty of Trianon. Therefore the "national interest" includes their interests as well. The second foreign policy approach, on the other hand, considered Western integration as the top priority, which accordingly should predominate over other concerns. This agenda appeared first in the leftist-liberal opposition during the Antall Government, and also later when the Hungarian Socialist Party (MSZP) and the Alliance of Free Democrats (SZDSZ) were able to form governments in 1994, 2002 and 2006.<sup>36</sup>

Since these various aims could easily come into conflict, prioritizing was of crucial importance. For instance, pursuing the interests of the Hungarian communities in Slovakia, Romania, Ukraine and Serbia could make regional cooperation harder, thus slowing down the process of Western integration. Since the cleavage regarding the prioritization of the three foreign policy aims coincided with the battle lines of the different parties, the balance of power

<sup>32</sup> Naturally, after accession to NATO in 1999 and to the EU in 2004, the first priority changed to successful participation in the integrations.

<sup>33</sup> R. Györi Szabó, *A Magyar külpolitika története 1848-tól napjainkig*, [The history of Hungarian foreign policy from 1848 to the present day], Budapest, Helikon, 2011, pp. 347–8.

<sup>34</sup> J. L. Kiss, *Változó utak a külpolitika elméletében és elemzésében*, [Changing routes of foreign policy theory and analysis], Budapest: Osiris, p. 282.

<sup>35</sup> *Ibid*

<sup>36</sup> *Ibid*, pp. 348–349.

between them affected foreign policy to a great extent. Investigating the effects of Hungary's domestic politics on foreign policy, Balázs Kiss and Csaba Zahorán<sup>37</sup> have argued that the Hungarian right-wing – which felt oppressed not only during the Kádár era, but also under the Socialist governments after 1990 – considered the promotion of national interests the dominant foreign policy aim, leading many times to Eurosceptic tendencies. On the other hand, the left and liberal parties saw the pursuit of the well-being of Hungarian minorities abroad as a confrontational and counterproductive activity, and therefore implemented a low-profile, conflict-avoiding international behavior. The right-wing parties – primarily the Hungarian Democratic Forum (MDF) and Fidesz – many times condemned this kind of foreign policy, characterizing it as opportunist, immoral and “anti-national.”

There are many examples showing the practical effects of this divide in foreign policy between left and right wing governments, for instance in regard to the basic treaties between Hungary and its neighboring countries. The signing of such agreements was crucial, in order to normalize relations in the region and begin regional cooperation, as well as to foster the European integration process. In addition, in the early 1990s many feared that after the Communist era, Hungary would put the revision of borders on the agenda, which is why Budapest had to respond to these allegations with the signing of bilateral treaties in which the Hungarian government renounced any territorial claims. On the other hand, the Hungarian right wing wanted the protection of minority rights to be included in such agreements, without which they were not willing to sign the deal.

The first such basic treaty was signed with Ukraine in December 6, 1991, but it is telling that during its ratification vote (which took place in May, 1993), 25 of the 39 opposing MPs, and 10 of the 17 neutral MPs, were from the governing MDF party, while the left-wing opposition voted predominantly in favor.<sup>38</sup> Thus we can say that although the conservative government was the primary advocate for the treaty, the greatest opposition also came from the right. A similar agreement was signed with Slovenia on December 2, 1992,<sup>39</sup> and with Croatia prior to the 1994 elections.<sup>40</sup> Nevertheless, these treaties did not form a basis for political debate between the parties, since the partner governments accepted Budapest's wish that minority protection be included in the deals.

In contrast, the basic agreements with Romania and Slovakia were unreachable until 1994. According to Géza Jeszenszky, the foreign minister between 1990 and 1994, the reason behind this was that the Hungarian government “refused to renounce its support for the Hungarian communities' fight to defend their rights.”<sup>41</sup> After the creation of the leftist-liberal government – which considered EU integration a priority over minority rights abroad – the debate between Bucharest and Budapest ended in a compromise, which was rejected by

<sup>37</sup> B. Kiss, Cs. Zahorán, “Hungarian domestic policy in foreign policy,” *International Issues & Slovak Foreign Policy Affairs* Vol. XVI, No. 2, 2007, pp. 46–65.

<sup>38</sup> “A parlament elfogadja az ukrán–magyar alapszerződést,” [The parliament adopts the Ukrainian–Hungarian basic treaty], *Múlt-kor*, September 13, 2004. Available online: <http://mult-kor.hu/cikk.php?id=9665> (accessed on September 22, 2015).

<sup>39</sup> “Tájékoztató a szlovéniai magyarság helyzetéről,” [Information on the situation of Slovenia and Hungary] Ministry of Foreign Affairs of Hungary, 2005. Available online: [http://eu.kormany.hu/download/4/c6/20000/kulpolitikai\\_strategia\\_20111219.pdf](http://eu.kormany.hu/download/4/c6/20000/kulpolitikai_strategia_20111219.pdf) (accessed on September 22, 2015).

<sup>40</sup> Györi Szabó, op. cit. p. 7.

<sup>41</sup> G. Jeszenszky, “Magyarország és kétoldalú szerződések,” [Hungary and bilateral agreements] *Magyar Kisebbség* Vol. II, No. 4, 1996. Available online: <http://www.jakabffy.ro/magyarkisebbsseg/index.php?action=cimek&lapid=5&cikk=mg60402.html> (accessed on September 22, 2015).

the Hungarian parties of Romania.<sup>42</sup> Nonetheless, both governments signed the agreement on March 10, 1995, while it was still being strongly debated by conservative and nationalist parties whether the deal was basically a preliminary condition for starting the country's accession process.<sup>43</sup> In the case of the basic treaty with Slovakia it was the same.<sup>44</sup>

The political debate regarding the ways and means of supporting the Hungarian communities abroad continued during the 2000s. As a first step, during the conservative Orbán-government, a law was approved in 2001 which provided benefits and allowances for Hungarian nationals living in neighboring countries (except for Austria) in the field of education, culture, health care, employment and travel. The law was accepted by a huge majority, the liberal party being the only opponent.<sup>45</sup> Secondly, in 2004 a referendum was held on whether to provide the legal opportunity for Hungarians living abroad to gain citizenship. Predictably, the left wing objected while the conservative parties advocated the introduction of dual citizenship.

The reasoning of the two sides clearly shows the cleavage between the conflicting concept of the role and aims of foreign policy of the left and the right. According to the then-governing Hungarian Socialist Party (MSZP), the neighboring countries' accession to the EU would solve the problems of their Hungarian communities, more than would providing them citizenship.<sup>46</sup> A party leaflet also emphasized the damaging effect of this referendum on Hungary's position within the EU: "nobody in Europe would be happy with a Hungary which constantly generated debates and international conflicts. Moreover, the enlargement process would be hampered rather than fostered by such unpredictable processes."

In the end, the vote was invalidated due to low turnout,<sup>47</sup> but the question became a symbol of the left-right divide in Hungary, reflecting the different ways of thinking in regard to foreign policy. It is clear that the social-democrat and liberal parties do not simply prioritize EU-policy over other foreign policy goals, but regard it as the most promising way to achieve those others as well. Contrariwise, the reasoning of the right-wing parties was more or less the opposite: they did not consider EU-membership as a necessary priority, but rather subordinated it to other policies. After the unsuccessful referendum of 2004, Viktor Orbán – as opposition leader – said that Hungary should make the autonomy of Hungarians living in Transylvania a condition for accepting the accession treaty of Romania.<sup>48</sup> Subsequently, in 2010 (the first year of the Orbán government), the Parliament approved a law enabling Hungarians living abroad to apply for citizenship.

<sup>42</sup> Cs. Kelemen, "Magyar-roman alapszerződés," [Hungarian-Romanian treaty] *Grotius*, 2008. Available online: <http://www.grotius.hu/publ/displ.asp?id=EQXNXV> (accessed on September 22, 2015).

<sup>43</sup> Kelemen, op. cit.

<sup>44</sup> Cs. Kelemen: "Magyar-szlovák alapszerződés," [Hungarian-Slovak treaty] *Grotius*, 2007. Available online: <http://www.grotius.hu/publ/displ.asp?id=FSGUIC> (accessed on September 22, 2015).

<sup>45</sup> "Januártól hatályos a státustörvény," [The state act is effective from January], *Népszabadság*, July 20, 2001. Available online: [http://hhrf.org/netpansip/ungparty/docu/vegyes/status\\_nepsz.php](http://hhrf.org/netpansip/ungparty/docu/vegyes/status_nepsz.php) (accessed on September 22, 2015).

<sup>46</sup> "A felelős döntés," [A responsible decision], Leaflet of the Hungarian Socialist Party, 2004. Available online: <http://web.archive.org/web/20050128131342/http://www.mszp.hu/download/kampany/nepszavazas041205/felelos.pdf> (accessed on September 22, 2015).

<sup>47</sup> "Országos népszavazás 2004.december 5.," [National referendum, December 5, 2004] Results of the 2004 national referendum, National Election Committee. Available online: [http://www.valasztas.hu/nepszav04/main\\_hu.html](http://www.valasztas.hu/nepszav04/main_hu.html) (accessed on September 22, 2015).

<sup>48</sup> "Full speech of Viktor Orbán on 23th July, 2005," *változást.hu*. Available online: [http://www.valtozast.hu/web/index.php?option=com\\_content&task=view&id=45&Itemid=43](http://www.valtozast.hu/web/index.php?option=com_content&task=view&id=45&Itemid=43) (accessed on September 22, 2015).

In short, we can say that the huge divide between the left and right in Hungary regarding foreign policy can be traced to the fact that while the social-democrats and liberals consider EU and transatlantic relations as a top priority, the conservative parties place something else at the top of the foreign policy agenda. Before the dual citizenship act was approved in 2010, this priority was the well-being of Hungarian communities abroad. This cleavage had a severe impact on more or less the whole range of foreign policy, including US–Hungarian relations, Russian policy, and so on.

Consequently, the small state theory view that domestic politics do not matter to a small country, and that the search for the protection of a more powerful actor (be it an IO or a strong state) will trump other issues on its foreign policy agenda, is questionable. Because of the huge cleavage between the left and the right regarding foreign policy, the outcome of elections can completely alter the international behavior of Budapest. Hungary seems capable of prioritizing aims other than bandwagoning.

### ***Global policy and the role of values and interests***

The most important change to the triangle of Hungarian foreign policy arose in the middle of the 2000s, namely the articulated intention of the left-wing Gyurcsány government to participate in global politics.<sup>49</sup> According to the prime minister, Hungary should “construct, reconstruct and reinforce” its relations with the most important global powers, especially with the United States, Russia, and other Asian states.<sup>50</sup> All of them important, it was nonetheless clear that the left wing government envisaged different roles for the various states mentioned: they regarded Europe as “home,” the United States as the most important “strategic ally,” and Russia as a “strategic partner” for Hungary. Accordingly, the left-wing government saw Western countries as priority relations, and did not question the importance of the country’s Euro–Atlantic ties. The global policy of Gyurcsány thus aimed only at performing the role of a bridge between the great powers. “Because Hungary does not have any direct global role,” he said, “it can look at . . . the debates between the US, the EU and Russia from a little different perspective, with more distance, facilitating a better understanding among the parties.”<sup>51</sup>

Since 2010, the foreign policy vision of the Orbán government has included also the importance of global policy. Labeled the “global opening” or “Eastern opening,” it was different from that of the previous government in two respects. Firstly, it was placed within an ideological context. According to Viktor Orbán, international political relations are in a state of constant and rapid change driven by the process of globalization, which will bring about the relative decline of Europe and the United States. “We sail under Western flags, but the wind is coming from the East,” he said in 2010, emphasizing the importance of rapid adaptation. The prime minister considers these changes a great opportunity for those who can react fast, which is what Budapest should do in world politics.<sup>52</sup> Secondly, the aim of the global opening was primarily an economic one. According to Hungary’s document evaluating its foreign policy between 2010 and 2013, this global policy is a projection of the economic policy of the Orbán government, which makes foreign trade a cornerstone not only of Hungary’s economy, but

<sup>49</sup> Győri Szabó, op. cit. p. 384.

<sup>50</sup> L. Póti, “Hungarian foreign policy and ENP in the East: energy- (and) nationality-based policy,” *International Issues & Slovak Foreign Policy Affairs* Vol. XV, No. 3–4, 2006, pp. 15–27

<sup>51</sup> Ibid.

<sup>52</sup> “Keleti szél fúj,” [East wind blowing] *Index*, November 5, 2011. Available online: [http://index.hu/belfold/2010/11/05/orban\\_keleti\\_szel\\_fuj/](http://index.hu/belfold/2010/11/05/orban_keleti_szel_fuj/) (accessed on September 22, 2015).

of its foreign policy as well.<sup>53</sup> In the years following, the Eastern opening played a central role in the international relations of Hungary, becoming a symbol of the foreign policy of the current government. As a result, since 2010 the Hungarian foreign policy has become highly pragmatic, with the aim of pursuing economic interests. In practice, this has meant a series of visits and agreements primarily with Asian countries, including some highly criticized by the EU – such as Russia and some Central Asian countries – even at the cost of risking a tarnishing of Budapest's image in Europe.

The shift from values to interests in foreign policy was also visible in the governmental rhetoric. János Martonyi, Hungary's foreign minister from 2010–2014, expressed in 2010 that the country must conduct "predictable, value-based foreign policy that relies on political and economic stability, political unity, and a balanced neighborhood policy."<sup>54</sup> This can also be seen in the 2011 official strategic document entitled "Hungarian foreign policy after the EU presidency," which actually opens with a description of values. "We define our goals according to our values," says the document basically on the first page.<sup>55</sup> Contrariwise, the country's economic interests began to dominate foreign policy officially after the 2014 elections: the ministry itself was renamed the Ministry of Foreign Affairs and Trade; and Péter Szijjártó, the new foreign minister, expressing his views before his inauguration during a hearing of the Hungarian Parliament, said that "the aim of foreign policy should be the pursuit of Hungarian economic interests."<sup>56</sup> When speaking of the broader set of policies of the Orbán government, he said that it could be described as "Christian, patriotic, and [one that] prefers Hungarian interests."<sup>57</sup> This statement also shows that reference to values did not disappear completely from the governmental rhetoric. Nevertheless, national interests occupied the central position.

Even such a superficial description of the main set of Hungarian foreign policy aims shows the discrepancy between small state theory and practice. It has become clear that small state theory fails to describe or predict the development of Hungarian foreign policy, at least in regard to the following points:

- the set of Hungary's foreign policy aims includes a mix of traditional small state aims (accession to EU/NATO, neighborhood policy) and others unanticipated by the theory (the promotion of the interests of Hungarian minorities abroad) – with the priority of the latter in many cases emphasized;
- the internally conflicted nature of these foreign policy aims highlight the effect of domestic politics on the international behavior of the country, making it more important than changes in the external environment;

<sup>53</sup> "Külpolitikánk és külügyi szolgálatunk megújulása, 2010–2013." [Our foreign policy and our foreign service renewal, 2010–2013] Magyar Program, Ministry for Foreign Affairs of Hungary, 2013, p. 18. and 25. Available online: [http://magyaryprogram.kormany.hu/download/8/18/90000/Kulpolitikank\\_es\\_kulugyi\\_szolgalatunk\\_megujulasa\\_2010-2013.pdf](http://magyaryprogram.kormany.hu/download/8/18/90000/Kulpolitikank_es_kulugyi_szolgalatunk_megujulasa_2010-2013.pdf) (accessed on September 22, 2015).

<sup>54</sup> "Martonyi János: értékalapú külpolitikára van szükség," [Martonyi János: value-based foreign policy is needed] *Kitekintő*, October 22, 2010. Available online: [http://kitekinto.hu/bem-rakpart/2010/10/22/martonyi\\_janos\\_ertekalapu\\_kulpolitikara\\_van\\_szukseg/#VFY5j\\_mG8hc](http://kitekinto.hu/bem-rakpart/2010/10/22/martonyi_janos_ertekalapu_kulpolitikara_van_szukseg/#VFY5j_mG8hc) (accessed on September 22, 2015).

<sup>55</sup> "Magyar külpolitika az uniós elnökség után," [Hungarian foreign policy after the EU presidency] Ministry of Foreign Affairs of Hungary, 2011, p. 3. Available online: [http://eu.kormany.hu/download/4/c6/20000/kulpolitikai\\_strategia\\_20111219.pdf](http://eu.kormany.hu/download/4/c6/20000/kulpolitikai_strategia_20111219.pdf) (accessed on September 22, 2015).

<sup>56</sup> "Szijjártó: a külpolitika feladata a gazdasági érdekek érvényesítése," [Szijjártó: the task of foreign policy is to enforce economic interests], *Népszabadság*, September 20, 2014. Available online: <http://nol.hu/kulfold/szijasarto-a-kulpolitika-feladata-a-gazdasagi-erdekek-ervenyesitese-1487559> (accessed on September 22, 2015).

<sup>57</sup> "Pragmatikus váltás a magyar külpolitikában," [A pragmatic shift in Hungarian foreign policy] *Magyar Nemzet*, October 18, 2014. Available online: [http://mno.hu/magyar\\_nemzet\\_kulfold/pragmatikus-valtas-a-magyar-kulpolitikaban-1253979](http://mno.hu/magyar_nemzet_kulfold/pragmatikus-valtas-a-magyar-kulpolitikaban-1253979) (accessed on September 22, 2015).

- since the 2000s, Hungary's foreign policy aims include the desire to participate in global politics, contrary to the geographically limited scope of international activities predicted by the theory; and
- the theory over-estimates the priority of interests over values in the foreign policy discourse of some Hungarian governments.

## The causes of discrepancy between theory and practice in the Central European environment

In the case of Hungary, the inapplicability of the traditional (or modernist) schools within small state studies offers several important lessons regarding the theory.

*Traditional small state theory neglects the difference between nation and state.* The cause of this phenomenon is that SSS was conceived in an Anglo-Saxon environment, where the concept of nation includes only citizens of the political community represented by the government. In the Central European context, however, this conception is problematic. In our case in particular, there is a huge discrepancy between citizens of the Hungarian state and members of the Hungarian nation, and this has a clear impact on foreign policy. Distinguishing between *nation and state* makes room for certain challenging theoretical and practical questions: When considering small states in the quantitative sense, which population count should one use? Is there a difference between a small nation and a small state? And so on. Traditional small state theory will not be applicable within the Central European context until it clarifies the problem of bordering.

*Traditional small state theory rigorously simplifies the way in which smallness effects foreign policy thinking.* Using the theoretical advances of the postmodern school of thought, we can say that the modernist small state theory unconsciously presumes that smallness becomes an integral part of the identity of such entities, translating into a sense of weakness and thus to affiliation with IOs or powerful allies. Nonetheless, this process of social calculation is neither self-explanatory nor inevitable. According to one of the most well-structured conceptualizations of the notion,<sup>58</sup> collective identities should be analyzed across two dimensions:

- Content, which includes (1) constitutive norms (referring to the formal and informal rules that define group membership); (2) social purposes; (3) relational comparisons (defining the relationship between the group and others); and (4) cognitive models (common understandings of political and material conditions);
- Contestation, which is the degree to which there is a consensus as to the content of identity among the members of the group.

As seen within this theoretical framework, the traditional theory neglects the notion of identity, unintentionally presuming a view as to what effect smallness has on the content and contestation of the collective identity of a small state. To translate this into common English, traditionalists assume that

- the members of a community realize that they are smaller than others in their neighborhood (relational comparison);
- they translate this material observation into a perceived relative weakness (cognitive models);

<sup>58</sup> R. Abdelal, Y. M. Herrera, A. I. Johnston, R. McDermott, "Identity as a variable," *Perspectives on Politics* Vol. IV, No. 4, 2006, pp. 695–711.

- this weakness forces the community to make survival via alliances or IOs its sole aim (social purposes), and
- this way of viewing the matter is accepted and uncontested within the community, making internal politics irrelevant for foreign policy (contest).

These assumptions, however, do not necessarily hold in the Central European context. To mention only one aspect, several researchers – for example Dan Reiter, who examined the alliance-policy of small states<sup>59</sup> – have concluded that personal, institutional, and socio-psychological experiences can easily override material and rational calculations. As the states of Central Europe have a rich and diverse history, during which their size, influence, and international position have varied to a great extent, their identity has without a doubt been formed by these historical factors. Accordingly, some members of the Hungarian decision-making elite may in fact not think of the country as being small or weak, but might employ different social purposes or cognitive models than that suggested by traditional theory. In the case of Hungary, the memory of having being a strong European empire, the "trauma of Trianon," must have contributed to the nation's self-perception, altering the way in which the elite conceives it.<sup>60</sup>

*Traditional small state theory is unable to deal with cases in which foreign policy is a matter of identity politics.* In the case of Hungary, as we concluded above, the left and right wings differ on the perceived status of the country and the optimal course for foreign policy. Within the framework of the postmodern concept of identity described above, this phenomenon can be interpreted as a sign of the contested nature of "smallness" in the collective identity of the elite. Consequently, this societal divergence makes foreign policy an area of identity politics, i.e. a policy area in which the contested nature of certain elements of the collective identity manifests itself. When the left and right argue about the role of the EU in the international stance of Hungary, they argue also about their self-identity, and about the power and size of the nation. Therefore the debate can be interpreted as arising at the level of identities, where it is seen as fiercer and less solvable. Foreign policy, then, is highly effected by the outcome of this debate. Building on rational calculations alone, traditional small state theory cannot include this aspect in its equation.

## Conclusion

Although traditional small state theory remains the mainstream interpretative and analytic tool for researching entities lacking sufficient resources, it does not provide a universally applicable set of tools. In the Central European context, postmodern elements must be drawn on in order to understand the international behavior of small states. Without this, several issues cannot be adequately understood – for example, the discrepancy between state and nation, the role of historical experiences, and the internally contested nature of foreign policy.

On the other hand, a comprehensive constructivist toolkit for analyzing small states is yet to be put together. Such an endeavor would shake up the inflexibility of the traditional theories, question its hidden presumptions, and, last but not least, include the notion of identity among

<sup>59</sup> D. Reiter, "Learning, realism, and alliances: the weight of the shadow of the past," in C. Igebritsen, Christine, I. B. Neumann, S. Gstöhl, J. Beyer, eds, op. cit., pp. 231–73.

<sup>60</sup> Kiss, op. cit. p. 283.

the determinants of small state foreign policy. It would be interesting to analyze how the elite of a small state and its society more generally perceive its size, and how this self-perception might alter its behavior in the international sphere. Generally speaking, one should refrain from approaching the issue of size and identity on normative grounds – we cannot say how a state *should* think of itself or how it *should* behave. Such perceptions are the products of centuries-long social, political, psychological and cognitive processes which cannot and should not be easily alterable.