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An unconditional love Hungary-China relations at a glance

Introduction

This paper defines the nature of China-Hungary relations, highlights recent developments in this bilateral relation and offers some policy recommendations for the Hungarian government explaining how it should improve and fine-tune its interactions with China in the future. Besides, it also examines China-Hungary relations in a broader EU-China context along with the challenges. The Hungarian and the EU perspective will drive and dominate the paper while attention will also be paid to the Chinese standpoint where it is relevant. Since Hungary joined the European Union in 2004 and later expressed its full commitment to the common foreign policy objectives of the European community implemented through the External Action Service and realized in the Lisbon Treaty, it is indispensable to have a look at Hungary's role in this quickly evolving European supranational system of co-operation and the EU-China relations.

When I discuss China-Hungary relations, the Hungarian government and recent developments, I refer to the Orbán-government's relations with China since 2011. Although the government itself is in office since 2010, I chose the 2011-2014 period for investigation since it was 2011 when the Ministry of Foreign Affairs of Hungary (today: *Ministry of Foreign Affairs and Trade*) decided to introduce a new strategic document, entitled *Hungary's Foreign Policy after the Hungarian Presidency of the Council of the European Union (2011)*[1] in which it laid down the innovative concept of 'global opening' (an opening directed towards the East) aspiring to build up much closer connections to Asian countries, including China, than it was ever before. It is therefore expected that Hungary would proceed with a higher speed in its relations to China and take more impressive steps for breeding cooperation.

The government explains the reason for extending of its relations with Asian countries by the rapid process of globalization and the dynamic economic growth of the East-Asian region. As emphasized in its foreign policy document, the Hungarian government aims to enhance its representation in Asian countries while enforcing its own national interest and also contributing to the common EU objectives. In recent Hungary-China relations the main purpose of the Hungarian government seems to be the intensifying of cooperation by incorporating a strong cultural-educational element in order to achieve economic gains.

[1] Ministry of Foreign Affairs and Trade of Hungary (2011). *Hungary's Foreign Policy after the Hungarian Presidency of the Council of the European Union*. Accessed at http://eu.kormany.hu/download/4/c6/20000/kulpolitikai_strategia_20111219.pdf

1. The nature of Hungary-China relations

China-Hungary relations have an impressive history dating back to 1949 when the two countries decided to enter into diplomatic relations. Ever since the official contact of the 1950s Hungary maintained a very balanced, steady and predictable relationship with China based on mutual benefits.[2] Due to the geographical distance, there were neither territorial disputes nor political contentions on any sides which could have impeded such a friendly relation. Thus, I identify this long-term bilateral relation by the concept of 'unconditional love' in contrast to the general EU-China relations which are often characterized by diverse terms such as 'honeymoon', 'maturing relations', 'turbulence' or 'being on a low tide'[3] depending on the course of developments on both sides as well as the particular period of time in their interactions of just 40 years.

Having a close look at historical developments as well as following a scholarly tradition by identifying relations between countries and international organizations or among particular countries in a clear-cut way (i.e. honeymoon or turbulence) help us better understand the evolution of interactions, their natures, the future expectations, inferences and specific policy choices. I understand 'unconditional love' as the presence of a strong, unquestioned and unchanging devotion on each side involved.[4] There are two factors which let me use this term to describe such a highly committed relationship aiming to activate a large energy and the lacking of any suspicion in Hungary-China relations. One is apparently the fruitful long-term bilateral relations without experiencing any significant confrontation.

This relationship often lacked serious ups and downs but advanced with a different intensity – as Tálas explains, in the time of the Chinese Cultural Revolution the bilateral relations between Hungary and China were on a lower level while from the '80s they started to intensify again and experienced no disruptions at all.[5] The other factor explaining why the Hungary-China relations developed in such a positive manner is that Hungary is considered to be the prime investment area for China in Central and

[2] People's Daily Online (2011). *China, Hungary vow to enhance bilateral ties*. Accessed at http://english.people.com.cn/90001/90776/90883/7420630.html

[3] Chen Zhimin (2012). *Europe as a Global Player: A View from China*. Perspectives Vol. 20, No. 2. p. 17.; Xiaotong Zhang (2014). *EU-China Economic Diplomacy: When Economics Meets Politics*. European Foreign Affairs Review, Vol 19, special Issue 3/1, 57-76.; Bates Gill and Melissa Murphy (2008). *Assessing China-Europe Relations Implications for the United States. The Europe-China Relationship: From 'Honeymoon' to 'Maturing Relations'*. Center for Strategic and International Studies. p. 30.; Kim Van Der Borght and Lei Zhang (2010). *The Current Legal Foundation and Prospective Legal Framework of the PCA*. In.: Jing Men and Giuseppe Balducci (eds.) (2010). *Prospects and Challenges for EU-China Relations in the 21st Century.* P.I.E. Peter Lang, p. 66.

[4] John Welwood (1985). *On Love: Conditional and Unconditional*. The Journal of Transpersonal Psychology, Vol. 17, No.1. p. 33-40.

[5] Tálas Barna (2007). *Addendum to the setting up of our China-strategy.* In.: Inotai András and Juhász Ottó (ed.) (2008). *China: Reality and Opportunity – Studies Towards the Building Up of Hungary's China-strategy.*

Eastern Europe. Investment and business require full trust.[6] China trusts Hungary due their long-term steady relationship. Since unconditional love is also about full trust, lacking serious doubts and reservations, this term perfectly fits to define the nature of Hungary-China relations.

Leaving behind the concept of unconditional love for a moment and concentrating on a pure strategic point of view, China is probably very much aware of the fact that Hungary is a key player in the Eastern European region and thus China would use Hungary as a bridge to extend its investment capacity to other countries in Eastern Europe. Since Hungary is a member of the V4 as well as the CEI, it plays an important role in building up a 'Central European Spirit' fostering stability, cohesion, sustainability and economic growth.[7]

2. Bilateral relations at a glimpse: Hungarian objectives

In June 2011, both the Chinese government and the Hungarian government signed a letter of intent to establish cultural centers. The agreement came into force in the following years.[8] By 2013, Hungary established a Cultural Centre in Beijing while the setting up a Chinese Cultural Centre in Budapest is still in progress. The cultural agreement was followed by an economic letter of intent in November 2011 of establishing a China BBCA Group Corporation in Hungary under a joint investment.[9] The factory was built up by September 2014 contributing to the increase of employment rate in Hungary as well as economic development.[10] In 2012, the emphasis was on the development of public administration on both sides and sharing of the best practices.[11] In April 2012, Li Keqiang and Viktor Orbán signed seven

[6] Laura Bottazzi, Marco Da Rin and Thomas Hellmann (2012). *The Importance of Trust for Investment: Evidence from Venture Capital*. Accessed at http://strategy.sauder.ubc.ca/hellmann/pdfs/working_papers/Bottazzi-DaRin-Hellmann-Trust-Jul12.pdf

[7] Peter Rada (2013). *The "Central European" Year of Hungarian Foreign Policy*.Accessed at http://www.cepa.org/content/%E2%80%9Ccentral-european%E2%80%9D-year-hungarian-foreign-policy

[8] Collection of Legal Provisions (2013). *The Establishment of Cultural Centres in Hungary and China*. The legal provision can be access at http://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1300136.TV

[9] HR Portal (2011). *China-Hungary Corporations. 350 people will get a job*. Accessed at http://www.hrportal.hu/c/kinai-magyar-vegyesvallalat-letesult-350-ember-kap-munkat-20111118.html

[10] Hungarian government (2014). *A Chinese factory was built.* Accessed at http://www.kormany.hu/hu/nemzetgazdasagi-miniszterium/hirek/letettek-a-szolnoki-citromsavgyar-alapkovet

[11] Hungarian government (2012). *Cooperation tackling corruption*. Accessed at http://2010-2014.kormany.hu/hu/kozigazgatasi-es-igazsagugyi-miniszterium/kozigazgatasi-allamtitkarsag/hirek/egyuttmukodes-a-korrupcio-ellen-magyarorszag-es-kina-kozott

agreements to tighten cooperation between the two countries.[12] In the middle of 2013, a new edition of the Chinese-Hungarian dictionary was presented[13] demonstrating the close cultural co-operations between the two countries. By the end of the year, the Chinese Huawei Technologies opened a logistic centre in Hungary providing further incentives to the increase of the employment rate in the country among the many other benefits as well.[14] At the opening ceremony, the Hungarian prime minister emphasized that the country would aim to triple its export to countries outside of Europe in the coming four years.[15] In the same year, China, Hungary and Serbia have agreed to cooperate in modernizing the Budapest-Belgrade railway line and to put the countries on a more advanced economic development.[16]

In October 2014, Hungary-China celebrated the 65 year anniversary of their entering into diplomatic relations. The two sides signed several agreements aiming to boost development in infrastructure, agriculture as well as the financial sector. The most important development was, however, in the cultural-educational sphere. For this occasion, the Foreign Minister of Hungary announced the opening of a library accommodating Hungarian books in the Hungarian Cultural Centre in Beijing, offered 200 Chinese students with scholarship opportunities to study Hungarian language, it did let China build up a new Confucius Institute in Hungary, the teaching of Chinese medicine at a university level and gave a promise for the Chinese language to be incorporated into the school leaving exams.[17]

Such an impressive development in the cultural-education sphere, however, should not mislead anyone to conclude that in recent Hungary-China relations, Hungary would probably wish to shift from economic to educational co-operations. This is clearly not the case. The timing of different kinds of agreements, the fact that in November 2014 Hungary managed to make a large deal with China to export Hungarian beef products,[18] the fact that Hungary is planning to increase the presence of Hungarian milk and wine products in the future as well as that it is lobbying for the 2015 economic forum between China and Central and Eastern European countries to be

[12] Györfi István (2013). *The development of the China-Hungary political relations in the 2000s*. In: Bernek Ágnes (2013). *Geopolitics in the 21st century*. p. 209.

[13] ELTE Confucius Institute (2013). *A Chinese-Hungarian dictionary presented*. Accessed at http://www.konfuciuszintezet.hu/index.php?menu=hirek&almenu=44

[14] Huawei (2013). *Huawei Logistic Centre was inaugurated*. Accessed at http://huawei.hu/orban-viktor-avatta-fel-a-huawei-europai-logisztikai-bazisat/

[15] Portfolio (2013). *Huawei opening ceremony*. Accessed at http://www.portfolio.hu/users/elofizetes_info.php?t=cikk&i=192534

[16] Politics.hu (2013). *Budapest-Belgrade railway line*. Accessed at http://www.politics.hu/20131126/hungary-serbia-china-agree-on-upgrading-budapest-belgrade-railway/

[17] China Online (2014). *Péter Szijjártó, Minister for Foreign Affairs and Trade of Hungary had a successful visit to Beijing.* Accessed at http://www.kinaon.com/Kina-hirek/Sikeres-volt-Szijjarto-Peter-pekingi-munkalatogatasa

[18] The Hungarian government (2014). *Hungary got a green light to be able to export its beef products to China.* Accessed at http://www.kormany.hu/hu/foldmuvelesugyi-miniszterium/hirek/szabadda-valt-az-ut-a-magyar-marhahus-kinai-exportja-elott

held in Hungary suggests that the Hungarian government uses the cultural-educational card to advance economic development.

To put it bluntly and simply, the Ministry of Foreign Affairs and Trade of Hungary is doing a lot of favor to the Ministry of Agriculture of Hungary to increase the presence of Hungarian products on the international market. The fact that this year the Hungarian government decided to change the name of its Ministry of Foreign Affairs to Ministry of Foreign Affairs and Trade also sends a clear sign that the priority is on economic advancement and not on pure cultural co-operations. The economic crisis which hit Europe along with some internal factors might well explain the choice for such a strategic choice using a cultural-educational card for economic benefits in the future. Hungarian statistics also confirm that although there has been an increase in the export of Hungarian products/services to China in the last few years, this did not meet the actual expectations and a higher growth.[19]

3. Hungary-China relations in the EU context

Recently some scholars[20] expressed their concerns that the Hungarian government's foreign policy aspiration of global opening (also known as Eastern opening) is actually a turn away from Europe and as such, this strategic choice might question Hungary's commitment towards the EU, could prevent Hungary to fulfill its regional duties and objectives in a long run, and would not bring the expected amount of benefits. However, this is certainly not the case. For instance, the prosperous China-Hungary relations demonstrate the effectiveness of the new Hungarian foreign policy tool and the potentials in its further extension.[21] The smooth and long-historical historical developments as well as the clear conceptualization of the Hungary-China relations (identified with the term of unconditional love) further confirm the applicability of the global opening initiative for the future (expectations for benefits). The concept of 'global opening' is in harmony with China's new silk-road diplomacy initiative, and is certainly a necessary tool to counterbalance and to maintain a relation based on mutual benefits in the Hungary-China relations.

In the Hungary-China relations global opening is beneficial since it confirms Hungary's clear stance towards China. If we keep in mind that in the '90s Orbán, being satisfied

[19] Central Hungarian Statistical Office (2014). *Statistical Mirror. Hungary-China Economic Relations*. 2014/25.

[20] Dariusz Kalan (2014). *They Who Sow the Wind … Hungary's Opening to the East.* Bulletin. No. 37 (632). The Polish Institute of International Affairs. Accessed at: https://www.pism.pl/files/?id_plik=16891

András Rácz (2012). *An Unintended Consequence: Is the Hungarian Commitment to the EU's Enlargement and Neighbourhood Policy Weakening?* Accessed at http://www.uaces.org/documents/papers/1201/racz.pdf

[21] See for the possibility of generalization from one case study and the using of the results in explanation:: Dietrich Rueschemeyer (2003). *Can One or a Few Cases Yield Theoretical Gains?* In.: Dietrich Rueschemeyer and James Mahoney (2003). *Comparative Historical Analysis in the Social Sciences*. Cambridge University Press. p. 305-353.

with the success of the change of the political transition in Hungary, presented a rather skeptical attitude towards the Chinese government, we could appreciate such a foreign policy tool and understand it as an attempt for restoration of trust by enhancing a strong commitment towards countries like China. This particular foreign policy instrument is not in conflict with the general EU objectives since Hungary's invitation of Chinese investment could further open up the country towards the West. This is exactly what the EU wishes to achieve and Hungary assists the Union in its efforts. Therefore against many criticisms, ironically, the Hungarian Eastern opening is actually the Western opening of its partner country in negotiation. Furthermore, due to its strong ties to China, Hungary managed to secure Asian investments which provided several job opportunities for its citizens. By this Hungary definitely contributed to the proper implementation of one of the general objectives of the Europe 2020 strategy[22] to curb unemployment within the community and was about to find a way to ease the burdens of the recent financial crises seriously hit Europe as a whole.

In 2003 Javier Solana[23] proposed the need to strengthen the EU's global role through partnerships with key actors. In the same year the EU and China signed a comprehensive strategic partnership.[24] A few years later, the setting up of the External Action Service reinforced the EU's objective to play a greater role in international affairs. Both the EU-China 2020 Strategic Agenda for Cooperation launched in 2013[25] as well as the 2014 meeting between Xi Jinping and European leaders aimed to strengthen the global dimension of their cooperation.[26] Since the EU needs China and that Hungary maintains a smooth relation with this Asian country, Hungary assists the EU for building up a very prosperous relationship with China. Due to its long friendly history with China (irrespective to the changes of governments) Hungary aims to avoid confrontations with this Asian country. Similarly to many member states, Hungary's aim is to advance the economic cooperation with China. In this respect Hungary uses a 'cultural card' to achieve its objectives. Mattlin[27] argues that since 1995 large EU member states also decided to adopt a pragmatic approach by moving towards a more accommodating stance towards China's human rights situation for economic gains. However, in contrast to many EU member states,[28] Hungary does not put any

[22] Ec.Europe (?). *Europe 2020 Strategy*. Accessed at http://ec.europa.eu/europe2020/europe-2020-in-a-nutshell/index_en.htm on 20.11.2014

[23] Javier Solana (2003). *A Secure Europe in a Better World: European Security Strategy*. Accessed at http://www.consilium.europa.eu/uedocs/cmsUpload/78367.pdf

[24] Consillium (2003). *EU comprehensive strategic partnership*. Accessed at https://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/116848.pdf

[25] EEAS (2013). *EU-China 2020 Strategic Agenda for Cooperation*. Accessed at http://eeas.europa.eu/china/docs/eu-china_2020_strategic_agenda_en.pdf on 20.11.2014

[26] EEAS (2014). *Meeting between Xi Jinping and European leaders*. Accessed at http://eeas.europa.eu/top_stories/2014/010414_eu_china_en.htm

[27] Mikael Mattlin (2012). *Dead on arrival: normative EU policy towards China*. Asia-Europe Journal. 10 p. 188.

[28] The challenge to harmonize member states' interests is well discussed by Mikael Mattlin (2012). *Dead on arrival: normative EU policy towards China*. Asia-Europe Journal. 10:181–198.

constraints for the harmonization of member states' interests but encourages the EU to speak with one voice.

Besides enforcing its own national interest, Hungary provides a lot of opportunities for the development of the Central and Eastern European region as a whole by building up a close relationship with China and together establishing institutions which have never existed before. By 2005, already fifty Chinese state-owned trading corporations operated in Hungary[29] and from that point China continuously increased its presence in the country. The first international office of the Chinese Investment Promotion Agency was opened in Budapest in 2010, the first China - Central and Eastern Europe Economic and Trade Forum was held in Budapest in 2011, a China - Central and Eastern Europe Regional Tourism Centre was established in Hungary in 2014 and the Central and Eastern European regional centre of the Bank of China will be opened by the end of this year. In the EU context, Hungary could be considered to be one of the most significant Eastern European partners of China and a channel to open up opportunities for other regional actors as well.

4. Challenges in the Hungary-China relations in the EU context

It would be pleasant to open this chapter with a huge enthusiasm created under the term of 'unconditional love' and so-far maintained throughout this paper but there are certainly some concerns which cannot simply be left aside even though the China-Hungary relations look safe and sound for the very moment. First, we need to ask to what extent the critical stance of the Orbán-government on the EU could influence the development of the China-Hungary relations considering the fact that China would need a strong EU for carrying out its objective as regards to the building up of a multi-polar world.[30] Secondly, we would need to consider whether the failure of some recent Chinese investments to Hungary can be explained by the Hungarian government's stance towards the EU. Thirdly, we should investigate whether the historical long-standing friendly relationship between China and Hungary would be (firm) enough so that the current so-called anti-EU rhetoric of the Hungarian government would not cause any significant challenges in this relation – in other words, it could not transform the unconditional love to be a conditional one requiring the reconsideration of the Hungarian rhetoric towards the EU.

Finally, we would also need to ask for how long China's enthusiasm for investment to Hungary will last considering the presence of a large amount of small countries in the Eastern European region competing hard for Chinese investments (see especially Poland or Romania). At the peak of an excellent relationship these questions should be

[29] Zhang Zuqian (2008). *China's commercial relations with Europe*. In.: David Shambaugh, Eberhard Sandschneider and Zhou Hong (2008) (eds.) *China-Europe Relations. Perceptions, policies and prospects*. Routledge. Taylor and Francis Group. p. 234

[30] Aspirations for building up a multi-polar world, see: Ministry of Foreign Affairs of P.R. China (2014). *China's Policy Paper on the EU.* Accessed at http://www.fmprc.gov.cn/mfa_eng/wjdt_665385/wjzcs/t1143406.shtml

asked for the sake of creating proper policy choices incorporating the existing challenges ahead. It is very difficult, nearly impossible to fully answer these questions due to the lack of proper methods but it is still possible to approximate them and to provide somewhat satisfactory answers. A pure logic would dictate that if China finds a country which offers better economic opportunities and maintains political balance, China might go for it and will leave behind the risky one, namely Hungary. Such a prediction is, I believe, however, an unfounded one. For the near future, it seems to be that the controversial EU-stance of Hungary (and its possible implications for the investment climate) will not seriously affect Hungary-China relations but unconditional love will prevail and the Eastern opening of Hungary towards China will remain a successful one – as argued earlier.

The following arguments, carrying some answers to the many questions posed in this chapter, explain how the skepticism of those who might not expect a prosperous China-Hungary development in the future could be turned down. First and foremost, (facts speak for themselves) both in February and October 2014 Hungary-China secured various cultural and economic agreements which might well prove that a fruitful cooperation between the two is still on the right track and not (really) in danger – this is contrary to an article written by Anastasov and Oreskovic in the middle of 2014[31] which suggests that Orbán's EU-fobia could negatively affect Hungary-China relations. Secondly, one should restrain to desperately explain decisions 'economic' in their natures with purely the developments in the political sphere. The failure of certain China-Hungary economic agreements should not necessarily be explained by Orbán's controversial EU-stance since such a claim would be difficult to be proved.

Liu Zuokui attributes China's reluctance to save the bankrupt Hungary state airline *Malév* and to construct a high-speed link from Budapest airport to the city to Orbán's confrontational policy towards the EU.[32] In my opinion, this outcome could, however, also be explained by the fact that economic agreements were not made since they were understood to be unfavorable and unprofitable for a longer run. This opinion has also been confirmed by Kalan who simply connects the two events and argues that the bankruptcy of *Malév* has resulted in the temporary closure of Terminal 1 and the suspension of expensive direct flights between Budapest and Beijing. Hence, a high-speed train has lost its economic importance for China.[33] Finally, China might appreciate the shift in Orbán's perspective towards the Chinese government and might grant business opportunities based purely on the close relationship. As mentioned earlier, in the '90s Orbán presented concerns about the Chinese government, however, recently the Hungarian government starts maintaining a very positive

[31] SCMP (2014). *Brussels should not fear Beijing closer ties to Central and Eastern Europe*. Accessed at http://www.scmp.com/comment/article/1504979/brussels-should-not-fear-beijings-closer-ties-central-and-eastern-europe

[32] Liu Zuokui (2013). *The Pragmatic Cooperation between China and CEE: Characteristics, Problems and Policy Suggestions*. Working Paper Series on European Studies. Vol. 7, No. 6. Chinese Academy of Social Sciences.

[33] Dariusz Kałan (2012). *Relationship of a Special Significance? A Chinese Direction in Hungary's Foreign Policy under Viktor Orbán***.** Croatian International Relations Review. XVIII (66). p. 68.

relation with the country under the innovative concept of global opening. This is well recognized by the Chinese government as well.[34]

Besides emphasizing the difficulties with Hungary in the EU context, we should also keep in mind that the EU today is still a fragmented organization running in multiple speeds and dominated by a wide variety of its member states' interests. Although in different ways, the EU as a whole and many of its member states also carry some risks which could pose limits in their relations to China. In contrast to many EU member states (often criticizing China's low human rights records), Hungary is among those which maintain the most favorable relations with China as being an accommodating mercantilist.[35] As opposed to the EU in general, suffering from and trapped in a capability-expectation gap, Hungary-China relations demonstrate concrete actions instead of an empty rhetoric.

5. Recommendations

Although Hungary has an integrated approach towards China by incorporating both a cultural-educational as well as a strong economic component, it should improve its performance in some aspects to better achieve its endeavors in the future. By way of conclusion of this paper, I identify a few gaps and offer possible solutions for a more advanced future cooperation between the two countries. For the reasons highlighted in the previous chapter, I will not provide any specific recommendations for the Hungarian government encouraging it to revise its stance on the EU for a better China-Hungary relation.[36]

[34] Ministry of Foreign Affairs of P.R. China (2014). *Li Keqiang Holds Talks with Hungarian Prime Minister Orban Viktor*. Accessed at http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1128578.shtml

[35] For such a categorization, see: John Fox and François Godement (2009). *A Power Audit of EU-China Relations*. ECFR. p. 6.

[36] The Hungarian conservative party, FIDESZ-KDNP won national parliamentary elections two times in a row (both in 2010 and 2014 it managed to form a government) while applying a moderate Eurosceptic stance and enjoying a two-thirds mandate. The recent Hungarian parliamentary elections highlight a growing support for JOBBIK, a far-right party expressing an even more skeptical stance towards the EU than FIDESZ does (see: Policy-network.net 2014. *Hungary's election: solidifying the radical right*. Accessed at http://www.policy-network.net/pno_detail.aspx?ID=4619&title=Hungarys-election-solidifying-the-radical-right). The success of the government and the increase of support for JOBBIK can partly be explained by the presence of slight Euroscepticism among Hungarian citizens (the many reasons for EU-fobia in the Hungarian society are highlighted in Horváth Miklós (2014). *The EU Knowledge of Secondary School Students in Hungary: Based on an Action Research*, New Pedagogical Review, Hungarian Institute for Educational Research and Development, Ministry of Human Resources, 2014 (3-4). p. 69-78). Gallup's recent survey confirms the presence of Euroscepticism in the Hungarian society by claiming that Hungarians are rather unsatisfied with the functioning of the European Union. The survey examined and measured the satisfaction of Europeans with the leadership of the EU between 2008 and 2013. The survey concludes that younger people, aged 15-30, are supportive towards the

- Hungary had a national airline, called *Malév*, enjoying 66 years of continuous operation but it ceased its operation on 03 February 2012 due to financial matters and maintenance problems thus curbing direct transportation channels to Asian countries.[37] It would be wise to re-establish a Hungarian National Airline for providing a stronger incentive to economic development, tourism and an easy passenger flow. Launching direct flights connecting Beijing and Budapest as well as Shanghai and Budapest could encourage citizens on both sides to come and to visit by making their journeys more comfortable without any stopovers or significant delays.
- As explained in the introduction, geographic distance is a blessing in Hungary-China relations since it reduces the possibility of confrontation while, on the other hand, it could also be a curse in some instance. Due to the geographic distance, educational shortcomings and the lack of interest, Hungarian citizens have a little knowledge on China.[38] Although both sides were eager to establish cultural institutions – China has three Confucius Institutes in Hungary while Hungary has a Cultural Centre in Beijing – it would rather be efficient and beneficial if they could also use the media itself in a more constructive manner, and advertise their cultural treasures and values while extending the means and instruments of soft diplomacy. A strong cultural interaction could further foster trust and mutual understanding, and thus could encourage more business co-operations in the future. Closer interactions could also foster more patience on both sides which are necessary for advancing business relations in a context where the geographical distances are so significant and regular face-to-face contacts are very unlikely.
- As a member of the EU, Hungary has an obligation to respect, transfer and maintain community values as well as opening up channels to other cultures for

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EU, except those coming from Hungary, France, Finland and Ireland. In 2013, only 37% of the Hungarian citizens were on a positive opinion towards the leadership of the EU. Before 2010, however, more than 40% of the Hungarian citizens were satisfied with the EU administration (see: Gallup 2013-2014. *EU Survey*. Accessed at http://www.gallup.com/poll/166757/leadership-approval-record-low-spain-greece.aspx. Therefore, in the midst of the increasing dissatisfaction and radicalization of the Hungarian society it would be very dangerous and unwise from the government to give up an EU-critical rhetoric. Considering domestic circumstances, this would most probably lead to the decrease of voters' support (a shifting support for JOBBIK's agenda) which the government would certainly not want. The argument goes as follow: even if the controversial EU-stance of the Hungarian government could lead to disadvantages in Hungary-China relations (which I highly doubt but let's suppose if so), it would not be wise to give up the government's rhetoric in order to avoid a political defeat on the domestic stage in the future (which certainly has a higher possibility). In any case, an EU-critical stance would play a more significant role in a Hungary-Germany relation than in a Chinese one.

[37] Ministry of Foreign Affairs of Hungary (2012). *6 am 03 February 2012 – Malév ceases its operation*. Accessed at http://www.mfa.gov.hu/kulkepviselet/PT/en/en_Hirek/malev.htm

[38] Kitekintő (2013). *Ping-pong diplomacy in Hungary*. Accessed at http://kitekinto.hu/bevandorlok-kozottunk/2013/04/12/pingpongdiplomacia_magyarorszagon/#.VGgQcc5EjDc

more exchange and cooperation. This year, Hungary introduced two hundred scholarships which would be offered to Chinese students intending to come to the country for studying. This is an impressive step, however, if we consider that a much smaller country (population wise) and a less significant economic actor compared to China, Azerbaijan received exactly the same amount of grants from the Hungarian government[39] to be distributed among the candidates, this might somewhat discredit the impressive feature of the Hungarian initiative towards China. Hungary should emphasize the special characteristic of its relationship with China and maintain the 'illusion' that priority is certainly given to this Asian country by providing unique opportunities in the cultural-educational field for feeding trust and fostering a truly prosperous co-operation.

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